STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

June 4, 1997

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

Administrative Order NSL-3803

Dear Ms. Bradfield:

Reference is made to your application dated May 8, 1997 for an unorthodox Blanco-Mesaverde "infill" gas well location on an existing 290.82-acre gas spacing and proration unit ("GPU") for said Blanco-Mesaverde Pool, comprising Lots 1, 2, 7, 8, 9, 10, 15, and 16 (E/2 equivalent) of Section 26, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico. Said GPU is currently dedicated to the San Juan "32-9" Unit Well No. 39 (**API No. 30-045-11286**) located at a standard gas well location 800 feet from the North line and 1490 feet from the East line (Lot 2/Unit B) of said Section 26.

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 following described well to be drilled at an unorthodox "infill" gas well location in said Section 26 is hereby approved:

San Juan "32-9" Unit Well No. 39-A
2340' FSL - 900' FEL (Lot 9/Unit I)

Further, both the San Juan "32-9" Unit Well Nos. 39 and 39-A are to be dedicated to the subject GPU, further said wells and GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest New Mexico.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

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

BURLINGTON RESOURCES

SAN JUAN DIVISION

May 8, 1997

Sent Federal Express

Mr. William LeMay
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: San Juan 32-9 Unit #39A
2340'FSL, 900'FEL Section 26, T-32-N, R-10-W, San Juan County, New Mexico
API # 30-045-(not yet assigned)

Dear Mr. LeMay:

Burlington Resources is applying for administrative approval of a non-standard location for the above location in the Mesa Verde formation. This application for the referenced location is at the request of the Bureau of Land Management to minimize new surface disturbance.

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 - Burlington is the offset operator

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 Representative

xc: Bureau of Land Management
NMOCD - Aztec 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-478507
Unit Reporting Number

1b. Type of Well
GAS

6. If Indian, All. or Tribe

2. Operator
BURLINGTON RESOURCES Oil & Gas Company

7. Unit Agreement Name
San Juan 32-9 Unit

3. Address & Phone No. of Operator
PO Box 4289, Farmington, NM 87499

(505) 326-9700

8. Farm or Lease Name
San Juan 32-9 Unit

9. Well Number
39A

4. Location of Well
2340'FSL, 900'FEL

Latitude 36° 57.3, Longitude 107° 50.8

10. Field, Pool, Wildcat
Blanco Mesa Verde

11. Sec., Twn, Rge, Mer. (NMPM)
Sec 26,T-32-N,R-10-W

API # 30-045-

14. Distance in Miles from Nearest Town
2 miles to Cedar Hill

12. County
San Juan

13. State
NM

15. Distance from Proposed Location to Nearest Property or Lease Line
900'

16. Acres in Lease

17. Acres Assigned to Well
320 E/2

18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease
2000'

19. Proposed Depth
5368'

20. Rotary or Cable Tools
Rotary

21. Elevations (DF, FT, GR, Etc.)
6623'GR

22. Approx. Date Work will Start

23. Proposed Casing and Cementing Program
See Operations Plan attached

24. Authorized by: Peggy Bradfield
Regulatory/Compliance Administrator

5-6-97
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

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

For
Revised February
Instruction:
Submit to Appropriate Distri
State Lease -
Fee Lease -

☐ AMENDED

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-045-	72319	Blanco Mesaverde

Property Code	Property Name	Well Num.
7473	San Juan 32-9 Unit	39A

OGRID No.	Operator Name	Elevation
14538	BURLINGTON RESOURCES OIL & GAS COMPANY	6623

Surface Location

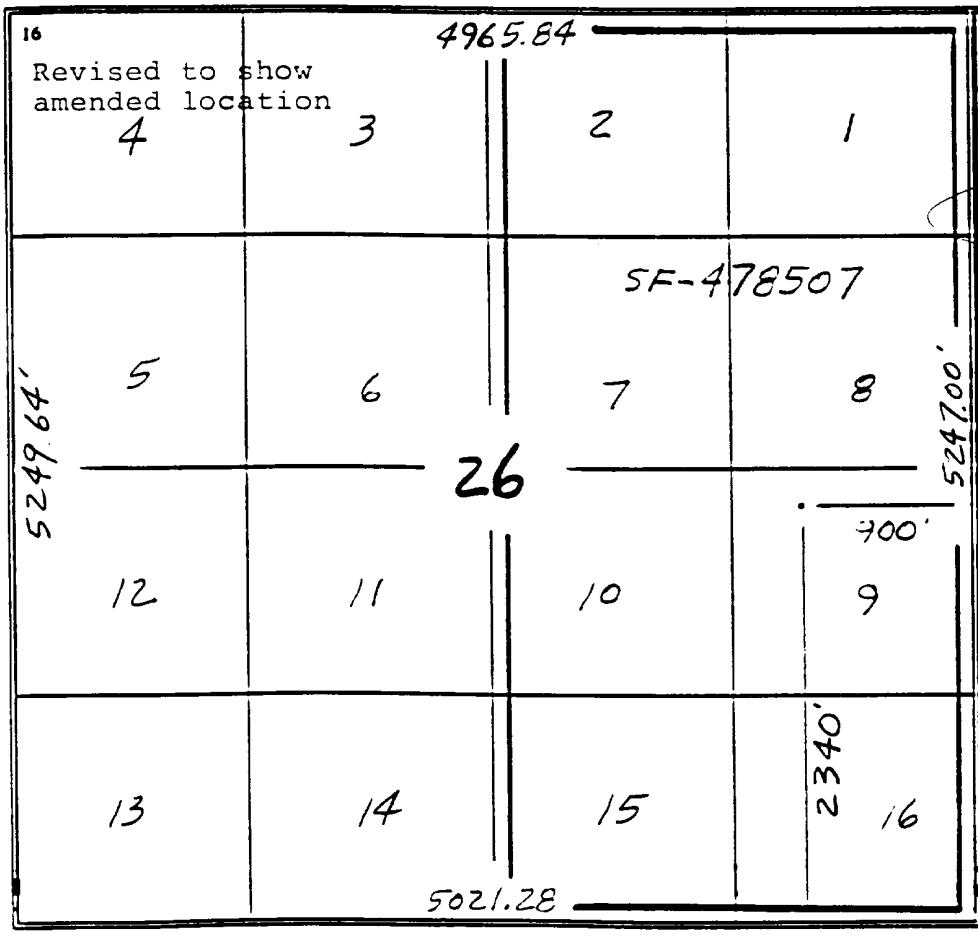
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	26	32-N	10-W		2340	South	900	East	S.J

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
E/320			

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



17 OPERATOR CERTIFIC.

I hereby certify that the information contained true and complete to the best of my knowledge

Signature
Peggy Bradfield
Printed Name
Regulatory Administ
Title
5-6-97
Date

18 SURVEYOR CERTIFIC.

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

4/23/97
Date of Survey
Signature and Seal of Professional Surveyor

NEAL C. EDWA
NEW MEXICO
6857
REGISTERED PROFESSIONAL

6857
Certificate Number

OPERATIONS PLAN

Well Name: San Juan 32-9 Unit #39A
Location: 2340'FSL, 900'FEL Section 26, T-32-N, R-10-W
San Juan County, New Mexico
Latitude 36° 57.3, Longitude 107° 50.8
Formation: Blanco Mesa Verde
Elevation: 6623'GL

Formation Tops:	***Top***	***Bottom***	***Contents***
Surface	San Jose	1597'	aquifer
Ojo Alamo	1597'	1867'	aquifer
Kirtland	1867'	2992'	
Fruitland	2992'	3402'	gas
Pictured Cliffs	3402'	3612'	gas
Lewis	3612'	4142'	gas
Intermediate TD	**3662'**		
Mesa Verde	4142'	4562'	gas
Chacra	4562'	5242'	
Massive Cliff House	5242'	5342'	gas
Menefee	5342'	5707'	gas
Point Lookout	5707'		gas
Total Depth	**6107'**		

Logging Program:
Cased hole logging - Gamma Ray Neutron
Mud Logs/Coring/DST - none

Mud Program:

Interval	Type	Weight	Vis.	Fluid Loss
0- 200'	Spud	8.4-9.0	40-50	no control
200-3662'	LSND	8.4-9.0	30-60	no control
3662-6107'	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):

Hole Size	Depth Interval	Csg.Size	Wt.	Grade
12 1/4"	0' - 200'	9 5/8"	32.3#	H-40
8 3/4"	0' - 3662'	7"	20.0#	J-55
6 1/4"	3562' - 6107'	4 1/2"	10.5#	J-55

Tubing Program:

0' - 6107'	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 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 12 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/344 sx Class "B" w/3% sodium metasilicate, 10# gilsonite/sx and 1/2# flocele/sx. Tail w/90 sx 50/50 Class "B" Poz w/2% calcium chloride, (1101 cu.ft. of slurry, 100% excess to circulate to surface.) WOC minimum of 12 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 1867'. Two turbolating centralizers at the base of the Ojo Alamo at 1867'. 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. Lead with 150 sx 65/35 Class "B" poz w/6% gel, 5# gilsonite/sx and 1/4# flocele/sx. Tail with 135 sx 50/50 Class "B" Poz w/1/4# flocele/sx, 5# gilsonite/sx and 0.3% fluid loss additive (457 cu.ft., 75% 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.

- If hole conditions permit, an adequate water spacer will be pumped ahead of each cement job to prevent cement/ mud contamination or cement hydration.
- The pipe will be rotated and/or reciprocated, if hole conditions permit.

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.
- The east half is dedicated to the Mesa Verde.
- This gas is dedicated.

Drilling Engineer

5/6/97
Date

BURLINGTON RESOURCES

San Juan 32-9 Unit #39A
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. The required new access road is shown on Map No. 1. The gradient, shoulder, crowning and other design elements will meet or exceed those specified by the responsible government agency. The new access road surface will not exceed twenty feet (20') in width. No additional turnarounds or turnouts will be required. Upon completion of the project, the access road will be adequately drained to control soil erosion. Approximately 2000' of access road will be constructed. Pipelines are indicated on Map No. 1A.

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 Williams Field Services.

5. Location and Type of Water Supply - Water will be hauled by truck for the proposed project and will be obtained from Graves Attebury Ditch located in NW/4 Section 4, T-31-N, R-10-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.

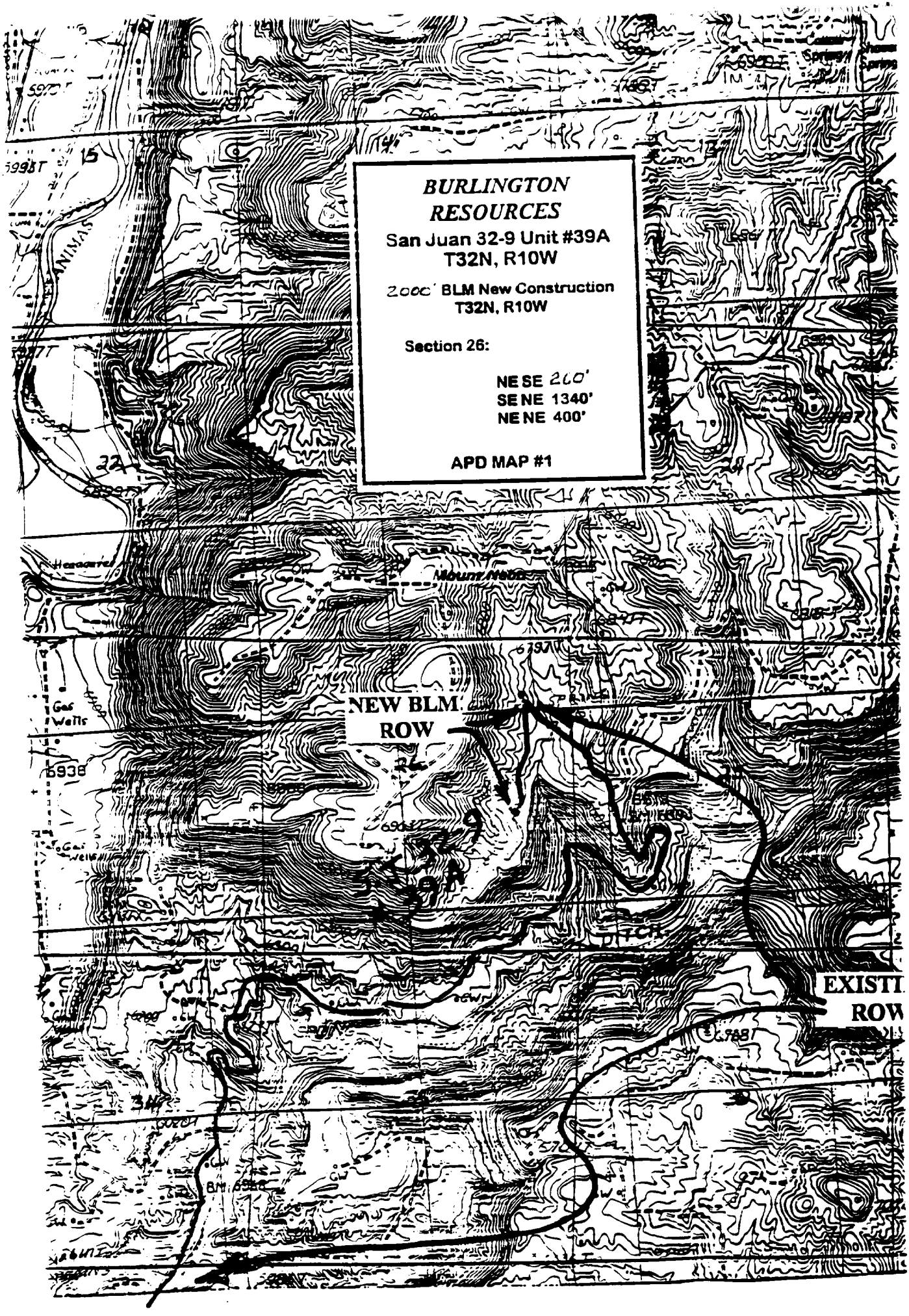
11. Surface Ownership - Bureau of Land Management

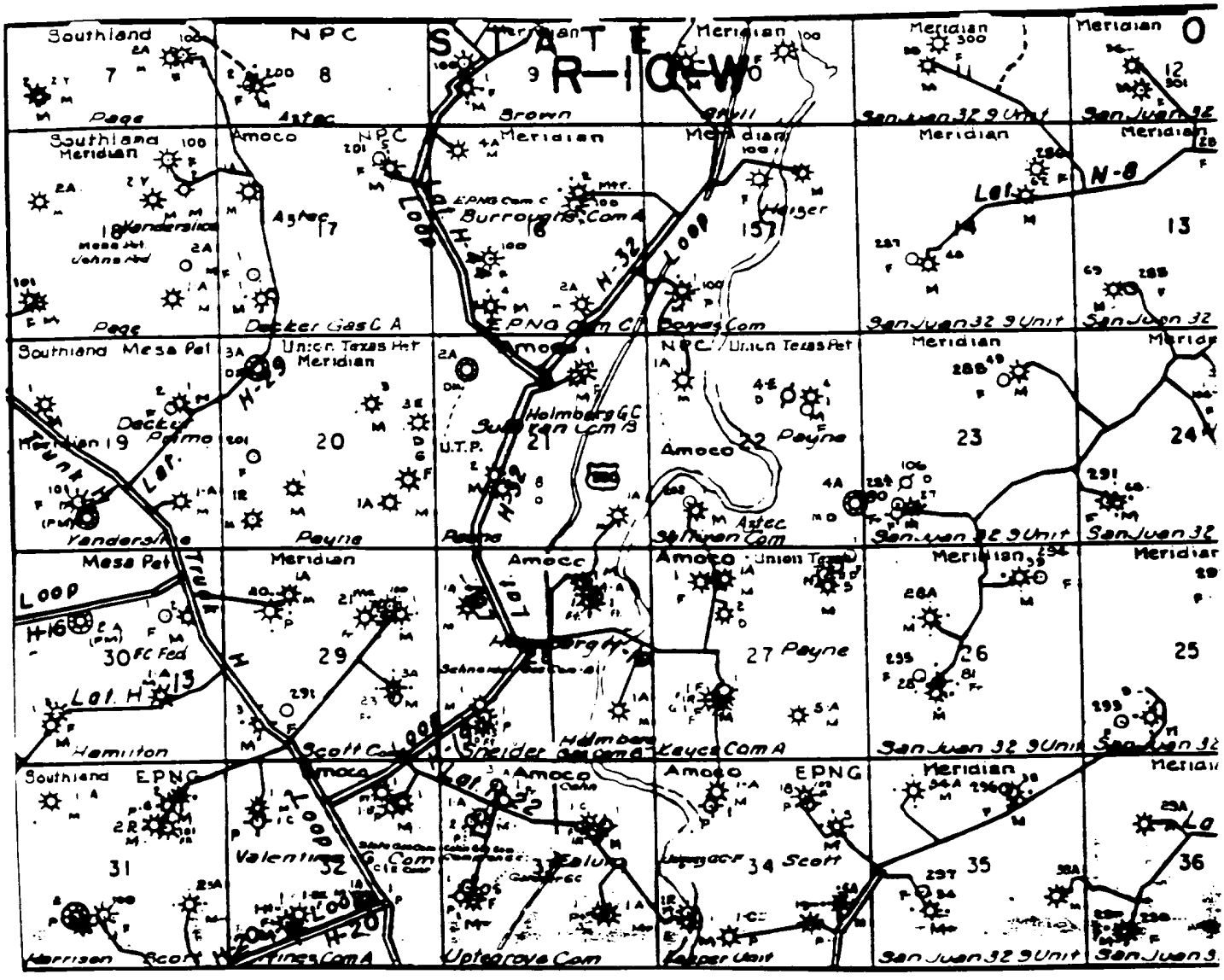
12. Other Information - Environmental stipulations as outlined by the responsible government agency will be adhered to. Refer to the archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.

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.

Peggy Bradfield 5-6-97
Regulatory/Compliance Administrator Date

pb


BURLINGTON
RESOURCES
San Juan 32-9 Unit #39A
T32N, R10W
2000' BLM New Construction
T32N, R10W
Section 26:
NE SE 200'
SE NE 1340'
NE NE 400'
APD MAP #1
NEW BLM
ROW
Mount Nebo
Gas Wells
6938
EXISTI
ROW



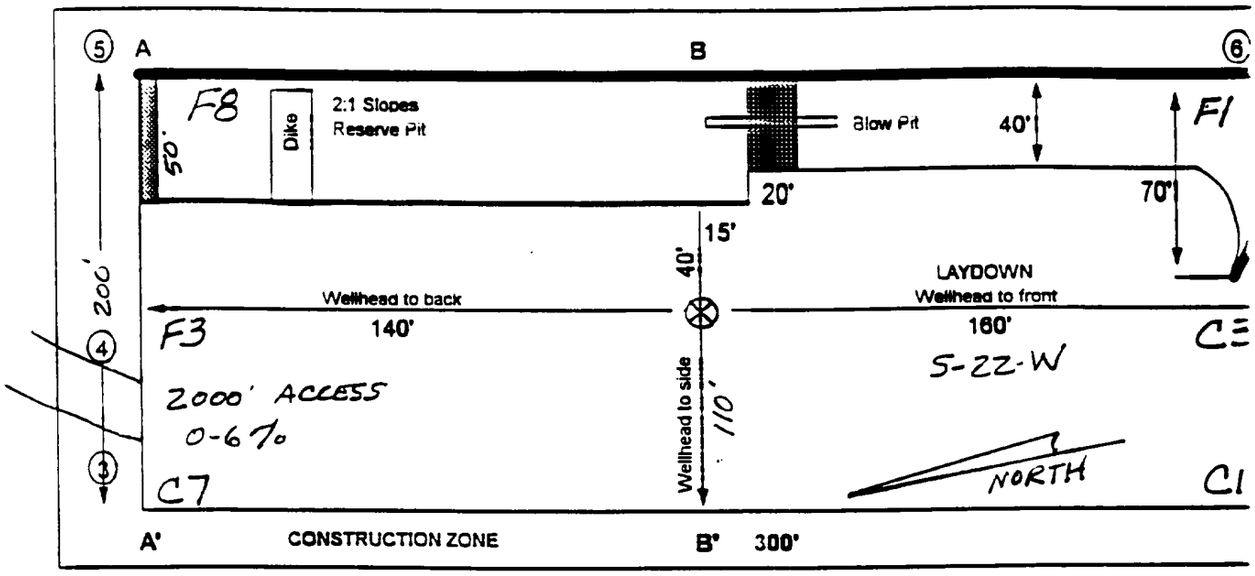
MERIDIAN OIL INC.
Pipeline Map
T-32-N, R-10-W
San Juan County, New Mexico
San Juan 32-9 Unit #39A
Map 1A

3/91 adw/mjb

BURLINGTON RESOURCES

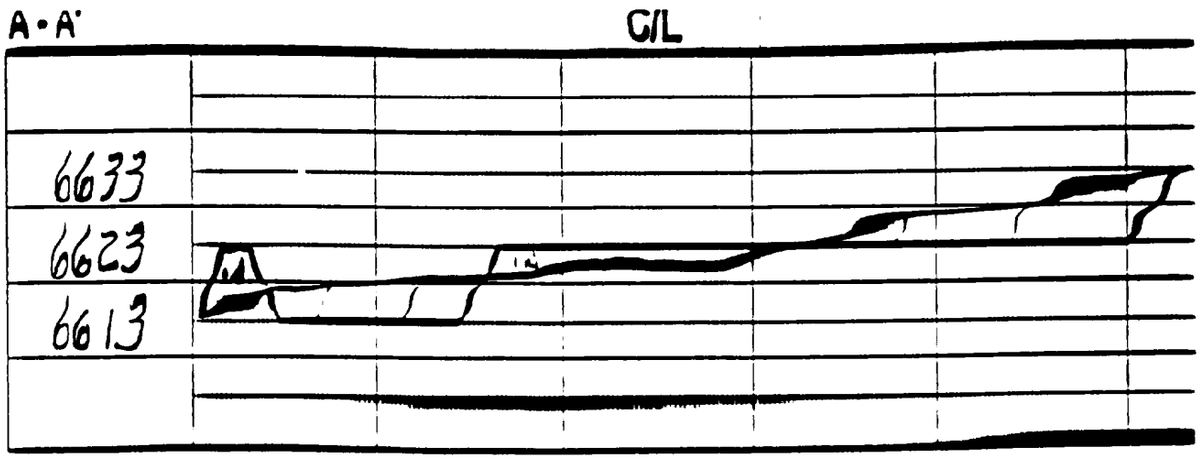
PLAT #1

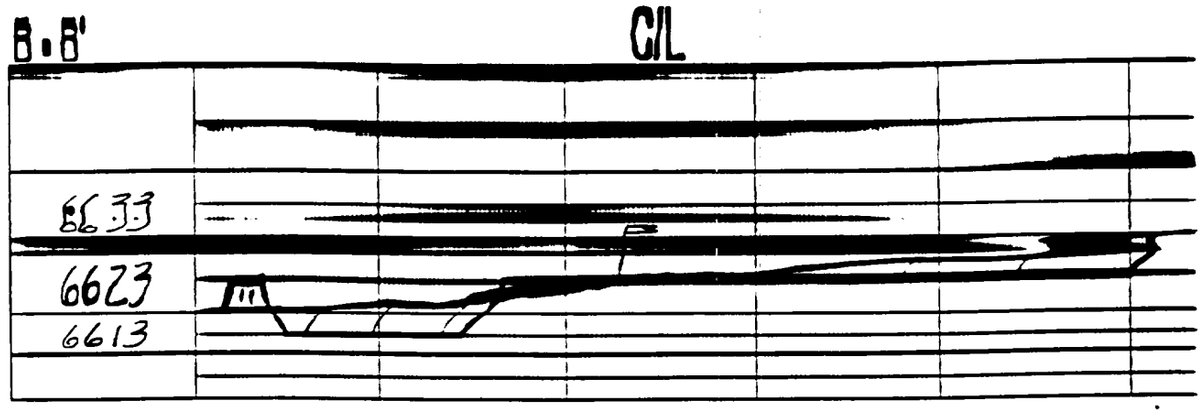
NAME: SAN JUAN 32-9 UNIT #39A
FOOTAGE: 2340 FSL 900 FEL
SEC 26 TWN 32 N.R 10 W NM
CO: SAN JUAN ST: N.M.
ELEVATION: 6623 DATE: 4-23-97

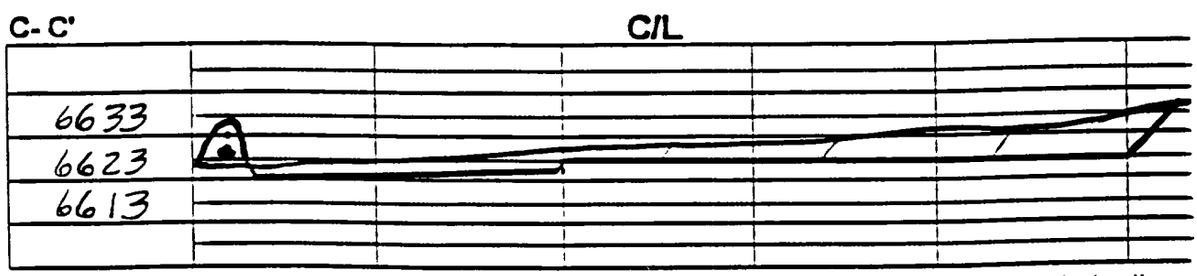


Reserve Pit Dike: to be 6' above Deep side (overflow = 3' wide and 1' above shallow side).

Blow Pit: overflow pipe halfway between top and bottom and to extend over pitable liner and into blow pit.





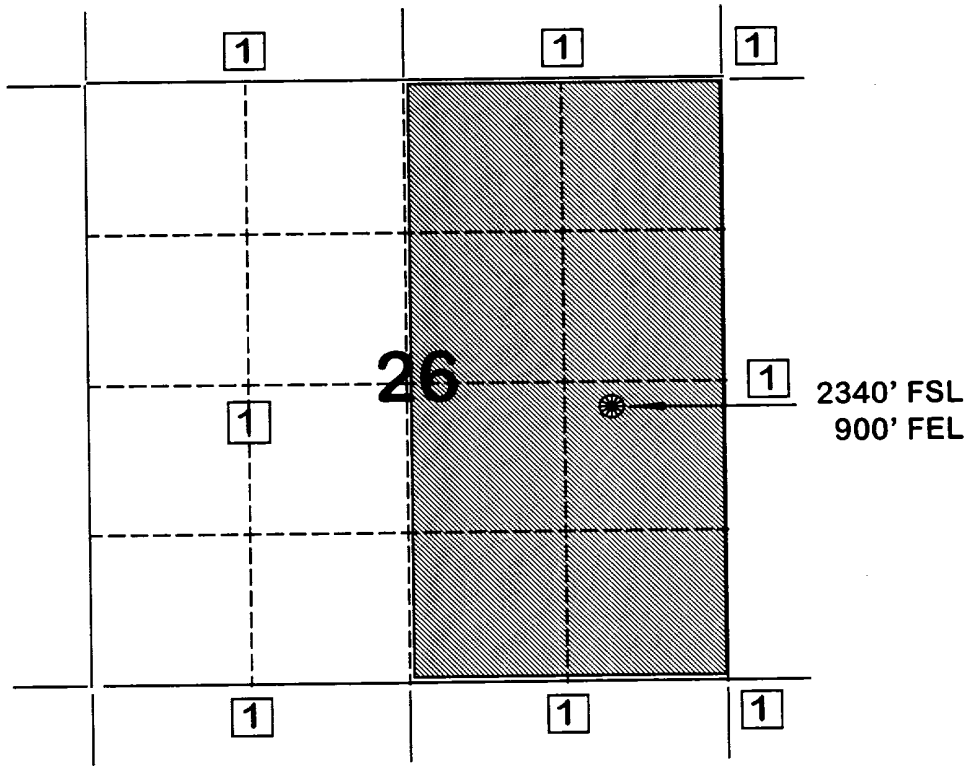


Note: Contractor should call One-Call for location of any marked or unmarked buried pipelines on well pad and/or access road at least two (2) working days prior to construction.

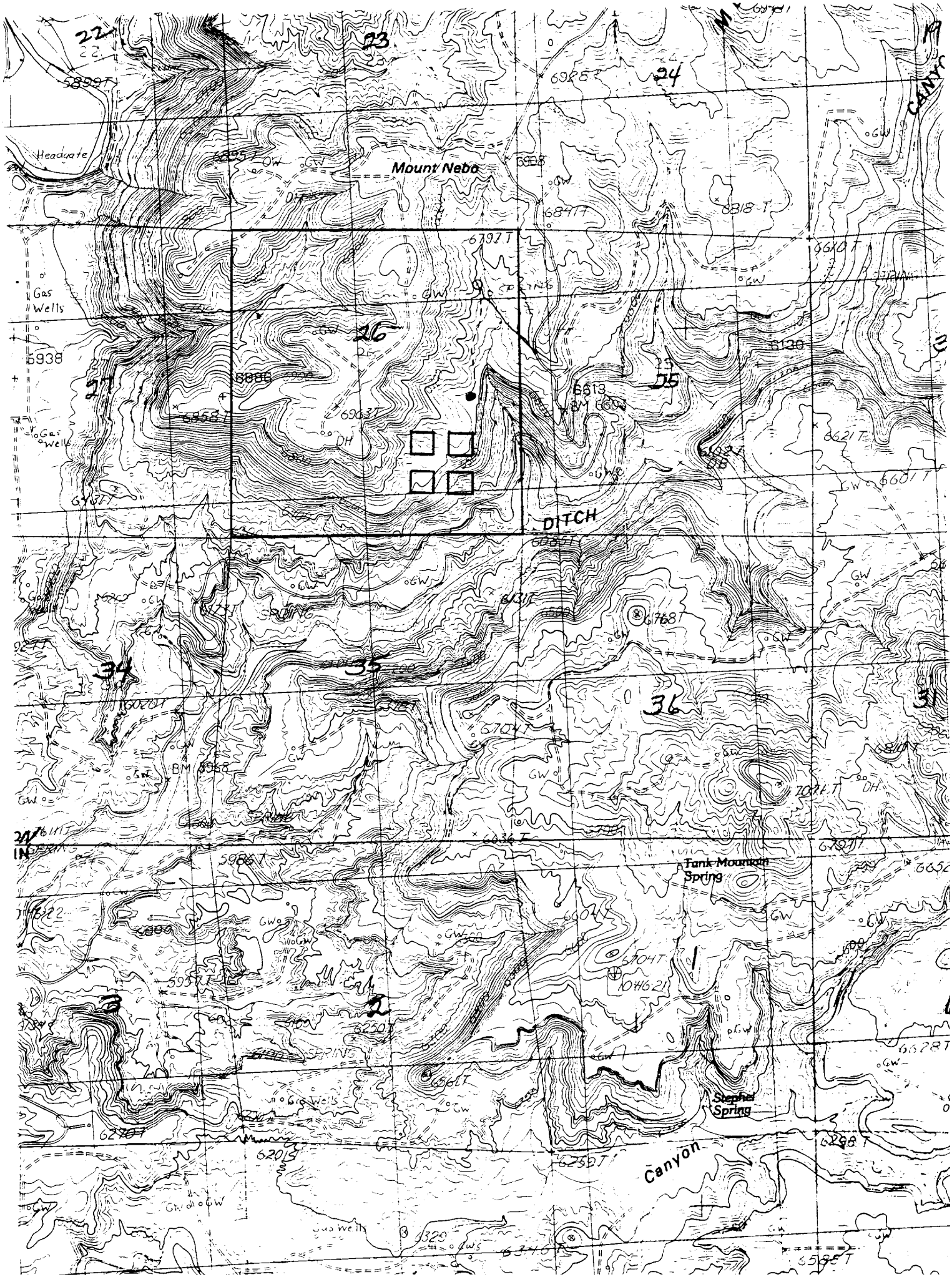
BURLINGTON RESOURCES OIL AND GAS COMPANY

San Juan 32-9 Unit #39A
OFFSET OPERATOR \ OWNER PLAT
Nonstandard Location
Mesaverde Formation Well

Township 32 North, Range 10 West



1) Burlington Resources Oil and Gas Company


Mount Nebo
Headgate
Gas Wells
DITCH
Tank Mountain Spring
Stephel Spring
Canyon