



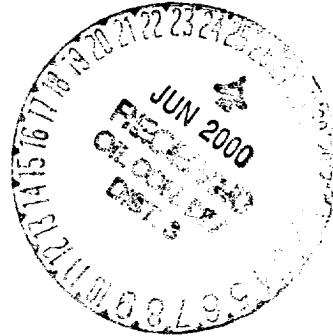
PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

June 20, 2000

Oil Conservation Division
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

Attn: Mr. Michael E. Stogner
Chief Hearing Examiner/Engineer



RE: REQUEST FOR ADMINISTRATIVE APPROVAL OF NON-STANDARD SPACING UNIT
SAN JUAN 29-6 UNIT #82M
LOTS 1, 2, 3, 4 & W/2 E/2 SECTION 25-29N-6W
RIO ARRIBA COUNTY, NEW MEXICO
PHILLIPS CONTRACT C40453

Dear Mr. Stogner:

Phillips Petroleum Company (Phillips) as Operator of the captioned well, respectfully requests administrative approval of a Non-Standard Spacing Unit for this well in the Dakota formation.

Phillips proposes to drill this well at a location of 10' FSL & 1440' FEL of Section 25-29N-6W, Rio Arriba County, New Mexico. This will be a downhole commingled well completed in the Basin Dakota and Blanco Mesaverde Pools and will have the E/2 of Section 25 designated as the drillblock for each pool. This is an infill well for the Dakota and the Mesaverde. The #82 well (completed in 1971) was completed as a Dakota producer on this same drillblock. Research of our files (including those of our predecessor) and OCD files in Aztec and Santa Fe (per Mr. Steve Hayden of the Aztec District Office) has not produced a record of a previous Order establishing a Non-Standard Spacing Unit for the Dakota. A Non-Standard Spacing Unit for the Mesaverde was established per Order NWU-282.

The E/2 of Section 25 consists of 233.88 acres, MOL, and therefore does not comprise a standard 320.00 acre spacing unit. Per Rule 104.D (2)(b)(ii), the Director may grant administrative approval of this application when the unorthodox size is necessitated by a variation in the legal subdivision or the non-standard spacing unit lies wholly within a single half section if the well is completed in a pool or formation for which 320 acres is the standard spacing unit size. Such is the case in this instance.

For your benefit in reviewing this request, we are providing the following:

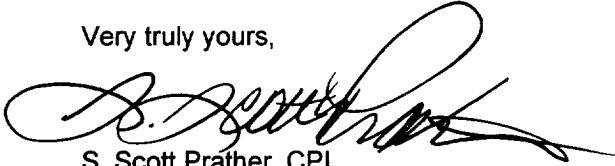
1. A form C-102
2. A nine-section plat exhibiting offset drillblock operators & an affected owners list
3. A reproduction of the BLM plat depicting the E/2 of Section 25 w/lots & acreage figures
4. A copy of OCD approval letter for Mesaverde Non-Standard Spacing Unit

This non-standard spacing unit is located within the boundaries of the San Juan 29-6 Unit, operated by Phillips. As per Rule, 104.D, all affected persons are being furnished with three (3) copies of this application by certified mail and are advised the objections to this application must be submitted in writing within twenty (20) days. Alternately, they may forward an executed waiver to your office, return one copy to our office and retain one copy for their records.

ADMINISTRATIVE APPROVAL OF NON-STANDARD SPACING UNIT
SAN JUAN 29-6 UNIT #82M
JUNE 20, 2000
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Phillips thanks you in advance for your attention to this matter and should you need additional information, please do not hesitate to contact the undersigned.

Very truly yours,



S. Scott Prather, CPL
Senior Landman
San Juan Area
(505) 599-3410

cc: J. L. Mathis – C40454
Steve Hayden – OCD, Aztec
Offset Owners

_____ hereby waives objection to Phillips Petroleum Company's application for approval of Lots 1, 2, 3, 4 & W/2 E/2 of Section 28-29N-6W, to be designated as a Non-Standard Spacing Unit for the Dakota formation.

By: _____

Date: _____

Part II

Distrikt III

District IV

PO Box 2082, Santa Fe, NM 87504-2082

State of New Mexico
Energy, Minerals & Natural Resources Department

PO Box 2088

Santa Fe, NM 87504-2088

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Free Lease - 3 Copies:

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

' API Number		' Pool Code	' Pool Name
' Property Code	' Property Name SAN JUAN 29-6 UNIT		' Well Number 82M
' OGRID No.	' Operator Name PHILLIPS PETROLEUM COMPANY		' Elevation 6495'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
0	25	29N	6W		10'	SOUTH	1440'	EAST	RIO ARBITRA

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
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11 Dedicated Acres	12 Joint or Infill	13 Consolidation Code	14 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**

16	2640.00'	00' S89°58'W	1320.00'	608.52'		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
5280.00' N00°03'E	Section 25			2		Signature _____ Printed Name _____ Title _____ Date _____
				3		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.
				4		Date of Survey <u>02/08/2000</u> Signature and Seal of Professional Surveyor: _____
2640.00' S89°56'W		1440'		610.5'		

**PLAT OF OFFSET OPERATORS TO
E/2 SECTION 25-29N-6W**

29N		23	Phillips Petroleum Company	24 Phillips Petroleum Company	Phillips Petroleum Company (San Juan 29-5 Unit)	19
		26	Phillips Petroleum Company (San Juan 29-6 Unit)	25 #82M	Phillips Petroleum Company (San Juan 29-5 Unit)	30
		35	Phillips Petroleum Company	36 Phillips Petroleum Company	Phillips Petroleum Company (San Juan 29-5 Unit)	31
			6W		5W	

SAN JUAN 29-5 UNIT
DAKOTA PARTICIPATING AREA OWNERS

AMOCO

BOLACK MINERALS

BURLINGTON RESOURCES OIL & GAS COMPANY

CHARLES GAY
LORRAYN HACKER
CORINNE MILLER GAY TRUST
JAMES M RAYMOND
MAYDELL MILLER MAST TRUST

ESTATE OF CARL R. MCELVAIN

PHILLIPS PETROLEUM COMPANY

T. H. MCELVAIN OIL & GAS LIMITED PARTNERSHIP

VAUGHAN-MCELVAIN ENERGY INC.

WISER OIL COMPANY

