submitted in lieu of Form 3160-5

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells Indian, All. or 1. Type of Well JAN 2 1 2000 Tribe Name GAS Bureau or Land Management 7. Unit Agreement Name Duranen Calarada 2. Name of Operator OIL & GAS COMPANY 8. Well Name & Number **Ute #27** 3. Address & Phone No. of Operator 9. API Well No. PO Box 4289, Farmington, NM 87499 (505) 326-9700 30-045-29276 10. Field and Pool 4. Location of Well, Footage, Sec., T, R, M Barker Dome 2125'FSL, 1270'FWL, Sec.16, T-32-N, R-14-W, NMPM 11. County and State San Juan Co, NM 12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA Type of Action Type of Submission ___ Change of Plans ____ Abandonment X Notice of Intent ___ New Construction __ Recompletion ____ Non-Routine Fracturing ____ Plugging Back Subsequent Report Casing Repair Water Shut off
Altering Casing Conversion to Injection ___ Casing Repair ___ Final Abandonment X Other - Tubing Repair Describe Proposed or Completed Operations It is intended to repair the tubing in the subject well according to the attached procedure. SUB ATTACHS CONDITIONS OF ACT I hereby certify that the foregoing is true and correct. Title Regulatory Administrator Date 1/14/00 ____ Signed (This space for Federal or State Office use)

IVSB K. Auringer

Title DateFEB APPROVED BY Ilyse K. Auringer CONDITION OF APPROVAL, if any:

Ute #27

Desert Creek 2125' FSL, 1270' FWL

Unit L, Section 16, T-32-N, R-14-W

Latitude / Longitude: 36° 59.21448' / 108° 19.08414' DPNO: 5781101

Tubing Repair Procedure

DEADLY LEVELS OF H2S PRESENT - 1250 PPM (3/99)

Summary/Recommendation:

Ute #27 was drilled in 1995 and completed as a Desert Creek producer. A production packer was placed above the Desert Creek interval and gas was produced up through a 2-7/8" tubing string. The end of the 2-7/8" tubing was landed 121' above the top Desert Creek perforation. In the Barker Dome area line pressures typically run above 300 psi. With Ute #27 producing only 190 Mcfd and the high line pressures, the well is well below minimum lift. Blowing does help the production, however it loads up rapidly thereafter. Partial pressures of the CO2 and H2S levels in this wellbore indicate the proper casing and tubing metallurgy exists for sour service. As a result, the packer will be pulled, the 2-7/8" tubing will be landed open ended, and the well will be placed on plunger lift. Anticipated uplift is 100 Mcfd and 0.7 Bcpd.

- 1. Comply with all NMOCD, BLM and Burlington safety and environmental regulations. Test rig anchors and build blow pit prior to moving in rig. Notify BROG Regulatory (Peggy Bradfield 326-9727) and the appropriate Regulatory Agency prior to pumping any cement job. If an unplanned cement job is required, approval is required before the job can be pumped. If verbal approval is obtained, document approval in DIMS/WIMS. Allow as much time as possible prior to pump time in case the Agency decides to witness the cement job.
- 2. WELL DOES PRODUCE H2S. MOL and RU workover rig. Strategically place H2S safety equipment around location. Refer to BR safety guidelines. Every person on location is required to be H2S certified. Hold safety meeting on H2S safety. Obtain and record all wellhead pressures. NU relief line. Blow well down and kill with 2% KCL water. Maintain flare at all times produced gas is present! ND WH and NU BOP trimmed for sour service. Test and record operation of BOP rams. Have wellhead and valves serviced as necessary. Test secondary seal and replace/install as necessary.
- Desert Creek tubing, 2-7/8", 6.5 #/ft, L-80 is set at 8069'. Release donut, pick straight up on tubing to 3. release the Baker Model R-3 Double Grip packer at 8004'. TOOH with tubing and packer. LD packer. Visually inspect tubing for corrosion. Check tubing for scale build up and notify Operations Engineer.
- 4. TIH with an expendable check, one joint of 2-7/8" tubing, seating nipple, and ½ of the 2-7/8" production tubing. Pickle sandline for H2S protection. Run a broach on sandline to insure the tubing is clear. TIH with remaining 2-7/8" tubing and then broach this tubing to the seating nipple to ensure it is clear. Replace bad joints as necessary.
- 5. Spot 2-1/2 bbls 15% HCL across perforations (8190-8288'). Allow time for acid to spend. Land tubing at ±8280'. ND BOP and NU WH. Pump off expendable check. RU swab line and run to SN. Swab well until it kicks off. Maintain flare at all times produced gas is present! Allow well to flow to pit until it cleans up. RD and MOL. Return well to production.

Recommended: A. A. Checker

Approved:

Bruce W. Bong 1-12-02 Drilling Superintendent

Operations Engineer: Jennifer L. Dobson Office - (599-4026) Home - (564-3244) Pager - (324-2461)

Burlington Resources Oil and Gas Company

Lease: I-22-IND-2772

Well: Ute #27

2125' FSL & 1270' FWL

Section 16, T. 32 N., R. 14 W. La Plata County, Colorado

CONDITIONS OF APPROVAL

- 1. All operations must conform the requirements of Onshore Order #6.
- 2. Within 30 days after operations have been completed, please send a subsequent report of operations via Sundry Notice.
- 3. All new pit construction will be contained on the existing well pad. No off-location surface disturbance is approved. Pits to be reclaimed within 15 months of completion date.
- 4. Burn dike, if used, will be large enough to prevent damage to surrounding vegetation from flaring operations.