



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 13, 1998

RECEIVED
APR 21 1998

OIL CON. DIV.
DIST. 3

Conoco, Inc.
10 Desta Drive - Suite 100W
Midland, Texas 79705-5400
Attention: Kay Maddox

Administrative Order NSL-4000

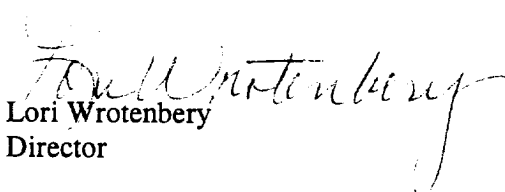
Dear Ms. Maddox:

Reference is made to your application dated March 17, 1998 for an off-pattern non-standard Basin-Fruitland coal gas well location for your existing Hodges Well No. 1-Y (API No. 30-045-24354), located 1770 feet from the North line and 860 feet from the West line (Unit E) of Section 21, Township 26 North, Range 8 West, NMPM, Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico. According to the well records on file with the New Mexico Oil Conservation Division in Santa Fe, the Hodges Well No. 1-Y was initially drilled in 1980 by Supron Energy Corporation and completed at a standard gas well location in the Ballard-Pictured Cliffs Pool within a standard 160-acre gas spacing and proration unit comprising the NW/4 of said Section 21.

It is our understanding that the Basin-Fruitland Coal (Gas) Pool is to be perforated and said well will be recompleted such that gas production from both intervals is to be commingled downhole. This location, pursuant to the "*Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool*," as promulgated by Division Order No. R-8768, as amended, is considered to be unorthodox. Further, the W/2 of said Section 21 is to be dedicated to said well in order to form a standard 320-acre gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

By the authority granted me under the provisions of Rule 8 of said special pool rules, the above-described unorthodox coal gas well location for the Hodges Well No. 1-Y is hereby approved.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

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



Mid-Continent Region
Exploration/Production

March 17, 1998

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 Pacheco
Santa Fe, New Mexico 87504

RE: Application for Unorthodox Coal Location
Hodges # 1Y
API # 30-045-24354

RECEIVED
MAR 23 1998
OIL CON. DIV.
DIST. 3

Dear Mr. Stogner,

Conoco's Hodges #1Y is located in Section 21, T-26-N, R-8-W San Juan County, New Mexico. In addition to standard 790' set-back requirements, orthodox locations for 320 acre spaced, Basin Fruitland Coal requires that locations be situated in the NE/4 and/or SW/4 of any given Section. The Hodges #1Y meets set-back requirements but is situated in the NW/4 of section 21; an orthodox location would be in the SW/4.

In order to prevent economic waste by allowing access to Basin Fruitland Coal reserves in an existing wellbore, and to help mitigate mechanical risk in a newer wellbore (1980 completion); Conoco, respectfully requests that a NW/4, unorthodox location be approved for completion in the Basin Fruitland Coal Pool. Note that Fruitland Coal is untested in direct offset 320's. Conoco, Inc. plans to downhole Fruitland Coal production with existing Ballard Pictured Cliffs production. Conoco, Inc will be filing the downhole commingle and recompletion paperwork with the OCD and the BLM.

The offset operator plat shows that Burlington Resources, Hickman, Hallwood, R. C. Resources, Chateau and Amoco are the offset operators that could be affected by this unorthodox location. Please find enclosed evidence that they have been notified of this application.

An unorthodox location order is requested based on the reasons given in the preceding paragraphs. If there are further questions concerning this application please call me at (915) 686-5798.

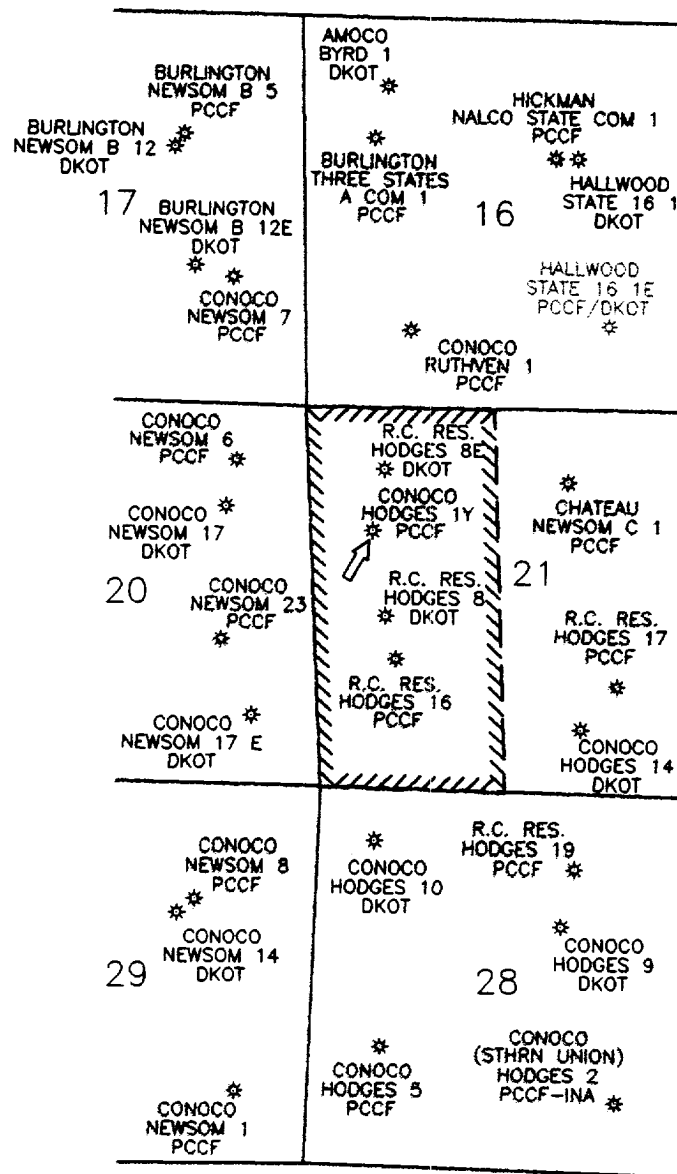
Sincerely,

Kay Maddox
Regulatory Agent/ Conoco, Inc.

KM/

cc: Oil Conservation Division - Aztec

R 8 W



T
26
N

NOTES

NOTE:

HODGES 1Y WILL BE RECOMPLETED TO THE FRUITLAND COAL AND DOWNHOLE COMMINGLED WITH BALLARD PICTURED CLIFFS PRODUCTION.

DATE: 4/06/98

DRAWN BY: GLG

CHECKED BY:

APPROVED BY:

SCALE: 1" = 2640'

STATE PLANE COORDINATES REFERRED TO
NAD27 - N. M.
STATE PLANE COORDINATES
ZONE - 3003



EPNGNA
MIDLAND DIVISION

CONOCO HODGE 1Y
UNORTHODOX COAL LOCATION APPLICATION
DOWNHOLE COMMINGLED APPLICATION
(BASIN FRUITLAND & BALLARD PC)
PLAT SHOWS ALL WELLS IN OFFSET 320'S

STATE	API COUNTY	WELL
30	\ 045	\ 24354

DRAWING
HODG_1Y

CONOCO INC. OFFICE
10 DESTA DRIVE WEST
MIDLAND, TEXAS 79705

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 LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-24354	2 Pool Code 71629	3 Pool Name Basin Fruitland Coal
4 Property Code	5 Property Name Hodges	6 Well Number 1Y
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500	9 Elevation 6397'

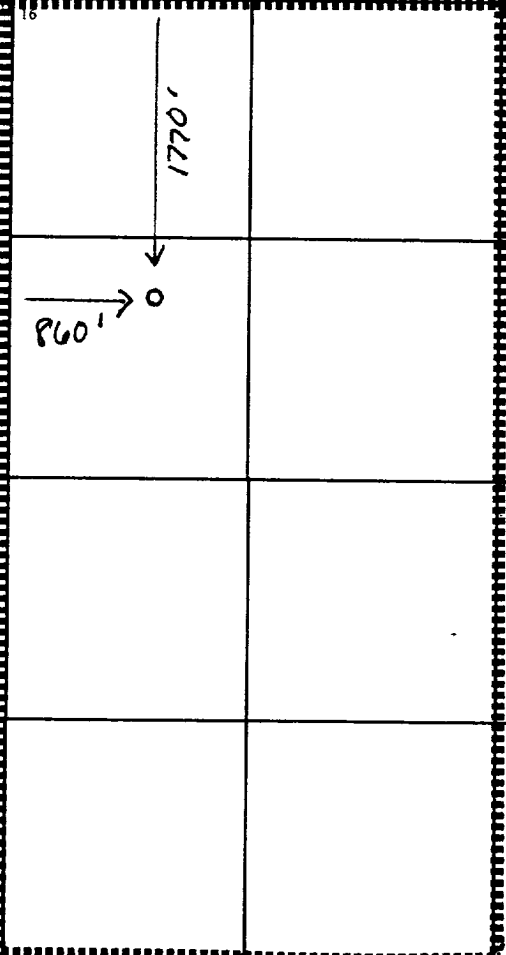
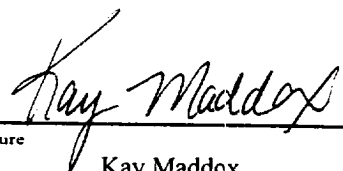
10 Surface Location

UL or lot no. E	Section 21	Township 26N	Range 8W	Lot Idn	Feet from the 1770	North/South line North	Feet from the 860	East/West line West	County San Juan
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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 320	13 Joint or Infill	14 Consolidation Code	15 Order No.						

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 herein is true and complete to the best of my knowledge and belief.  Signature Kay Maddox Printed Name Regulatory Agent Title March 18, 1998 Date	
				18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor:	
				Certificate Number	

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-107
Supersedes C-124
Effective 1-1-64

EXHIBIT "A" - Location & Elevation Plat

All distances must be from the outer boundaries of the section.

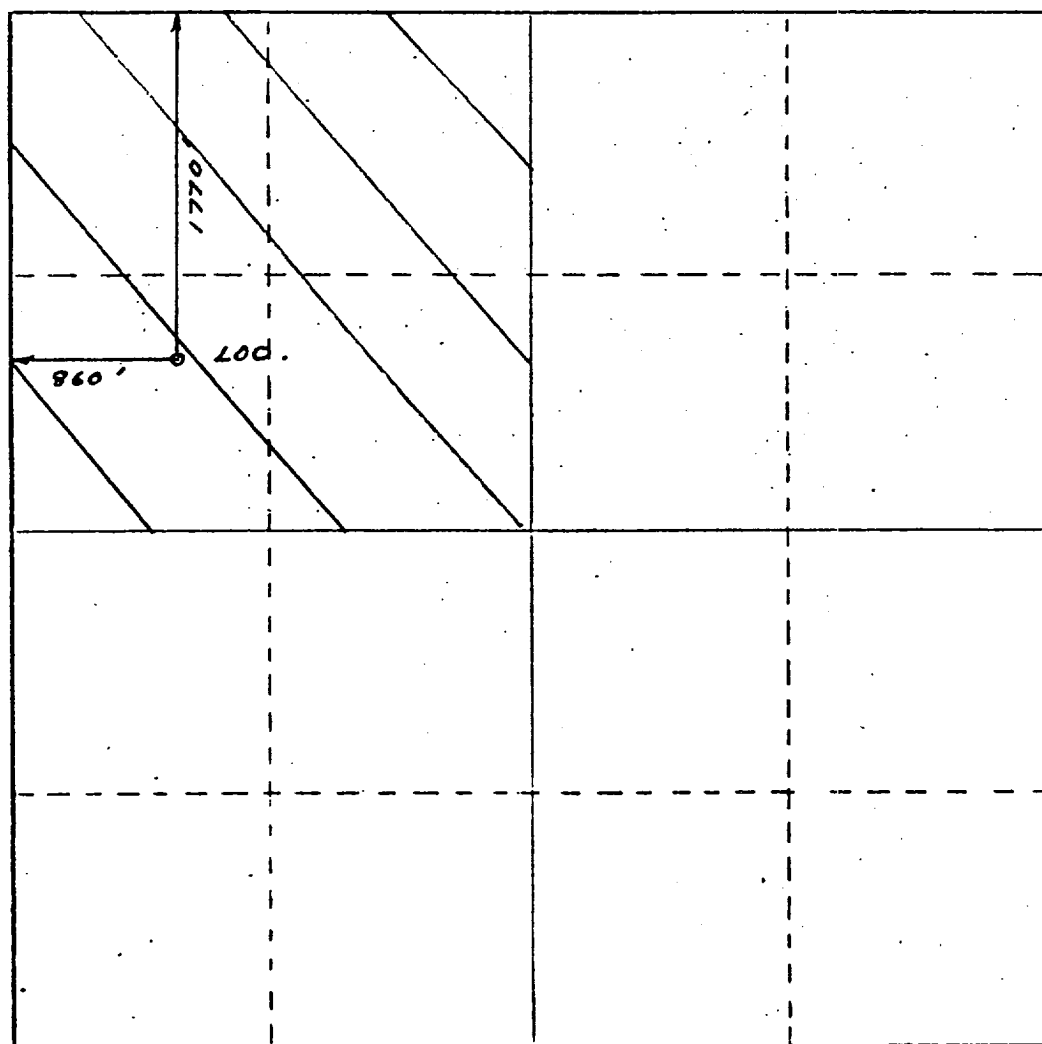
Operator Supron Energy Corporation			Lease Hodges		Well No. 1-Y
Unit Letter E	Section 21	Township 26 North	Range 8 West	County San Juan	
Actual Footage Location of Well: 1770 feet from the North line and 860 feet from the West line					
Ground Level Elev. 6397	Producing Formation Pictured Cliffs	Pool Ballard Pictured Cliffs	Dedicated Acreage: 1/60 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

George Lapaseotes

Name **George Lapaseotes**
V. Pres. Powers Elevation

Position
Agent Consultant for

Company
Supron Energy Corporation

Date
4/15/80

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

Date Surveyed
Sherald G. Huddleston
Registered Professional Engineer
and or Licensed Surveyor

6344

Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

Hodges #1Y
API # 30-045-24354
Section 21, T-26-N, R-8-W
San Juan County, NM

RE: Non-Orthodox location Request

Offset Operators:

Amoco
PO Box 800
Denver, CO 80201

Burlington Resources
PO Box 4289
Farmington, NM 87499

Chateau Oil & Gas
2515 McKinney Ave STE 840
Dallas, TX 75201

Hallwood Petroleum
PO Box 378111
Denver, CO 80237

R C Resources
8340 Meadow Rd STE 230
Dallas, TX 75231

J. Felix Hickman
Well Has been P&A'd - Inactive

P 497 374 186

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Burlington Resources
Street & Number	PO Box 4289
Post Office, State, & ZIP Code	Farmington, NM 87499

P 497 374 036

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Amoco
Street & Number	PO Box 800
Post Office, State, & ZIP Code	Denver, CO 80201

P 497 374 188

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Chateau Oil & Gas
Street & Number	2515 McKinney Ave STE 840
Post Office, State, & ZIP Code	DALLAS, TX 75201

P 497 374 026

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	RC Resources
Street & Number	8340 Meadow Rd STE 230
Post Office, State, & ZIP Code	DALLAS, TX 75231
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

P 497 374 187

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Hallwood Petroleum
Street & Number	PO Box 378111
Post Office, State, & ZIP Code	Denver, CO 80237
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995