



INTER-OFFICE CORRESPONDENCE / SUBJECT:

July 3, 2001



Oil Conservation Division  
State of New Mexico  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

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

**RE: APPLICATION FOR ADMINISTRATIVE APPROVAL  
OF UNORTHODOX WELL LOCATION  
SAN JUAN 29-5 UNIT #54M WELL  
W/2 SECTION 31-29N-5W  
RIO ARriba COUNTY, NEW MEXICO**

Dear Mr. Stogner:

Phillips Petroleum Company (Phillips) as Operator of the captioned well, respectfully requests administrative approval of an Unorthodox Well Location for said well.

Phillips proposes to drill the San Juan 29-5 Unit #54M well at a location of 664' FNL & 2543' FWL of Section 31-29N-5W, Rio Arriba County, New Mexico. This will be a commingled well located in the Basin Dakota and Blanco Mesaverde Pools and will have the W/2 of Section 31 designated as the drillblock for the Mesaverde and as the drillblock for the Dakota. This is an orthodox location for the Mesaverde as per Order No. R-10987-A and is an 80 acre infill well for the Mesaverde Pool. This is an unorthodox location for the Dakota Pool, as currently established and is an 160-acre infill well for the Basin Dakota Pool.

The major basis for this location selection was for both archaeological and topography considerations. As the enclosed topographical plat shows, there exists two (2) roads, the El Cidro Plant, a condensate tank location, the SJ 29-5 #37A well location, US Hwy 64, Gobernador Wash, two (2) power lines, and at least four (4) gas lines and one water line to name a few obstacles. The map also shows at least two (2) of the several arch recorded sites as shown in detail in the enclosed Cultural Resources Survey's Appendix A, Figure #3.

Spacing of the Mesaverde infill to optimize drainage was also considered. The cost savings realized from drilling multiple formation wells improves the economics and reduces surface disturbance. The most viable alternative to recover Dakota reserves is to drill Dakota/Mesaverde commingled wells. Utilization of 80-acre Mesaverde and Dakota infill wells accomplishes this, however it precludes drilling the well at a standard Dakota location.

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

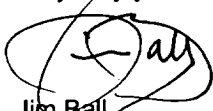
1. A Form C-102 for the Mesaverde formation and the same for the Dakota formation.
2. A topographical plat of the area.
3. A plat exhibiting offset operators. (In this case only Burlington Resources).
4. La Plata Archaeological Consultants' Cultural Resources Survey.

MR. MICHAEL STOGNER  
APPLICATION FOR ADMINISTRATIVE APPROVAL OF UNORTHOD WELL LOCATION  
SAN JUAN 29-5 UNIT #54M WELL  
JULY 3, 2001  
PAGE 2

This drillblock is located within the confines of the San Juan 29-5 Unit. Phillips is the Operator of this unit. The offset operator, Burlington Resources, has been furnished with three (3) copies of this correspondence by certified mail. Burlington Resources has been requested to furnish your office with a Waiver of Objections, keeping one (1) copy for their records, and returning one (1) copy to our office.

We appreciate and thank you for your attention to this request and should you need additional information or clarification on this matter, please do not hesitate to contact the undersigned.

Very truly yours,



Jim Ball  
Senior Land Specialist  
San Juan Area  
(505) 599-3410

cc: J. L. Mathis (r)C40453  
Frank Chavez-OCD, Aztec  
Offset operators

\_\_\_\_\_ hereby waives objection to Phillips Petroleum  
Company's application for a Mesaverde and Dakota unorthodox location for the San Juan 29-5 Unit #54M  
well as proposed above.

BY: \_\_\_\_\_

DATE: \_\_\_\_\_

District I  
701 Reg 1988, Hobbs, NM 88241-1988  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Grande Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C  
Revised October 18, 1  
Instructions on 1  
Submit to Appropriate District Of  
State Lease - 4 Co  
Fee Lease - 3 Co

**OIL CONSERVATION DIVISION**  
2040 South Pacheco  
Santa Fe, NM 87505

NOV 29 PM 3:15

☐ AMENDED REPX

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

' API Number	' Pool Code 71599	' Pool Name Basin Dakota
' Property Code 009256	' Property Name SAN JUAN 29-5 UNIT	' Well Number 54M
' OGRID No. 017654	' Operator Name PHILLIPS PETROLEUM COMPANY	' Elevation 6469'

**" Surface Location**

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
C	31	29N	5W		664'	NORTH	2543'	WEST	RIO ARRI

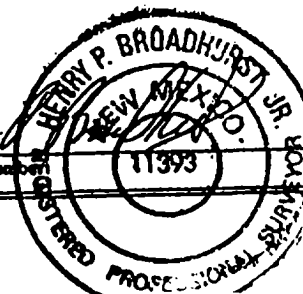
**" Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
C									

" Dedicated Acres 320 W/2	" Joint or Infill Y	" Consolidation Code U	" Order No.
------------------------------	------------------------	---------------------------	-------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED O  
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	S89°44'E	5290.56'	17 OPERATOR CERTIFICATI I hereby certify that the information contained herein i true and complete to the best of my knowledge and be
2543'	SF-078282 1280 acres		Signature Patsy Clugston Printed Name Sr. Regulatory/Proration C. Title 11-28-00 Date
5280.00'	Fee		18 SURVEYOR CERTIFICATI I hereby certify that the well location shown on this p was plotted from field notes of actual surveys made b or under my supervision, and that the same is true a correct to the best of my belief. 08/29/2000 Date of Survey Signature and Seal of Professional Surveyor:
Section 31	NM-011348		
North	Fee		
5280.00'	SF-078410A		
S89°52'E	5280.00'		Certificate Number 11393



District I  
P.O. Box 1900, Hobbs, NM 88241-1900  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Bruma Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

**OIL CONSERVATION DIVISION**  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-1  
Revised October 18, 19  
Instructions on b  
Submit to Appropriate District Off  
State Lease - 4 Cop  
Fee Lease - 3 Cop

NOV 29 PM 3:15 ☐ AMENDED REPO

**WELL LOCATION AND ACREAGE DEDICATION**

* API Number		* Pool Code 72319	* Pool Name Blanco Mesaverde
* Property Code 009256	* Property Name SAN JUAN 29-5 UNIT		* Well Number 54M
* OGRID No. 017654	* Operator Name PHILLIPS PETROLEUM COMPANY		* Elevation 6469'

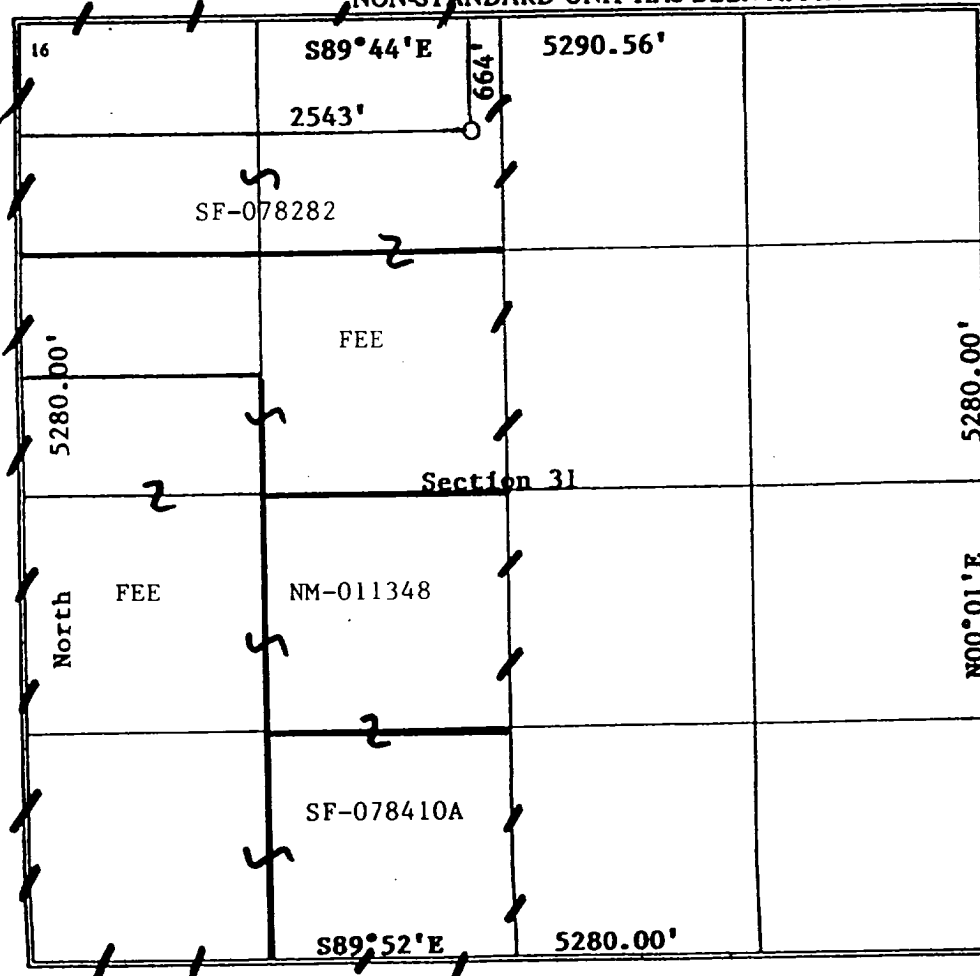
**10 Surface Location**

UL or lot no. C	Section 31	Township 29N	Range 5W	Lot Ida	Feet from the 664'	North/South line NORTH	Feet from the 2543'	East/West line WEST	County RIO ARRI
--------------------	---------------	-----------------	-------------	---------	-----------------------	---------------------------	------------------------	------------------------	--------------------

**11 Bottom Hole Location If Different From Surface**

UL or lot no. C	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
" Dedicated Acres 320 W/2		" Joint or Infill Y	" Consolidation Code U	" Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR  
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

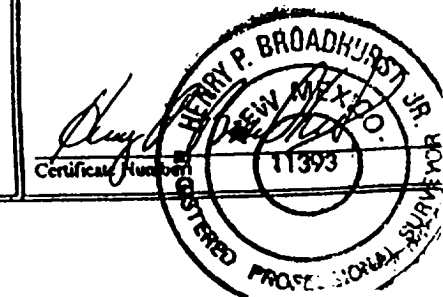


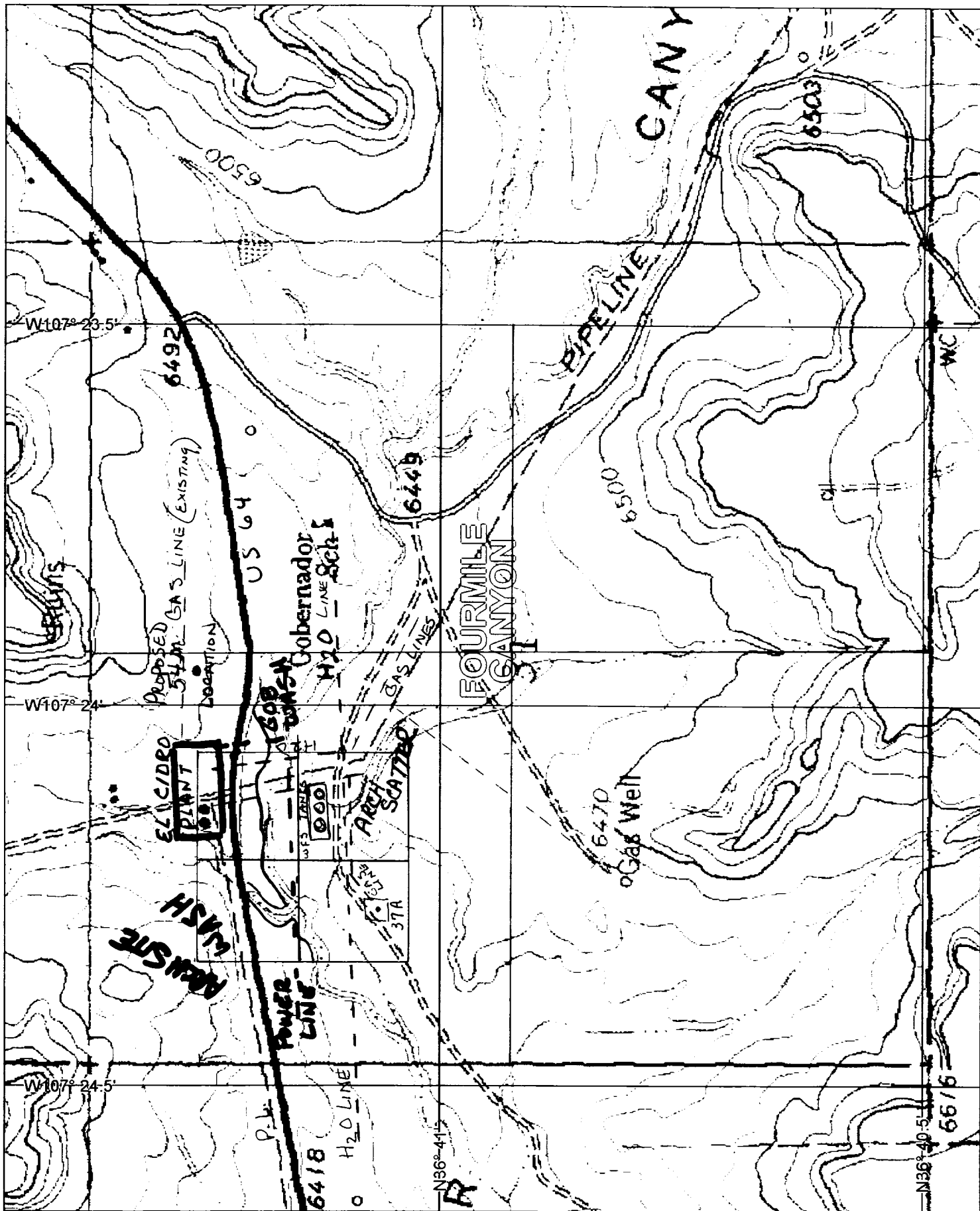
**17 OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Patsy Clugston*  
Signature  
Patsy Clugston  
Printed Name  
Sr. Regulatory/Proration Clerk  
Title  
November 28, 2000  
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.

08/29/2000  
Date of Survey  
Signature and Seal of Professional Surveyor:





San Juan 29-5 Unit #54M  
Unit C, 664' FNL & 2543' FWL  
Section 31, T29N, R5W

**Offset Operators**

R6W   R5W		
25	30	29
Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM	Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM	Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM
36	31	32
Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM	● Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM	Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM
T29N		
T28N		
12	7	8
Burlington Resources P.O. Box 4289 Farmington, NM 87499	Burlington Resources P.O. Box 4289 Farmington, NM 87499	Burlington Resources P.O. Box 4289 Farmington, NM 87499
13	18	17
Burlington Resources P.O. Box 4289 Farmington, NM 87499	Burlington Resources P.O. Box 4289 Farmington, NM 87499	Burlington Resources P.O. Box 4289 Farmington, NM 87499
R6W   R5W		

**CULTURAL RESOURCES SURVEY OF  
PHILLIPS PETROLEUM'S PROPOSED  
SAN JUAN 29-5 NUMBER 54M WELL PAD, ACCESS ROAD  
AND  
WILLIAMS FIELD SERVICES' WELL TIE PIPELINE  
RIO ARriba COUNTY, NEW MEXICO**

**LAC REPORT 2000-54g**

by

Steven Fuller

**LA PLATA ARCHAEOLOGICAL CONSULTANTS  
26851 COUNTY ROAD P  
DOLORES, COLORADO 81323  
(970) 565-8708**

**New Mexico Cultural Resource Use permit No. 19-2920-00-S  
NMCRIS Project Number 72606**

December 2, 2000

**Prepared For:**

**Phillips Petroleum  
5525 Highway 64 NBU 3004  
Farmington, NM 87401  
(505) 599-3400**

**Williams Field Services  
190 County Road 4980  
Bloomfield, NM 87413  
(505) 632-4857**

## ABSTRACT

On August 29 and November 27, 2000, La Plata Archaeological Consultants conducted a cultural resources survey for the proposed San Juan 29-5 Number 54M well pad, access road, and well tie pipeline planned by Phillips Petroleum and Williams Field Services. The survey is located in Rio Arriba County, New Mexico. The project is located on fee lands with the mineral estate managed by the Bureau of Land Management, Farmington Field Office. The proposed well is located in T29N, R5W, Section 31. Approximately 7.7 acres were surveyed for the proposed well pad, access road, pipeline and buffer zones. The survey was conducted by Steven Fuller of La Plata Archaeological Consultants.

One archaeological site was encountered during the survey. The site, a possible Anasazi Pueblo I habitation, is considered potentially eligible for nomination to the National Register of Historic Places. The site can be protected and avoided during construction of the project. As significant cultural resources will not be affected, archaeological clearance is recommended for the project.

## INTRODUCTION

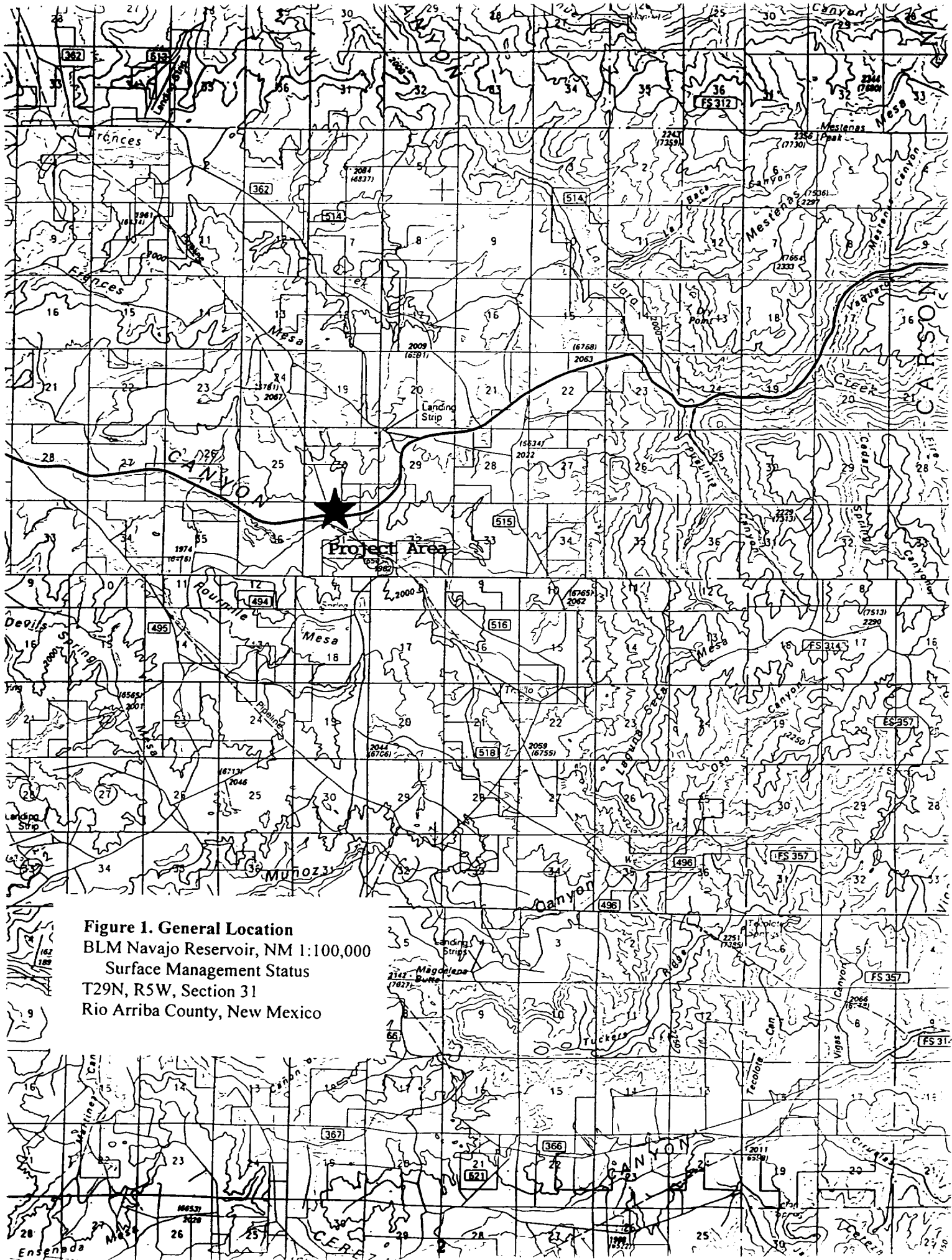
The archaeological survey of Phillips Petroleum's San Juan 29-5 Number 54M well pad, access road and Williams Field Services' well tie pipeline was conducted by personnel of La Plata Archaeological Consultants on August 28 and November 27, 2000. The fieldwork was conducted by Steven Fuller, who also administered the project. The survey was conducted at the request of Mr. Richard Allred of Phillips Petroleum. Personnel of United Field Services staked the proposed well location and Williams Field Services contractors staked the pipeline.

The project area is located within Rio Arriba County on fee lands with the mineral estate managed by the Bureau of Land Management, Farmington Field Office. The project is located on a low bench just north of the Gobernador Wash floodplain and US Highway 64, across the highway from the old Gobernador School (Figures 1 and 2). All work was conducted under the authority of the New Mexico Cultural Resource Use Permit No. 19-2920-00-S issued to La Plata Archaeological Consultants.

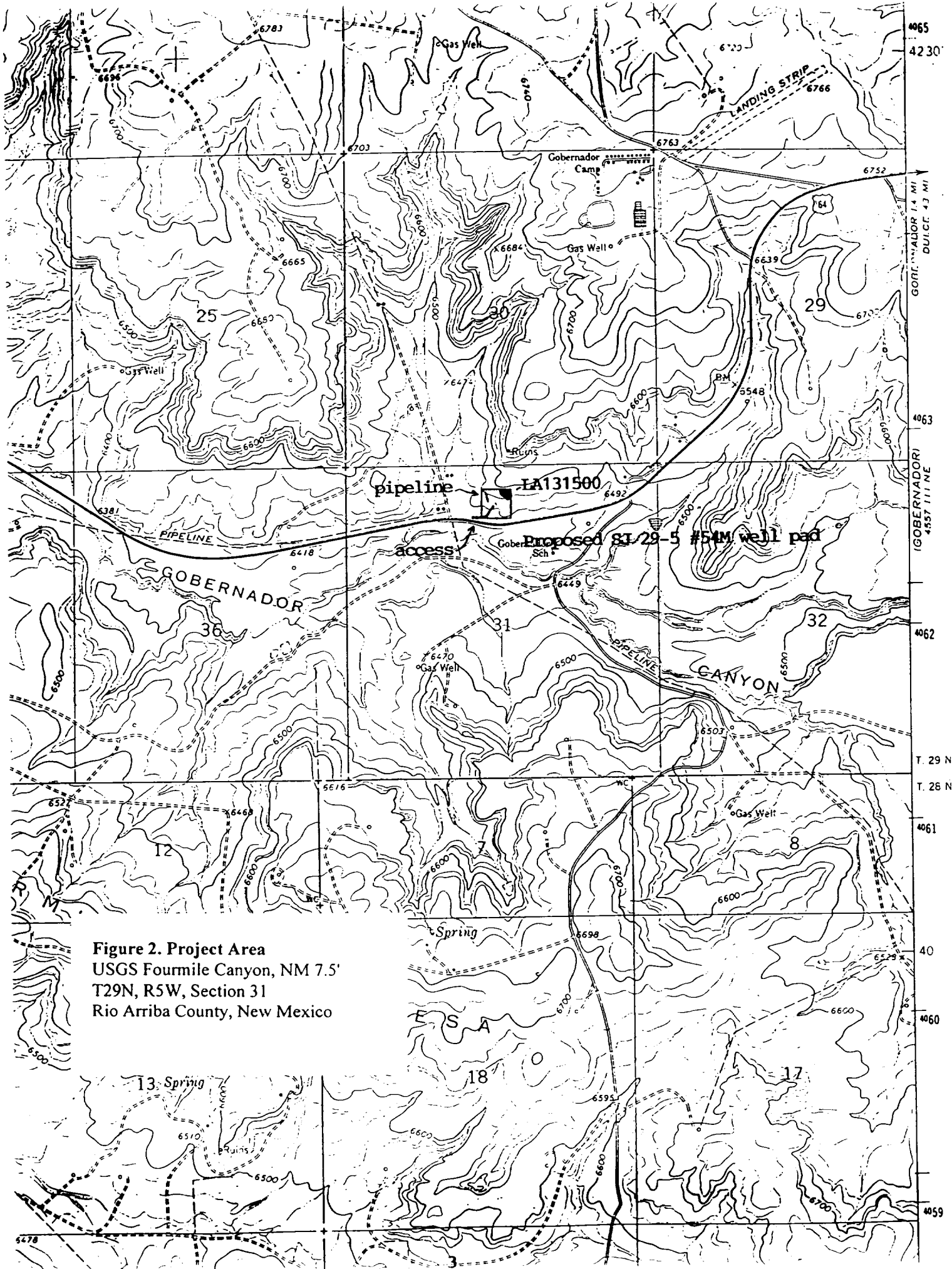
The area was surveyed for a well pad, access road, and well tie pipeline proposed by Phillips Petroleum and Williams Field Services. A total of 7.7 acres was intensively surveyed for this project. A 575 by 510 foot block was surveyed for the well pad which will measure approximately 275 by 210 ft. The well tie pipeline will connect to an existing Williams Field Services pipeline that just north of the staked location. Access will extend about 300 ft from the well pad to US Highway 64.

One new archaeological site was encountered during the survey. The site is considered potentially eligible for nomination to the National Register of Historic Places. Recommendations for





**Figure 1. General Location**  
BLM Navajo Reservoir, NM 1:100,000  
Surface Management Status  
T29N, R5W, Section 31  
Rio Arriba County, New Mexico



**Figure 2. Project Area**  
 USGS Fourmile Canyon, NM 7.5'  
 T29N, R5W, Section 31  
 Rio Arriba County, New Mexico

avoiding and protecting the site are included, and given these recommendations, archaeological clearance is recommended for the project.

## **PREFIELD RECORDS SEARCH**

The ARMS database was searched by modem for this project in August, 2000. Also consulted were the records maintained by the BLM, Farmington Field Office. There are a total of eight sites recorded within 0.5 mile of the project area, as shown on Figure 3, Appendix A. One of these sites, LA1858, *should* be located just west of the survey area. A diligent effort was made to relocate LA1858, but it was not found. The site form was prepared in 1973 and the site location sketch does not match well with local topography, suggesting that the site is either misplotted or was destroyed by subsequent expansion of the adjacent Gobernador Compressor site. None of the other sites are within 500 ft of the project area.

## **FIELD METHODS**

Prior to the survey, the proposed well pad was marked at its center and four corners. A 6.7 acre block (575 by 510 ft) was surveyed using pedestrian transects spaced no greater than 15 m apart. This was sufficient to cover the 275 by 210 ft well pad, 50 ft construction zone, and at least a 100 ft buffer for cultural resources. The short section of access road corridor that exits the block survey area was examined using similar pedestrian transects, covering a 150-ft wide corridor. The surveyed area is illustrated on Figure 2.

## **ENVIRONMENT**

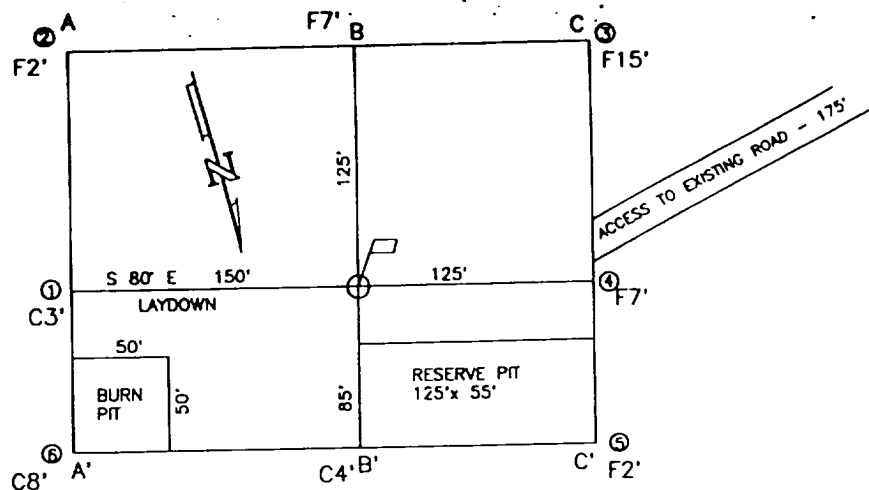
The proposed well pad, access road and pipeline are located on a low bench that rises about 20-30 ft above the Gobernador Wash floodplain to the south. The bench is just east of the Gobernador Compressor Station and occupied residences are just to the east of the project area. The area is mostly in an open sagebrush shrubland with a woodland extending north of the project area to the base of Frances Mesa, which looms over the project area. A sandstone rim separates the survey area from US Highway 64 to the south. Soils are formed on moderately shallow sandy loess deposits and washed sandy residual deposits. A pipeline has passed through the survey area and numerous old fences also cross the area.

## PROJECT LOCATION AND DESCRIPTION

- Project Name:** Phillips Petroleum's SJ 29-5 No. 54M well pad and access road and Williams Field Services' well tie pipeline
- Legal Description:** The well pad, access road and pipeline are located in T29N, R5W, Section 31, NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ . The actual footage of the location is 664 FNL, 2543 FWL (see well pad plat, Figure 4; pipeline plat, Figure 5). All project features are in Rio Arriba County, New Mexico.
- Elevation:** 6469 ft
- Map Reference:** USGS Fourmile Canyon, NM 7.5' 1963 (revised 1982)
- Land Jurisdiction:** Fee
- Project Area:** The well pad will measure 275 by 210 ft and will directly affect an area of about 1.3 acres. The well tie pipeline extends only 305 ft to the northwest (from well flag to tie-in point) to connect to an adjacent Williams pipeline. The access road leaves the southwest corner of the location and drops off the bench and heads west for several hundred ft to tie to an entrance to a tank farm, adjacent to US Highway 64.
- Surveyed Area:** A 575 by 510 ft block (6.7 acres) was surveyed for well pad, 50-ft construction zone, and 100-ft buffer zone. No additional survey was required for the pipeline as the tie-in point is within the block survey area. The access road extends about 300 ft beyond the block survey area and a 150-ft wide corridor was examined to cover the road construction zone plus about 50 ft buffer zones to each side (1 acre). A total of 7.7 acres were surveyed for this project with all being on fee lands.
- Results:** One new archaeological site (LA131500) was found during the survey. A complete form is included in Appendix B. The site is described below.

## CULTURAL RESOURCES

One newly recorded archaeological site was encountered just to the northeast of the well pad. The site is an Anasazi Pueblo I artifact scatter that may possess one feature and may represent a habitation disturbed by pipeline construction. The site is considered potentially eligible for nomination to the National Register of Historic Places. The site is more fully described below.



A-A' ELEVATION

ELEVATION	C/L
6489	
6479	
6469	
6459	
6449	

B-B'

ELEVATION	C/L
6489	
6479	
6469	
6459	
6449	

C-C'

ELEVATION	C/L
6489	
6479	
6469	
6459	
6449	

COMPANY: PHILLIPS PETROLEUM CO.

LEASE: SAN JUAN 29-5 UNIT No. 54M

FOOTAGE: 664 FNL 2543 FWL UNIT C

SEC. 31 TWN. 29 N RNG. 5 W N.M.P.M.

COUNTY: RIO ARRIBA STATE: N.M.

ELEVATION: 6469

LATITUDE: 36-41-15

LONGITUDE: 107-23-55

<b>PHILLIPS PETROLEUM CO.</b> FARMINGTON, NEW MEXICO		
SURVEYED: B/29/00	REV. DATE:	APP. BY
DRAWN BY: K.REA	DATE DRAWN: 9/04/00	FILE NAME: UF074
<b>UNITED</b> <b>FIELD SERVICES INC.</b>		
P.O. BOX 3651 FARMINGTON, NM 87499 OFFICE: (505)334-0408		

Figure 4. Well Pad Plat

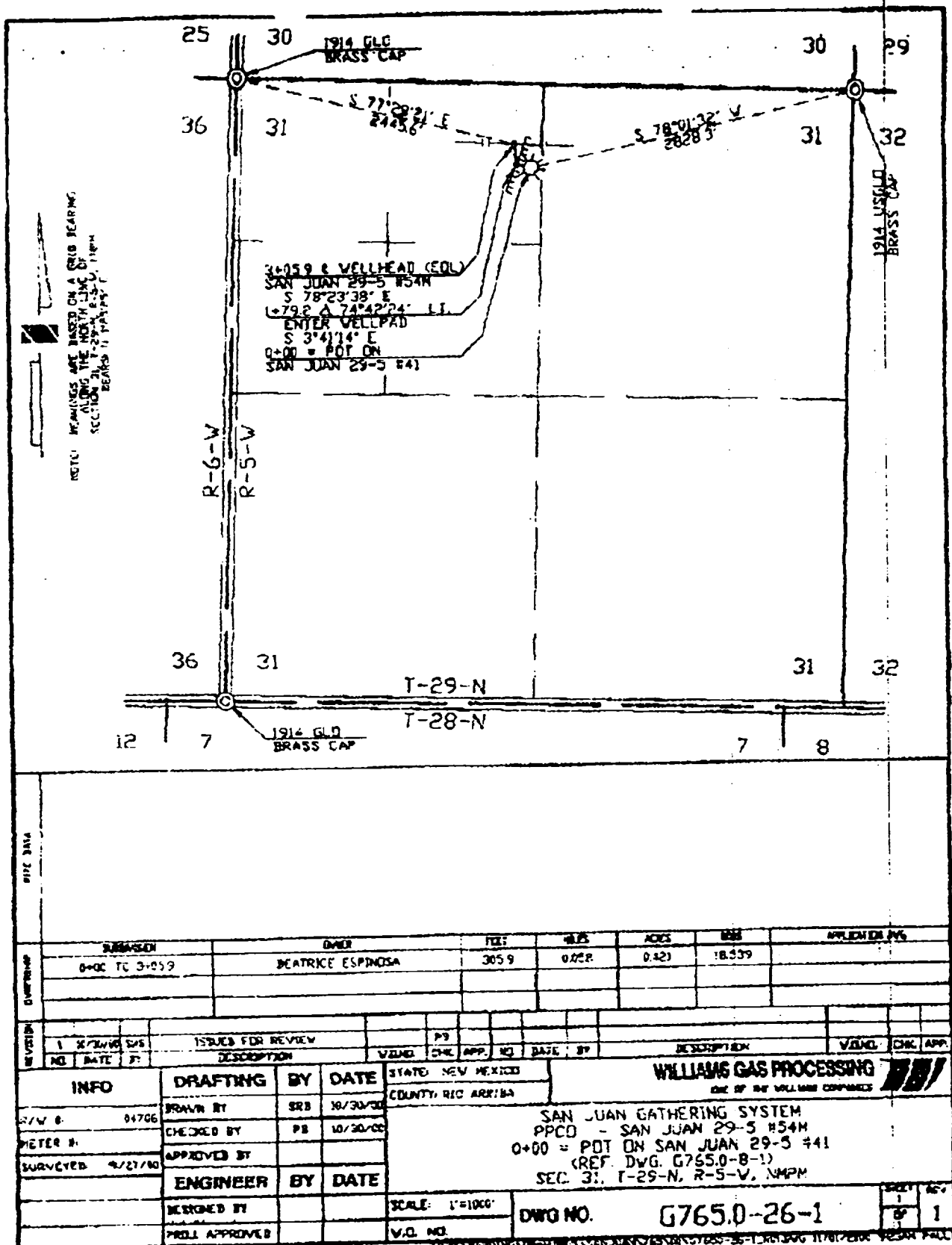


Figure 5. Pipeline Plat

**Site No. LA131500**

**Description:**

This Anasazi Pueblo I site (Figure 6) is situated about 500 ft north of US Highway 64 and about 600 ft south of the base of Frances Mesa, on a south-facing bench. LA1874 is on the point of Frances Mesa about 800 ft north of the site, though about 150 ft higher in elevation. Site LA1874 is described in the ARMS database as a Pueblo I site, but no features or site type are listed. Site LA131500 is an extensive artifact scatter with one possible feature, a possible pitstructure depression. The site has been impacted by construction of an old Williams pipeline, which makes recognition of site features or structures more difficult. One possibility is that the site represents disturbed unit Pueblo habitation with disturbed or destroyed surface architecture, a pitstructure, and an associated refuse scatter to the east and southeast. Alternatively, the site may represent only a activity locus, field house, or temporary habitation.

Present on the surface of the site are over 100 sherds including two Rosa Black-on-white sherds and mostly grayware body sherds. No corrugated, neckbanded, or otherwise distinguishing characteristics were noted in the ceramic assemblage except that the grayware body sherds included some with sand and some with crushed rock temper. The lithic assemblage was much smaller and included no flaked or nonflaked lithic tools. There were at most 25 flakes of chalcedony, chert, quartzite present, with a few obsidian microflakes also noted in one small cluster. The majority of the sherds and flakes are concentrated in a 25 by 25 m area in the center of the site with a lighter scatter washing down the slope to the southeast.

The one possible feature exposed on the site was Feature 1, a faint depression representing a possible pitstructure. Alternatively, the depression may only represent a faint erosional basin at the head of a small wash. Elsewhere on the site there are very few small fragments of sandstone, none of which are burned, which may suggest that structures or features were not impacted during construction of the pipeline through the site area.

The site obviously dates to the Pueblo I period but it remains unclear whether the site possesses, or previously possessed, habitation structures or just represents limited use of this particular area. The site should be considered potentially eligible for nomination to the National Register of Historic Places given the quantity of artifacts present on the surface (>125) and the slight potential for Feature 1 to represent a buried pitstructure.

## **RECOMMENDATIONS**

During the survey for the Phillips Petroleum's San Juan 29-5 Number 54M well pad and access road and Williams Field Services' well tie pipeline, one potentially eligible National Register archaeological site was encountered. Recommendations for avoiding and protecting the site are as follows:

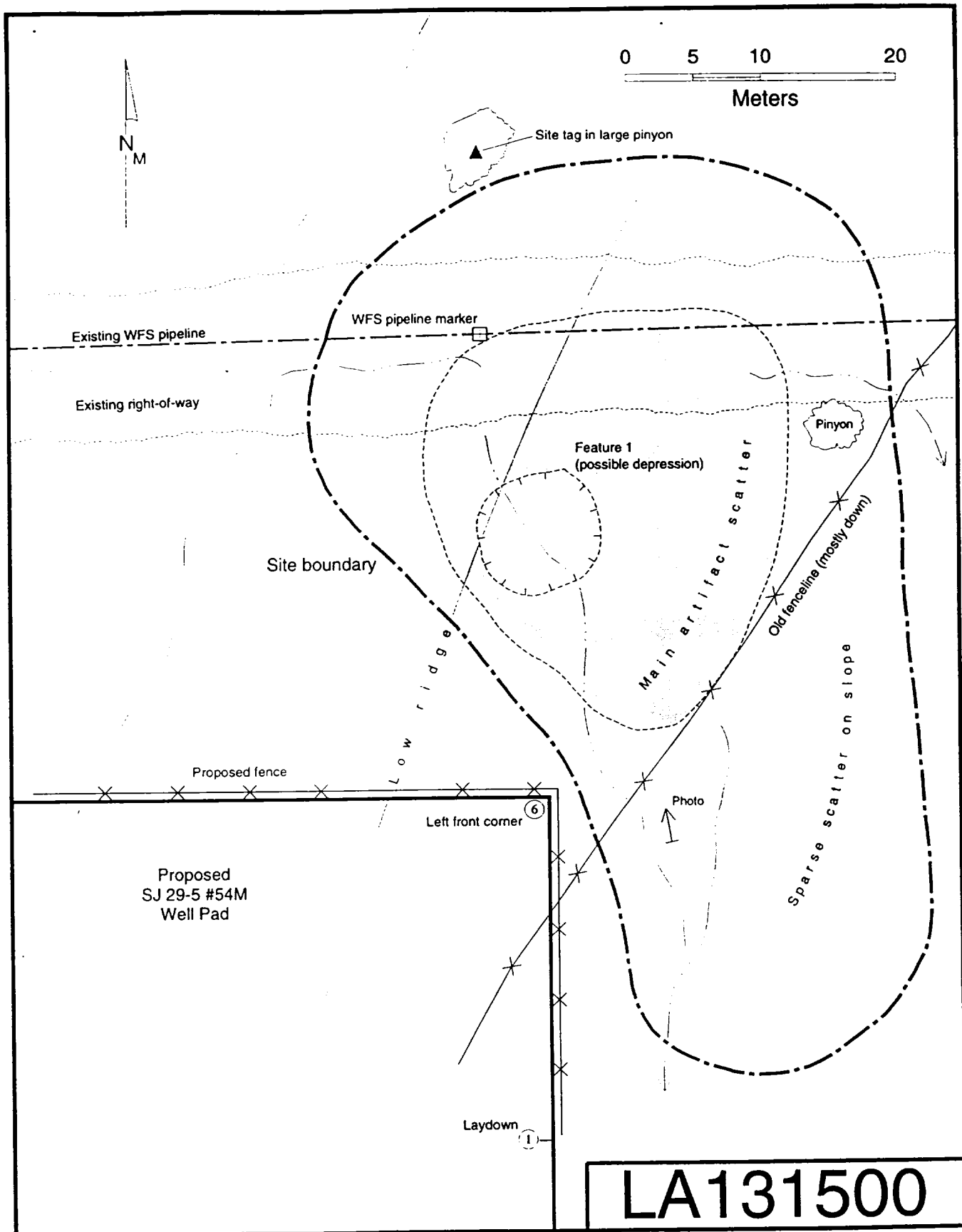


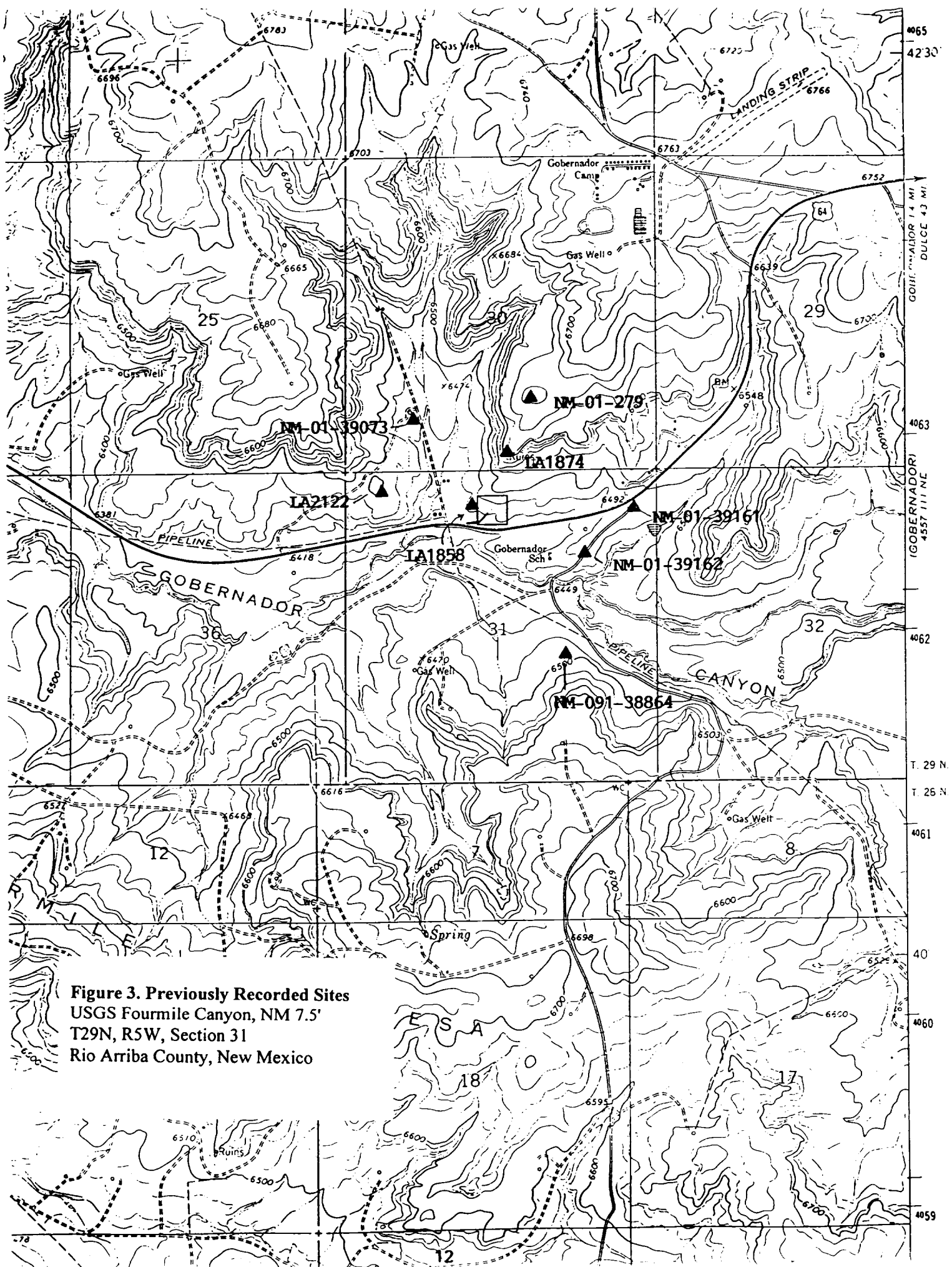
Figure 6. Site plan: LA131500



**Site LA131500:** The site is located just northeast of the northeast corner of the proposed well pad and can be protected by placing a protective fence around the Number 6 corner as shown on Figure 6.

As the site can be avoided and protected during project construction, archaeological clearance is recommended for the project.

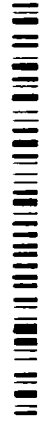
**APPENDIX A**  
**PREVIOUSLY RECORDED SITES MAP**



**Figure 3. Previously Recorded Sites**  
 USGS Fourmile Canyon, NM 7.5'  
 T29N, R5W, Section 31  
 Rio Arriba County, New Mexico

**APPENDIX B**  
**SITE FORM: LA131500**

154 2511 6302 PB85912U  
\$06.240 JUL 03 0  
FARMINGTON NM 8740



7099 3400 0020 0912 0925

Burlington Resources  
3401 East 20<sup>th</sup> Street  
Farmington, New Mexico 87401  
Attn: Alan Alexander

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Burlington Resources  
3401 East 20<sup>th</sup> Street  
Farmington, New Mexico 87401  
Attn: Alan Alexander

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

☐ Agent

☐ Addressee

☒ X

☐ Yes

☐ No

D. Is delivery address different from item 1?

If YES, enter delivery address below:

3. Service Type

☒ Certified Mail

☐ Registered

☐ Insured Mail

☐ Express Mail

☐ Return Receipt for Merchandise

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number (Copy from service label)

7099 3400 0020 0912 0925

PS Form 3811 1-88 4000