UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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 1465' FNL, 260' FEL Latitude 36° 57.3'N, Longitude 107° 30.6'W 14. Distance in Miles from Nearest Town 6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lir 260' Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093'	NM-01745 Unit Reporting Number 6. If Indian, All. or Tribe 7. Unit Agreement Name Allison Unit 8. Farm or Lease Name Allison Unit 9. Well Number #22B 10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 25, T-32-N, R-API# 30-045- 3c 579 12. County San Juan
2. Operator RESOURCES Oil & Gals Company 3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 4. Location of Well 1465' FNL, 260' FEL Latitude 36° 57.3'N, Longitude 107° 30.6'W 14. Distance in Miles from Nearest Town 6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lir 260' 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR	7. Unit Agreement Name Allison Unit 3. Farm or Lease Name Allison Unit 9. Well Number #22B 10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 25, T-32-N, R-API# 30-045- 3c 579 12. County San Juan
2. Operator RESOURCES Oil & Gals Company 3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 4. Location of Well 1465' FNL, 260' FEL Latitude 36° 57.3'N, Longitude 107° 30.6'W 14. Distance in Miles from Nearest Town 6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lir 260' 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR	Allison Unit 3. Farm or Lease Name Allison Unit 9. Well Number #22B 10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 25, T-32-N, R-API# 30-045- 3c 579 12. County San Juan
Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 Location of Well 1465' FNL, 260' FEL Latitude 36° 57.3'N, Longitude 107° 30.6'W Location of Miles from Nearest Town 6 miles from Allison Distance from Proposed Location to Nearest Property or Lease Lir 260' Acres in Lease Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' Proposed Depth 6093' Elevations (DF, FT, GR, Etc.) 6455' GR	Allison Unit 3. Farm or Lease Name Allison Unit 9. Well Number #22B 10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) H Sec. 25, T-32-N, R-API# 30-045-3c 579 12. County San Juan
Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 Location of Well 1465' FNL, 260' FEL Latitude 36° 57.3'N, Longitude 107° 30.6'W Location of Miles from Nearest Town 6 miles from Allison Distance from Proposed Location to Nearest Property or Lease Lir 260' Acres in Lease Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' Proposed Depth 6093' Elevations (DF, FT, GR, Etc.) 6455' GR	Allison Unit 3. Farm or Lease Name Allison Unit 9. Well Number #22B 10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) H Sec. 25, T-32-N, R-API# 30-045-3c 579 12. County San Juan
Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 Location of Well 1465' FNL, 260' FEL Latitude 36° 57.3'N, Longitude 107° 30.6'W Location of Miles from Nearest Town 6 miles from Allison Distance from Proposed Location to Nearest Property or Lease Lir 260' Acres in Lease Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' Proposed Depth 6093' Elevations (DF, FT, GR, Etc.) 6455' GR Proposed Casing and Cementing Program	3. Farm or Lease Name Allison Unit 9. Well Number #22B 10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 25, T-32-N, R-API# 30-045- 3c 579 12. County San Juan
Location of Well 1465' FNL, 260' FEL Latitude 36° 57.3'N, Longitude 107° 30.6'W 14. Distance in Miles from Nearest Town 6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lir 260' 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR	Allison Unit 9. Well Number #22B 10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 25, T-32-N, R-API# 30-045- 3c 579 12. County San Juan
Location of Well 1465' FNL, 260' FEL Latitude 36° 57.3'N, Longitude 107° 30.6'W 14. Distance in Miles from Nearest Town 6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lir 260' 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR	9. Well Number #22B 10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 25, T-32-N, R- API # 30-045- 3c 579 12. County San Juan
Location of Well 1465' FNL, 260' FEL Latitude 36° 57.3'N, Longitude 107° 30.6'W 14. Distance in Miles from Nearest Town 6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lin 260' 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR	#22B 10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 25, T-32-N, R- API # 30-045- 3c 579 12. County San Juan
Location of Well 1465' FNL, 260' FEL Latitude 36° 57.3'N, Longitude 107° 30.6'W 14. Distance in Miles from Nearest Town 6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lin 260' 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR	10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 25, T-32-N, R- API # 30-045- 3c 579 12. County San Juan
Latitude 36° 57.3'N, Longitude 107° 30.6'W 14. Distance in Miles from Nearest Town 6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lin 260' 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR	Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM)
Latitude 36° 57.3'N, Longitude 107° 30.6'W 14. Distance in Miles from Nearest Town 6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lir 260' 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR	11. Sec., Twn, Rge, Mer. (NMPM) H Sec. 25, T-32-N, R- API # 30-045- 3c 579 12. County 13. State San Juan
14. Distance in Miles from Nearest Town 6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lir 260' 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR 23. Proposed Casing and Cementing Program	H Sec. 25, T-32-N, R-API # 30-045- 3c 579 12. County 13. State San Juan
14. Distance in Miles from Nearest Town 6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lir 260' 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR 23. Proposed Casing and Cementing Program	API# 30-045- 3c 579 12. County 13. State San Juan
6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lir 260' 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR 23. Proposed Casing and Cementing Program	San Juan
6 miles from Allison 15. Distance from Proposed Location to Nearest Property or Lease Lir 260' 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR	San Juan
16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR 23. Proposed Casing and Cementing Program	
 16. Acres in Lease 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR 23. Proposed Casing and Cementing Program 	
 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or 500' 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR 23. Proposed Casing and Cementing Program 	47 Asses Assissed to Moli
19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR 23. Proposed Casing and Cementing Program	17. Acres Assigned to Well 320 N/2
 19. Proposed Depth 6093' 21. Elevations (DF, FT, GR, Etc.) 6455' GR 23. Proposed Casing and Cementing Program 	Applied for on this Lease
21. Elevations (DF, FT, GR, Etc.) 6455' GR 23. Proposed Casing and Cementing Program	20. Batany as Cable Tools
21. Elevations (DF, FT, GR, Etc.) 6455' GR 23. Proposed Casing and Cementing Program	20. Rotary or Cable Tools Rotary
23. Proposed Casing and Cementing Program	
	22. Approx. Date Work will Start
See Operations Plan attached	
(See / all-	
24. Authorized by: Regulatory/Compliance Supervisor	12-8-00
Regulatory/Compilance Supervisor	12-8-00
PERMIT NO. APPROVAL DA	/2-8-00 Date
APPROVED BY /S/ Lee Otten) 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.

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

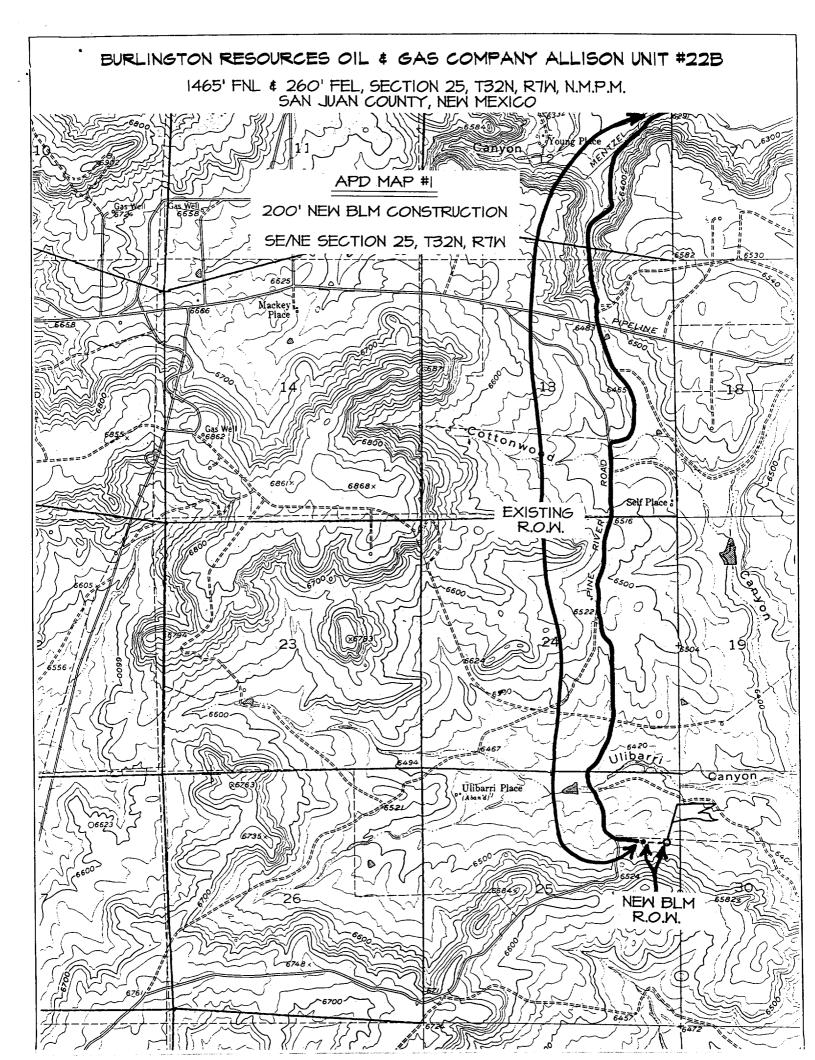
OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088 Form C-102 Revised February 21, 1994 Instructions on back

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

AMENDED REPORT

			WELL L	OCATIO	DA CINA NO	REAGE DED	ICATI	ON PL	AT		
· · · · · · A	PI Number	- /2:	5 (Pool Code			3	Pool Name	2	·	
30-045-	305	79	723	19		Blanco M	esavei	de			·
*Property	Code				Property	Name					11 Number
6784					ALLISON	UNIT					22B
'OGRID No.					*Operator			~ • • • • • •		_	levation
14538			RAHLIN	GIUN F	RESOURCES	OIL & GAS	- CUM	PANY	.]		6455 '
				10		Location			***************************************		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line		from the	East/He		County
	25	32N	7W		1465	NORTH	2	60	EA	SI	SAN JUAN
		11 B	ottom F	Hole L	ocation I			n Surf			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North√South line	Feet	from the	East/We	est line	County
12 Dedicated Acres	_1	¹³ Joint or Inf	ill ³⁴ Consol:	idation Code	¹⁵ Order No						
N/320		Ĺ						•			
NO ALLO	WABLE W	ILL BE A OR A	SSIGNED NON-STA	TO THI NDARD	IS COMPLETI UNIT HAS BI	ON UNTIL ALL EEN APPROVED	BY T	RESTS H	HAVE BE	EEN CO	NSOLIDATED
16			530	03.10			1				IFICATION
					I		-1 -1	I hereby cer true and co	rtify that the place of the control	ne informati e best of m	on contained herein is y knowledge and belief
		1	7			Ì	וֹמַן	_			
		- : ";	F	EE			465				
4	مارون مارون المسيو	1					- 9		7		
1.34				•	32		12		1		La garage
5639.	<u> </u>			-1==					<u> I (III)</u>	1	<u> 42 — </u>
$\mathbb{R}^{\mathcal{N}}$	RPA	200 1	• \A	<u> </u>		LAT: 36 57.3 LONG: 107 30.6	M <u>O</u> M €	Signatu	44		
	F()		$\mathcal{Y}_{\mathbf{A}_{I}}$,			. 20,40. 10, 30	() S	Pegg Printed	y Cole	-	
	ri-eri ۮseri		•		LICA NIA	1-01745	4	_	latory	Sune	rvisor
P.					USA INI	1-01/43		Title	racory	Supe	IVISOI
1	ن ري		e de la companya de La companya de la companya de l	11					30	1-01	
	V 27.7							Date		-	-
\ <u></u>				ムン ̄				18 SUR	VEYOR	CER	TIFICATIO
		1		1				I hereby o	certify that	the well lo	cation shown on this sctual surveys made by the same is true and
				İ		.1			the best o		
				1							
		1						ALIC	SUST :	30 D	000
0 4				•			 22	l ———	of Surve	2V, 2	
, e						 	œ	Signature	and Seal	CroC.id	DIM
633				1		i 1	64	.		V u	EL PA
28		1		1	=.		C	'		W. T.	DWARD S
		1 .				. 1			121	2(68	57)
	-	-				∴ 1 			層上		1 181

5285.94



OPERATIONS PLAN

Well Name:

Allison Unit #22B

Surface Location:

1465'FNL, 260'FEL, Section 25, T-32-N, R-7-W

San Juan County, New Mexico

Latitude 36° 57.3'N, Longitude 107° 30.6'W

Formation:

Blanco Mesa Verde

Elevation:

6455'GR

Formation Tops:	<u>Top</u>	Bottom	<u>Contents</u>
Surface	San Jose	2300'	aquifer
Ojo Alamo	2300'	2417'	aquifer
Kirtland	2417'	2873 '	gas
Fruitland	2873 ′	3247'	gas
Pictured Cliffs	3247'	3487'	gas
Lewis	3487 '	4219 ′	gas
Intermediate TD	3737 <i>′</i>		
Mesa Verde	4219'	4653'	gas
Chacra	4653 ′	5452 ′	gas
Massive Cliff House	5452 '	5486 ′	gas
Menefee	5486 ′	5693'	gas
Point Lookout	5693 '		gas
Total Depth	6093′ —		

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.	Fluid Loss
0- 200'	Spud	8.4-9.0	40-50	no control
200- 3737 ′	LSND	8.4-9.0	30-60	no control
3737- 6093 '	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 Si	.ze Depth	Csg Size	Weight	Grade
12 1/4"	0' - 200'	9 5/8"	32.3#	H-40
8 3/4"	0' - 3737'	7 "	20.0#	J - 55
6 1/4"	' 3637' - 6093'	4 1/2"	10.5#	J-55

Tubing Program: 0'-6093' 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:

 $\overline{9}$ 5/8" surface casing - cement with 159 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 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/462 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 (1307 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 2773'. First stage: cement w/184 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/416 sx 50/50 Class "G"/Trinity Light with 2.5% sodium metasilicate, 2% calcium chloride, 10 pps Gilsonite, 0.5 pps Flocele (1307 cu.ft. of slurry, 100% excess to circulate to surface).

Operations Plan - Allison Unit #22B

Page Three

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 2417'. Two turbolating centralizers at the base of the Ojo Alamo at 2417'. 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 230 sx Class "G" 50/50 poz w/4.5% gel, 0.25 pps Flocele, 5 pps Gilsonite, 0.25% fluid loss, 0.1% retardant (331 cu.ft., 50% 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 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 150 psi Pictured Cliffs 260 psi Mesa Verde 375 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 north half of Section 25 is dedicated to the Mesa Verde.

• This gas is dedicated.

rilling Engineer

2/28/01