

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 2040 South Pacheco, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATION FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

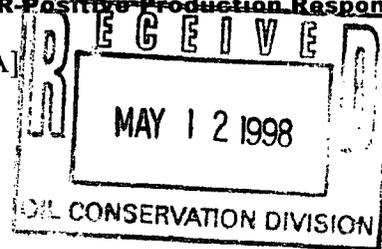
[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR



[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Certification

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

[Signature]
 Signature

Title

5-9-98
 Date

BURLINGTON RESOURCES

SAN JUAN DIVISION

May 9, 1998

Sent Federal Express

Ms. Lori Wrotenbery, Director
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: San Juan 28-5 Unit #107
1600'FSL, 255'FWL, Section 12, T-28-N, R-5-W, Rio Arriba County, NM
30-039-not assigned

Dear Ms. Wrotenbery:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for the Blanco Mesa Verde pool. This application for the referenced location is for topographic and archaeological reasons and to minimize surface disturbance by twinning the location of the San Juan 28-5 Unit #242 Fruitland Coal well (30-039-25397) located at 1575'FSL, 215'FWL of Section 12.

Production from the Blanco Mesa Verde pool is to be included in a 299.04 acre gas spacing and proration unit comprising all of Section 12.

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.
4. 7.5 minute topographic map, and enlargement of the map to define topographic features.

Three copies of this application are being submitted to all offset owners/ operators by certified mail with a request that they furnish you with a Waiver of Objection, return one copy to this office, and retain one copy for their file.

We appreciate your earliest consideration of this application.

Sincerely,


Peggy Bradfield
Regulatory/Compliance Administrator

xc: NMOCD - Aztec District Office
Bureau of Land Management - Farmington District Office

WAIVER

Phillips Petroleum hereby waives objection to Burlington Resources' application for a non-standard location for their San Juan 28-5 Unit #107 as proposed above.

By: _____ Date: _____

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-079250 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 28-5 Unit	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name San Juan 28-5 Unit 9. Well Number 107	
4. Location of Well 1600' FSL, 255' FWL Latitude 36° 40.4, Longitude 107° 19.1	10. Field, Pool, Wildcat Blanco Mesa Verde 11. Sec., Twn, Rge, Mer. (NMPM) Sec 12, T-28-N, R-5-W API # 30-039-	
14. Distance in Miles from Nearest Town 4 miles to Gobernador	12. County RA	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 255'		
16. Acres in Lease	17. Acres Assigned to Well 299.04	
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 40'		
19. Proposed Depth 6936	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 7398' GR	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by:  Regulatory/Compliance Administrator	4-17-98 Date	

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____ DATE _____

Archaeological Report -please report for San Juan 28-5 Unit #242 - 1575' FSL, 215' FWL 12-28-5 dated 1994
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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C
Revised February 21,
Instructions on

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Submit to Appropriate District Of
State Lease - 4 Cc
Fee Lease - 3 Cc

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 7460		5 Property Name SAN JUAN 28-5 UNIT			6 Well Number 107
7 OGRID No. 14538		8 Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY			9 Elevation 7398'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	12	28N	5W		1600	SOUTH	255	WEST	RIO ARRI

11 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

12 Dedicated Acres All - 299.04	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

17 OPERATOR CERTIFICATION

I hereby certify that the information contained here is true and complete to the best of my knowledge and belief.

Peggy Bradford
Signature

Peggy Bradford
Printed Name

Regulatory Administrator
Title

4-17-98
Date

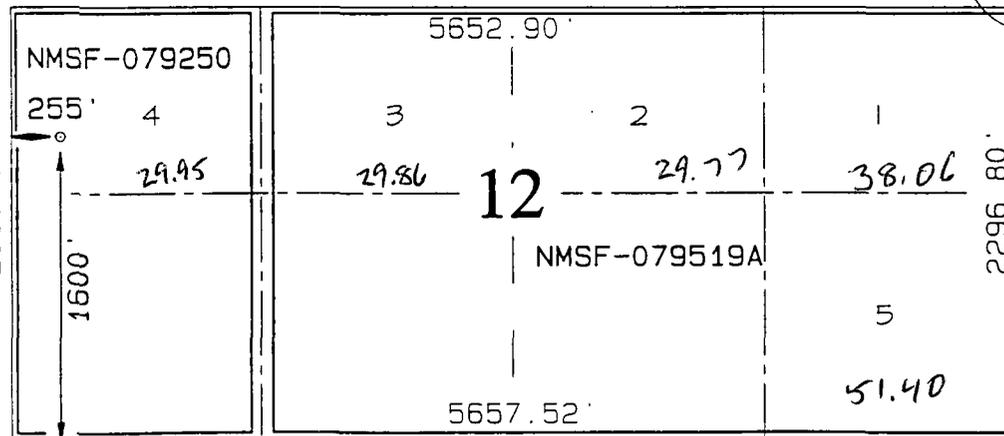
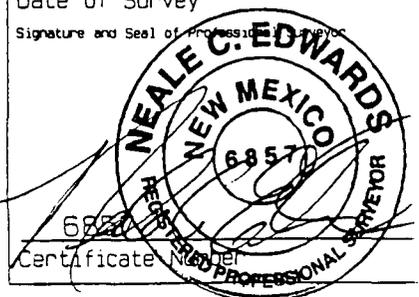
18 SURVEYOR CERTIFICATION

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

FEBRUARY 15, 1998

Date of Survey

Signature and Seal of Professional Surveyor



Handwritten calculations for acreage:

69.95	69.86	69.77	89.46
<u>229.09</u>	<u>159.23</u>	<u>89.46</u>	
299.04	229.09	159.23	

OPERATIONS PLAN

Well Name: San Juan 28-5 Unit #107
Location: 1600' FSL, 255' FWL Section 12, T-28-N, R-5-W
Rio Arriba County, New Mexico
Latitude 36° 40.4, Longitude 107° 19.1
Formation: Blanco Mesa Verde
Elevation: 7398' GL

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>Contents</u>
Surface	San Jose	3655'	aquifer
Ojo Alamo	3655'	3855'	aquifer
Kirtland	3855'	3936'	
Fruitland	3936'	4378'	
Pictured Cliffs	4378'	4450'	gas
Lewis	4450'	5357'	gas
Intermediate TD	4550'		
Chacra	5357'	6206'	
Massive Cliff House	6206'	6242'	gas
Menefee	6242'	6536'	gas
Massive Point Lookout	6536'		gas
Total Depth	6936'		

Logging Program:

Cased hole logging - Gamma Ray Neutron
Coring/DST - none

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0- 200'	Spud	8.4-9.0	40-50	no control
200-4550'	LSND	8.4-9.0	30-60	no control
4550-6936'	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):

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csq. Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 200'	9 5/8"	32.3#	H-40
8 3/4"	0' - 4550'	7"	20.0#	J-55
6 1/4"	4450' - 6936'	4 1/2"	10.5#	J-55

Tubing Program:

0' - 6936' 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 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/377 sx Class "B" w/3% econolite, 10# gilsonite/sx and 1/2# flocele/sx. Tail w/90 sx 50/50 Class "B" Poz w/2% gel, 2% calcium chloride, 0.5# flocele/sx, and 10# gilsonite/sx (1197 cu.ft. of slurry, 75% 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.

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 3855'. Two turbolating centralizers at the base of the Ojo Alamo at 3855'. 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. Cement with 268 sx 50/50 Class "B" Poz w/1/4# flocele/sx, 5# gilsonite/sx and 0.3% fluid loss additive (357 cu.ft., 40% 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.

Special Drilling Operations (Gas/Mist Drilling):

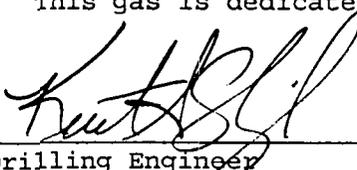
The following equipment will be operational while gas/mist drilling:

- 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.

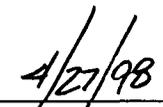
Additional Information:

- 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.
- All of the section is dedicated to the Mesa Verde.
- This gas is dedicated.



 Drilling Engineer



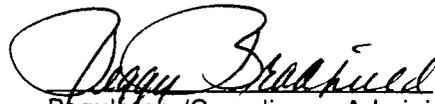
 Date

BURLINGTON RESOURCES

San Juan 28-5 Unit #107
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. None required.
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 El Paso Field Services.
5. Location and Type of Water Supply - Water will be hauled by truck for the proposed project and will be obtained from 44 Crossing Water Hole located NE Section 18, T-27-N, R-4-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 reseeded operations to be carried out. Seed mixture as designated by the responsible government agency will be used. The reseeded 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.


Regulatory/Compliance Administrator 4-17-98
Date

pb

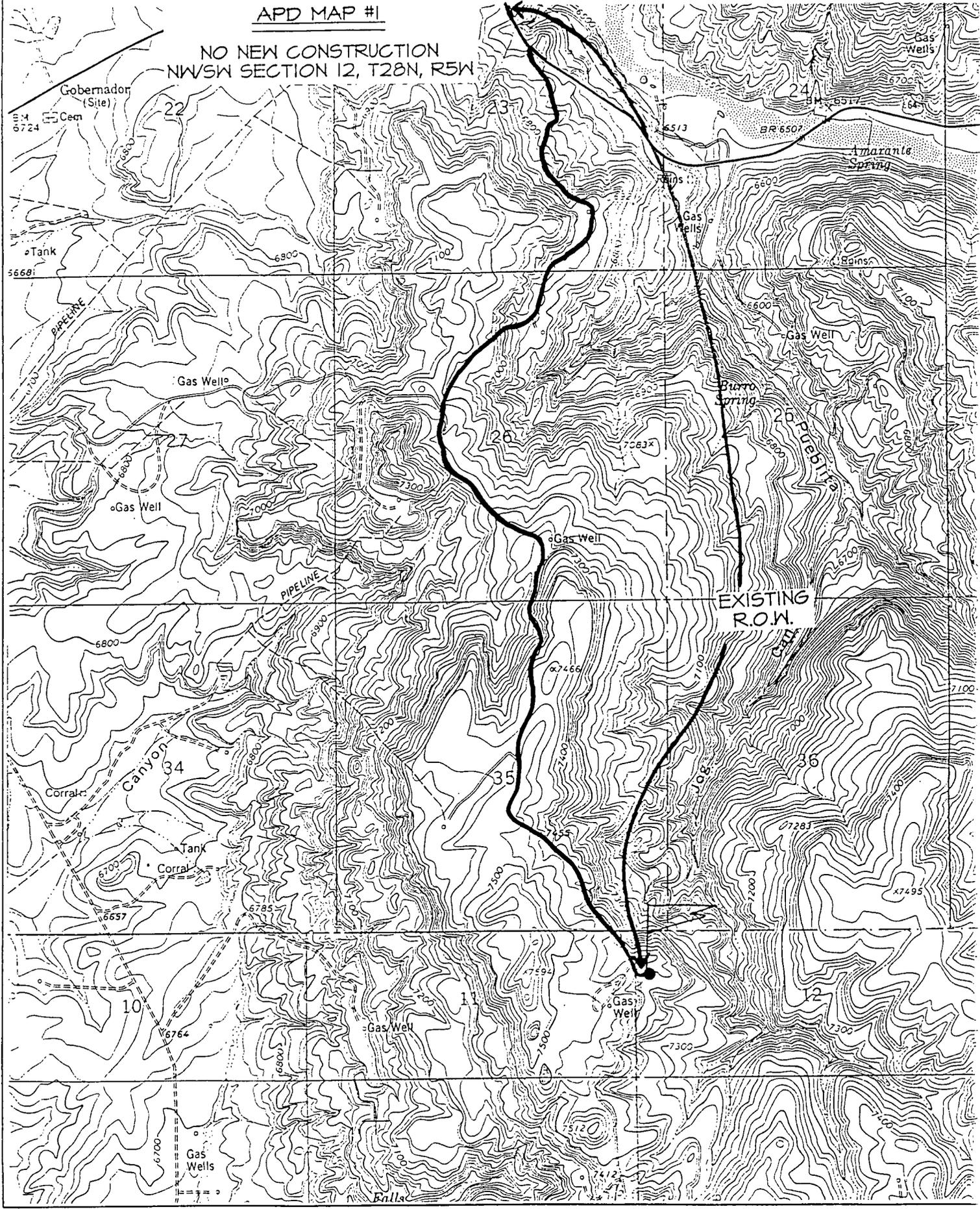
BURLINGTON RESOURCES OIL & GAS COMPANY SAN JUAN 28-5 UNIT #107

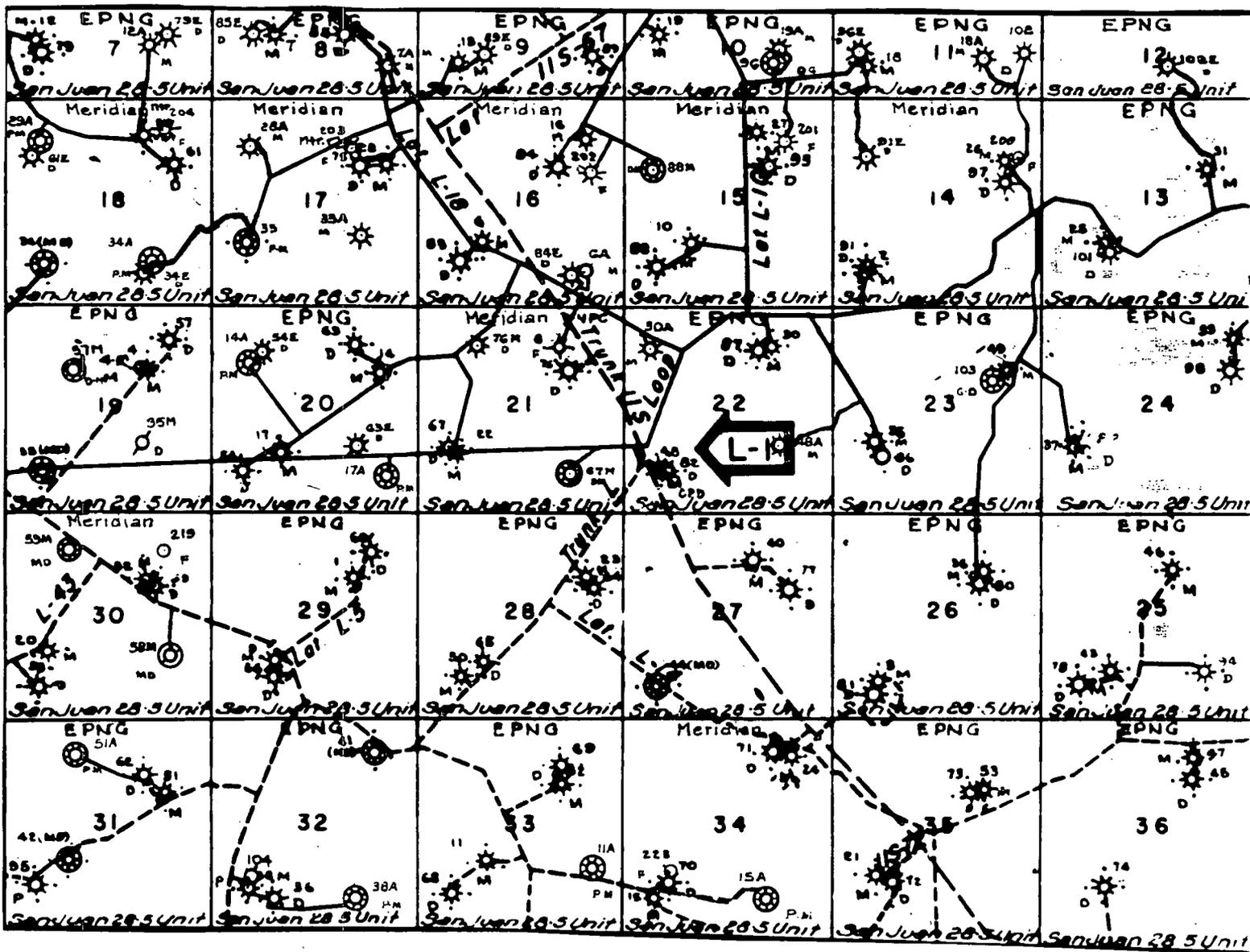
1600' FSL & 255' FWL, SECTION 12, T28N, R5W, N.M.P.M.

RIO ARRIBA COUNTY, NEW MEXICO

APD MAP #1

NO NEW CONSTRUCTION
NWSW SECTION 12, T28N, R5W

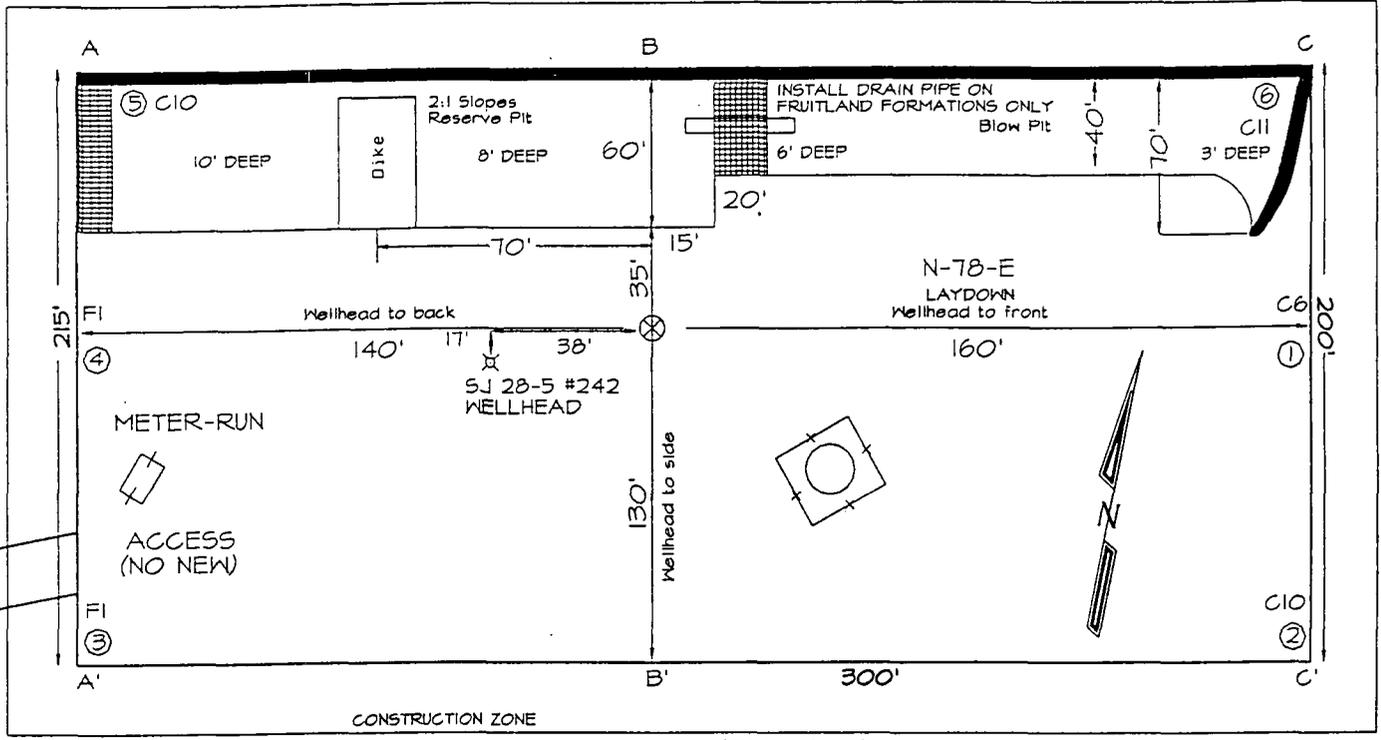




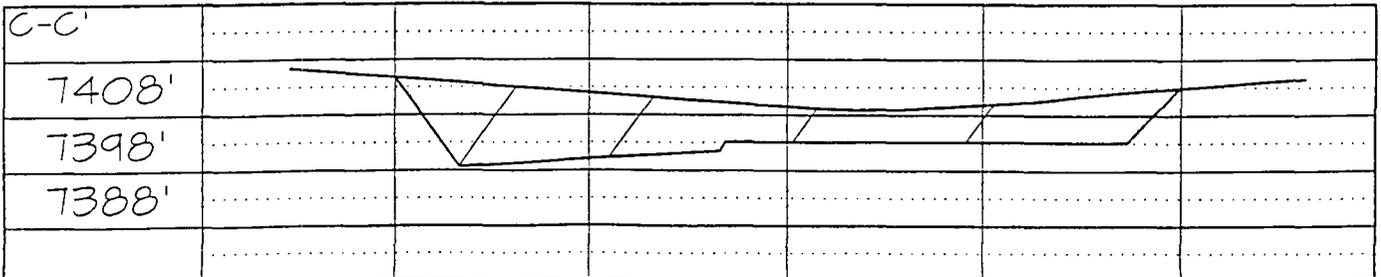
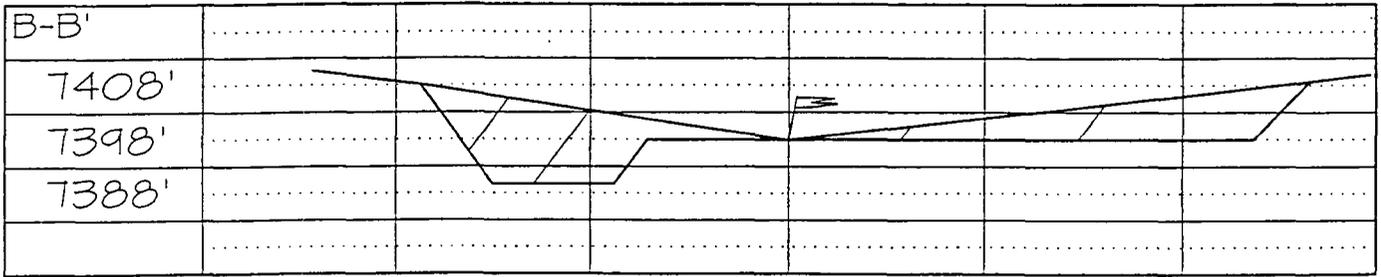
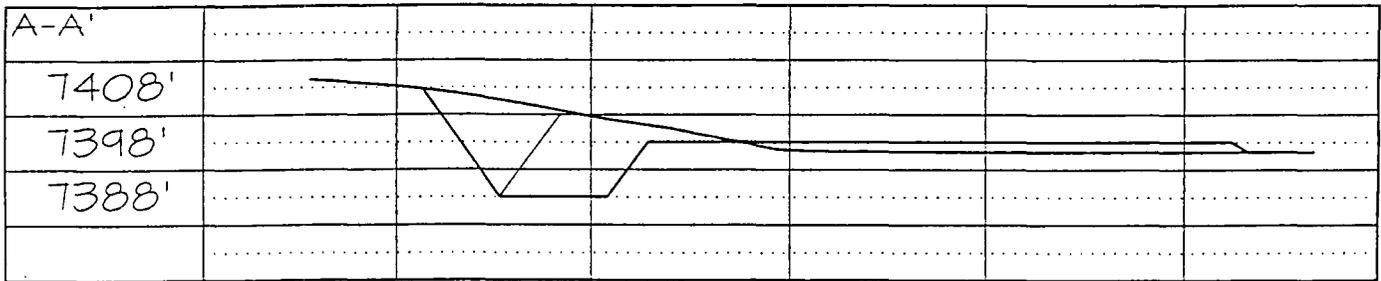
MERIDIAN OIL INC.
 Pipeline Map
 T-28-N, R-05-W
 Rio Arriba County, New Mexico
 San Juan 28-5 Unit #107
 Map 1A

PLAT #1

**BURLINGTON RESOURCES OIL & GAS COMPANY
 SAN JUAN 28-5 UNIT #107, 1600' FSL & 255' FWL
 SECTION 12, T28N, R5W, NMPM, RIO ARriba COUNTY, NEW MEXICO
 GROUND ELEVATION: 7398' DATE: FEBRUARY 15, 1998**



Reserve Pit Dike: to be 8' above Deep side (overflow - 3' wide and 1' above shallow side).
 Blow Pit: overflow pipe halfway between top and bottom and to extend over plastic liner and into blow pit



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

BURLINGTON RESOURCES OIL AND GAS COMPANY

San Juan 28-5 Unit #107

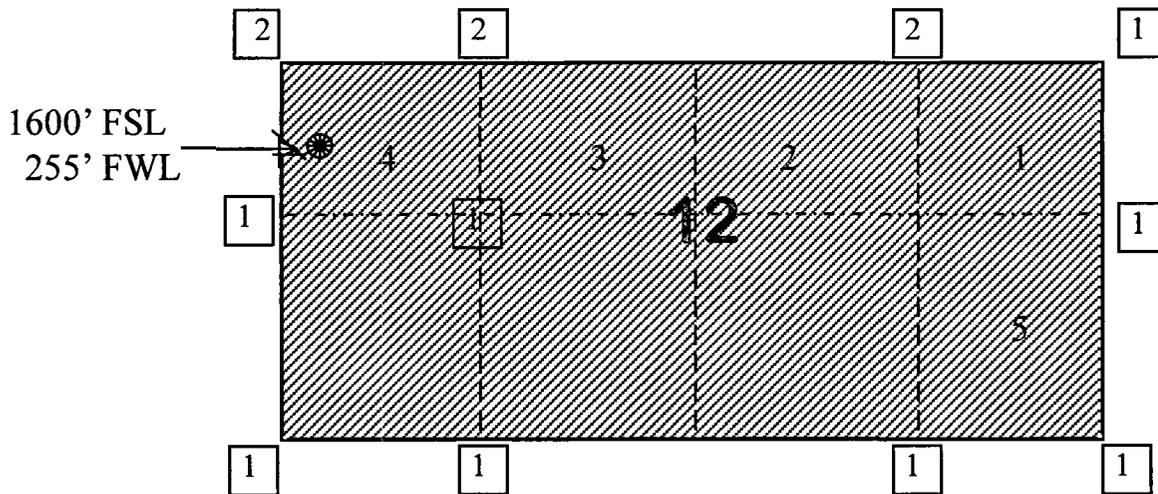
OFFSET OPERATOR/OWNER PLAT

Non Standard Location

(Section 12 is a Non Standard Section)

Mesaverde Formation Well

Township 28 North, Range 5 West



- 1) Burlington Resources
 - 2) Phillips Petroleum Company
- Attn: Mr. Scott Prather
5525 Hwy 64, NBU 3004
Farmington, NM 87401

Re: San Juan 28-5 Unit #107
1600'FSL, 255'FWL, Section 12, T-28-N, R-5-W, Rio Arriba County, NM
30-039-not assigned

I hereby certify that the following offset operators/owners have been mailed notification of our application for non-standard location to drill the referenced well.

Phillips Petroleum Company
Att: Scott Prather
5525 Highway 64, NBU 3004
Farmington, NM 87401

A handwritten signature in black ink, appearing to read "Reggy Bradfield". The signature is written in a cursive style with a large initial "R".

Reggy Bradfield
Regulatory/Compliance Administrator

