C. HARRADEN/February 14, 2002

Burlington Resources Oil & Gas Co./ McCord B # 100 APD STIPULATION/CONDITION OF APPROVAL

In order to protect the integrity of the Ojo Alamo aquifer, minimum surface csg. depth of 477' is stipulated as a condition of approval for this APD.

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

|      | APPLICATION FOR PE  | RMIT TO DRILL, DEEPE   | N, OR PLUG BACK  |                    |
|------|---|--|--|--------------------|
| 1a.  | Type of Work DRILL  |  | 5. Lease Number<br>SF-078213<br>Unit Reporting Nu                  | mber               |
| 1b.  | Type of Weil<br>GAS   | A STATE OF THE STA | 6. If Indian, All. or Tri  | ibe                |
| 2.   | Operator  BURLINGTON  RESOURCES Oil & Gas                                       | Company  | 7. Unit Agreement No   | ame                |
| 3.   | Address & Phone No. of Operator PO Box 4289, Farmington, I  (505) 326-9700      | NM 87499   | 8. Farm or Lease Name McCord B 9. Well Number                      | me                 |
|      | (303) 320-9700  |  | 100  |                    |
| 4.   | Location of Well<br>1140' FSL, 1170' FWL  |  | 10. Field, Pool, Wildo<br>Fulcher Kutz PC<br>11. Sec., Twn, Rge, M | , Basin FC         |
|      | Latitude 36 <sup>0</sup> 47.7, Longitude  | e 108 <sup>0</sup> 10.8 <b>M</b>   | Sec. 23, T-30-N<br>API# 30-045- 3/00                               | , R-13-W           |
| 14.  | Distance in Miles from Nearest Town<br>4.4 Miles to Int 30 <sup>th</sup> St & P | inon Hill Blvd   | 12. County<br>San Juan   | 13. State<br>NM    |
| 15.  | Distance from Proposed Location to N  | learest Property or Lease L  | ine  |                    |
| 16.  | Acres in Lease  | Maria 123 - 指揮<br>   | 17. Acres Assigned   | to Well<br>C-320 W |
| 18.  | Distance from Proposed Location to N  | learest Well, Drlg, Compl, o   | r Applied for on this Le   | ase                |
| 19.  | 2010  | ・ Gentifical of F <b>actorities</b> eng<br>Nitro Co Tourise (no <b>25</b> Com 原<br>Onecom to 25 で発わる(no 8  | 20. Rotary or Cable Rotary   | Tools              |
| 21.  | Elevations (DF, FT, GR, Etc.)<br>5770 GR  |  | 22. Approx. Date Wo  | ork will Start     |
| 23.  | Proposed Casing and Cementing Prog<br>See Operations Plan attac                 |  |  |                    |
| 24.  | Authorized by: Regulatory/Comp  | U<br>liance Supervisor   | 2-4-<br>Date   | 02                 |
|      |   |  |  |                    |
|      | AIT NO.   | _ APPROVAL DA  |  |                    |
| APPF | ROVED BY /s/ Charlie Beecham  | TITLE Acting AFM   | Minerals DATI  | = <u>4/2.6/02</u>  |

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 1825 N. French Dr., Hobbs, N.M. 88240

# State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

DISTRICT II 811 South First, Artesia, N.M. 88210

OIL CONSERVATION DIVISION DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410

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

8894

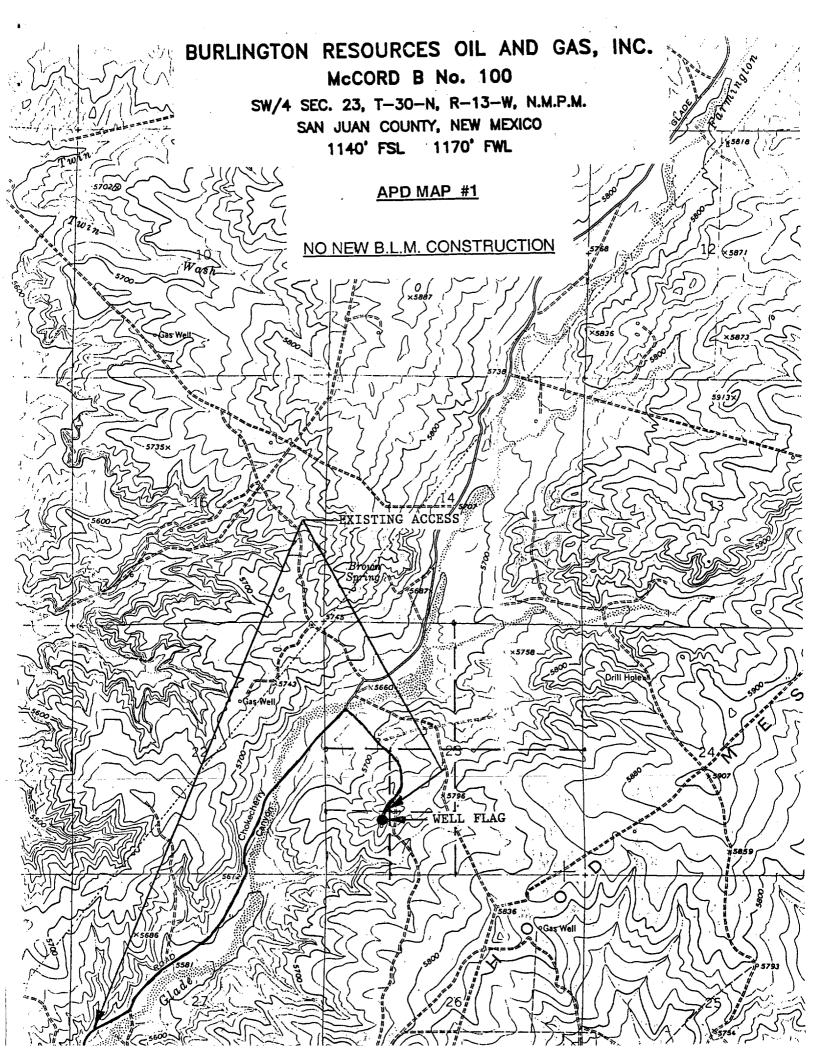
Certificate Number

2040 South Pacheco Santa Fe. NM 87505

| DISTRICT IV Santa Fe, NM 87505 |  |                |             |                          | DED REPORT             |          |                           |                   |                     |               |  |
|--------------------------------|--|----------------|-------------|--------------------------|------------------------|----------|---------------------------|-------------------|---------------------|---------------|--|
| 2040 South Pache               | co, Santa  | •              |             |                          |                        |          |                           |                   | <b>_</b>            |               | <i>D</i>   |
|                                |  | WW             | ELL L       | OCATIO                   | N AND                  | ACF      | REAGE DEDI                |                   |                     |               |  |
| ,                              | Number   |                | _           | *Pool Code               | 620                    | p., 1 .  | how Kuta Dia              | Pool Name         |                     | in Eru        | 1+land Coal                                      |
| <u> </u>                       | 30-045 3000 77200/71629 Fulcher Kutz Pictured Cliffs/Basin Fruitland ( Property Code Property Name • Well Number |                |             |                          |                        |          |                           |                   |                     |               |  |
| <sup>4</sup> Property Co       | ode  |                |             |                          | -                      | _        |                           |                   |                     |               | 100  |
| 7301                           |  |                |             | - <u>-</u> -             |                        | McCORD B |                           |                   |                     | * Klevation   |  |
| 14538                          | •  |                | В           | URLINGTON                | _                      | •        | OIL AND GAS, IN           | IC.               | 5770'               |               | 770'   |
|                                |  |                |             |                          |                        | _        | <del></del>               |                   | <u></u>             |               |  |
| UL or lot no.                  | Section  | Township       | Range       | Lot idn                  | Feet from              |          | Location North/South line | Feet from the     | Bast/W              | est line      | County   |
| M                              | 23   | 30-N           | 13-W        |                          | 1140'                  | l l      | SOUTH                     | 1170'             | WE                  | ST            | SAN JUAN   |
|                                |  |                | 11 Bott     | tom Hole                 | Locati                 | on I     | Different Fro             | om Surface        |                     |               |  |
| UL or lot no.                  | Section  | Township       | Range       | Lot Idn                  | Feet from              | the      | North/South line          | Feet from the     | East/W              | est line      | County   |
| PC/SW/160                      | <u> </u>   | <u> </u>       | 13 Joint or | · infill                 | <sup>34</sup> Consolid | ation C  | code                      | 16 Order No.      |                     |               | <u>.l</u>  |
| FC/SW/160<br>FC/W/320          | )  |                | }           |                          |                        |          |                           |                   |                     |               |  |
| 1 ' '                          | א שוסגע  | TIT DE A       | SSICNE      | עד חד תי                 | S COMB                 | ויוים ז  | ON UNTIL ALL              | INTERESTS         | HAVE                | BEEN C        | ONSOLIDATED                                      |
| NO ALLON                       | ADLE V   |                |             |                          |                        |          | EN APPROVED               |                   |                     |               |  |
| #6 — — —                       |  |                |             | 7                        |                        |          |                           | 17                | ODED                | TOD C         | ERTIFICATIO                                      |
|                                |  |                |             | il                       | •                      |          | 5.50                      |                   |                     |               | ERTIFICATION ation contained herein              |
| l i                            |  |                |             | Ц                        |                        |          |                           | is true<br>belief | and comple          | to to the bes | i of my imouledge an                             |
| l ch                           | ARLOTTE  | BROWN          |             |                          |                        |          |                           |                   |                     |               | •  |
| 1!                             |  |                |             |                          | fr e                   |          |                           |                   |                     |               |  |
|                                |  |                |             |                          |                        |          |                           |                   |                     |               |  |
| <del> </del>                   |  | ===            | ===         | =                        | 5.5                    |          |                           |                   |                     |               |  |
|                                |  |                |             |                          | Nº E                   | 1        |                           |                   | Dean.               | // C          |  |
| li                             | ٠  |                |             | il                       |                        |          |                           | 11                | ature               | <u>e /</u>    |  |
| l i                            |  |                |             |                          |                        |          |                           |                   | y Cole              | <del> </del>  |  |
| FD 3 1/4"                      | '  |                |             |                          |                        |          |                           | Regu              | latory              | Super         | visor  |
| B.L.M. BC<br>  1952            |  |                |             | . 11                     |                        |          |                           | Title             |                     | 4-0           |  |
| 0 1952                         |  |                | <del></del> | 23 —                     |                        |          |                           | Date              |                     | -7-0          | <u> </u>   |
|                                |  | ļ              |             | 11                       | •                      |          |                           | 18                | SURVE               | YOR CI        | ERTIFICATION                                     |
| 12.S                           | 1154 5   | l<br>SF-078213 |             | il                       |                        |          |                           |                   | y certify that      | the well les  | cation shown on this y                           |
| 1 6 60                         | USA S  | 1              |             |                          |                        |          |                           | The OF            | under my su         |               | actual surveys made to<br>of that the same is to |
| 00-2<br>2654.8                 |  |                | LAT:<br>LON | : 36°47.7°<br>NG: 108°10 | N.<br>.8' W.           |          |                           | and co            | rect to the b       | A KAN         | RUS  |
| 11 -                           |  | 187            |             | 1                        |                        |          |                           |                   | 12-1                |               | MEta   |
| Z                              | <del></del> -  | 1              | •           |                          |                        | ·        |                           | II                | of Survey           | . P. 8        | 8841 Jarre 2                                     |
| 1472                           | <del>-</del>   | T              | •           | 11                       |                        | البيرا   |                           |                   |                     |               |  |
| 1170'                          | '  | 145'           |             |                          |                        |          |                           |                   | $\langle / \rangle$ |               |  |
|                                |  | - 140          |             |                          |                        |          |                           |                   | 144                 |               | MART THE   |

FD 3 1/4" B.L.M. BC 1952

N 89-48-27 E



## OPERATIONS PLAN

Well Name: McCord B 100

1140'FSL, 1170'FWL, Section 23, T-30-N, R-13-W Location:

San Juan County, New Mexico

Latitude 36° 47.7′, Longitude 108° 10.8′

Basin Fruitland Coal/Fulcher Kutz Pictured Cliffs Formation:

Elevation: 5770'GR

| Formation:      | Top      | Bottom | Contents |
|-----------------|----------|--------|----------|
| Surface         | San Jose | 202′   |          |
| Ojo Alamo       | 202'     | 432'   | aquifer  |
| Kirtland        | 432'     | 1512'  | gas      |
| Fruitland       | 1512'    | 1802'  | gas      |
| Pictured Cliffs | 1802'    | 1962'  | gas      |
| Lewis Marker    | 1962'    |        | •        |
| Total Depth     | 2010'    |        |          |

Logging Program: Cased hole - CBL/GR/CCL TD to surface

Open hole- Array Induction- TD to surface

Neutron-Density- TD to minimum operations depth

None

Coring Program:

#### Mud Program:

| Interval Type     | Weight  | Vis.  | Fluid Loss |
|-------------------|---------|-------|------------|
| 0- 120 477 Spud   |         |       | no control |
| 120-2010' FW 477' | 8.4-9.0 | 32-45 | no control |
| 477'              |         |       |            |

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

| Hole Size | Depth Interval | $\mathtt{Csg.Size}$ | Wt.   | <u>Grade</u> |
|-----------|----------------|---------------------|-------|--------------|
| 9 7/8"    |                |                     | 20#   | J-55         |
| 6 1/4"    | 0 - 2010'      | 4 1/2"              | 10.5# | K-55         |

Float Equipment: 7" surface casing - saw tooth guide shoe. Centralizers will be run in accordance with Onshore Order #2.

4 1/2" production casing - float shoe on bottom. Three centralizers run every other joint above shoe. Seven centralizers run every 3rd joint to the base of the Ojo Alamo @ 432'. Two turbolizing type centralizers one below and one into the base of the Ojo Alamo @ 432'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 7" x 4 1/2" x 2 3/8" 2000 psi screw on independent circulate cement wellhead.

Cementing:

7" surface casing - cement with 27 sx Class A, B Portland Type I, II cement (32 cu.ft. of slurry, bring cement to surface through %" line). WOC 8 hrs. Test casing to 600 psi for 30 minutes.

4 1/2" production casing - Lead w/135 sx Premium Lite cement w/3% calcium chloride, 1/4 pps flocele, 5 pps LCM-1, 0.4% FL-52, and 0.4% SMS. Tail w/90 sx Type III cement w/1% calcium chloride, 1/4 pps flocele, and 0.2% FL-52 (413 cu.ft. of slurry, 100% excess to circulate to surface).

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

Operations plan: McCord 100

Page 2

#### BOP and tests:

Surface to TD - 11" 2000 psi (minimum double gate BOP stack (Reference Figure #1). Prior to drilling out surface casing, test rams to 600 psi/30 min.

Completion - 7 1/16" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test rams and casing to 2000 psi/15 min.

From surface to TD - choke manifold (Reference Figure #3).

Pipe rams will be actuated to least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

BOP and tests (If a coiled tubing drilling (CTD) rig is utilized.):

Surface to TD: 7-1/16" 2000 psi (minimum) Torus annular BOP stack (Reference Figure #1b). Prior to drilling out surface casing, test annular BOP to 600psi/30 min.

Completion: 7-1/16" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test blind rams and casing to 1500 psi for 30 minutes; all pipe rams and casing to 1500 psi for 30 minutes each. Same as in original APD operations plan.

From surface to TD: choke manifold (Reference Figure #3). Same as in original APD operations plan.

The annular BOP will be actuated to close on drill pipe (coiled tubing) at least once each day and to close on open hole once each trip to test proper functioning.

#### Additional information:

- \* The Fruitland Coal and Pictured Cliffs formations will be completed and commingled.
- \* Anticipated pore pressure for the Fruitland Coal and Pictured Cliffs is 500 psi.
- \* This gas is dedicated.
- \* The west half of Section 23 is dedicated to the Fruitland Coal and the southwest quarter of Section 23 is dedicated to the Pictured Cliffs in this well.

| Eric 1. Diles     | 2/5/02 |
|-------------------|--------|
| Drilling Engineer | Date   |