

## NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

October 15, 1999

5929-76nt # 110

Telefax No. (505) 982-2047

Burlington Resources Oil & Gas Company c/o W. Thomas Kellahin P. O. Box 2265 Santa Fe, New Mexico 87504-2265

OIL COM. DIV.

Administrative Order NSL-4367

Dear Mr. Kellahin:

Reference is made to the following: (i) Burlington Resources Oil & Gas Company's ("Burlington") initial application that was submitted by Ms. Peggy Bradfield to the New Mexico Oil Conservation Division ("Division") on July 20, 1999; (ii) your meeting with Mr. Michael E., Stogner. Hearing Officer/Engineer with the Division in Santa Fe on Thursday, September 2, 1999; (iii) your telefaxed correspondence requesting the status of this application that was submitted to the Division on Monday, October 4, 1999; (iv) your telephone conversation with Mr. Stogner on October 4, 1999; (v) your letter dated October 15, 1999 with supplemental information; and (iii) the records of the Division: all concerning Burlington's request for an exception to the well location requirements provided within the "Special Rules for the Blanco-Mesaverde Pool," as promulgated by Division Order No. R-10987-A, for a non-standard Blanco-Mesaverde infill gas well location in an existing standard 317.83-acre stand-up gas spacing and proration unit ("GPU") for the Blanco-Mesaverde Pool comprising Lots 7 and 8, the S/2 NW/4, and the SW/4 (W/2 equivalent) of Section 3, Township 29 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. This GPU is currently dedicated to Burlington's: (i) San Juan "29-7" Unit Well No. 11 (API No. 30-039-07681), located 660 feet from the South and West lines (Unit M) of Section 3; and (ii) San Juan "29-7" Unit Well No. 11-A (API No. 30-039-25564), located at a standard gas well location 900 feet from the North line and 790 feet from the West line (Lot 8/Unit D) of Section 3.

The application has been duly filed under the provisions applicable at the time the initial application by Burlington was filed of Division Rules 104.F and 605.B.

The geologic interpretation submitted with this application indicates that the proposed unorthodox infill gas well location will be at a more favorable geologic position within the Blanco-Mesaverde Pool underlying the NW/4 equivalent of Section 3. Topographic conditions further restrict placement of the subject well.

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled as the second infill well on this GPU at an unorthodox gas well location

Administrative Order NSL-4367 Burlington Resources Oil & Gas Company October 15, 1999 Page 2

in Section 3 is hereby approved:

#### San Juan "29-7" Unit Well No. 11-C 480' FNL & 1590' FWL (Lot 7/Unit C) (API No. 30-039-26126)

Further, all three of the aforementioned San Juan "29-7" Unit Well Nos. 11, 11-A, and 11-C and existing GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico and to the Blanco-Mesaverde Pool.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington

Ms. Peggy Bradfield, Burlington Resources Oil & Gas Company - Farmington

## BURLINGTON RESOURCES

SAN JUAN DIVISION

Sent Federal Express July 16, 1999

Mr. Michael Stogner New Mexico Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Re:

San Juan 29-7 Unit #11C

480'FNL, 1590'FWL Section 3, T-29-N, R-7-W, Rio Arriba County

30-039-26126

Dear Mr. Stogner:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for the Mesa Verde pool. This application for the referenced location is because of very rough terrain, because the Bureau of Land Management does not want access to the bench, and for geologic reasons as described in the attached explanation and maps.

Production from the Mesa Verde pool is to be included in a 317.83 acre gas spacing and proration unit for the west half (W/2) in Section 3 and is to be dedicated to the San Juan 29-7 Unit #11 (30-039-07681) located at 660'FSL, 660'FWL in Section 3, the San Juan 29-7 Unit #11A (30-039-25564) located at 900'FNL, 790'FWL in Section 3 and the San Juan 29-7 Unit #11B which is proposed but postponed to be drilled at this time.

The following attachments are for your review:

- Application for Permit to Drill.
- Completed C-102 at referenced location.
- Offset operators/owners plat Burlington is the offset operator
- 7.5 minute topographic map
- · Geologic explanation and maps

We appreciate your earliest consideration of this application.

Sincerely,

Peggy Bradfield

Regulatory/Compliance Administrator

xc:

NMOCD - Aztec District Office Bureau of Land Management

#### **UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT**

a.	Type of Work	5. Lease Number
	DRILL	SF-078945
	DKILL	Unit Reporting Number
		891001650A
b.	Type of Well	6. If Indian, All. or Tribe
	GAS	
	Operator	7. Unit Agreement Name
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	RESOURCES Oil & Gas Company Company	San Juan 29-7 Unit
	DEGE IV	
3,	Address & Phone No. of Operator	8. Farm or Lease Name
	PO Box 4289, Farmington, NM 8 11 9 JUL 2 0 19	gg San Juan 29-7 Unit 9. Well Number
	(505) 326-9700	DIV. 11C
l.		10. Field, Pool, Wildcat
	Location of Well 480' FNL, 1590' FWL	
	_	11. Sec., Twn, Rge, Mer. (NMPM)
	Latitude 36° 45.6, Longitude 107° 33.7	Sec. 3, T-29-N, R-7-W
		API# 30-039- Z6/Z6
14.	Distance in Miles from Nearest Town	12. County 13. State
14.	2 miles from Navajo City	Rio Arriba NM
	Z miles from Marajo orty	
15.	Distance from Proposed Location to Nearest Property or Lease	Line
40	480'	17. Acres Assigned to Well
16.	Acres in Lease	317.83 W/2
		317.03 N/2
18.	Distance from Proposed Location to Nearest Well, Drlg, Compi,	or Applied for on this Lease
	700/	
	Proposed Depth  This action is subject to technical and procedural review pursuant to 43 CFR 34	
	700'	
19.	Proposed Depth procedural review pursuant to 43 CFR 3165.4.	
19.	Proposed Depth  This action is subject to technical and procedural review pursuant to 43 CFR 34	65.3 20. Rotary or Cable Tools Rotary
19. 21.	Proposed Depth 5730'  Elevations (DF, FT, GR, Etc.)  This action is subject to technical and procedural review pursuant to 43 CFR 3165.4.	65.3 20. Rotary or Cable Tools  Rotary
19.	700' Proposed Depth 5730' This action is subject to technical and procedural review pursuant to 43 CFR 3165.4.  Elevations (DF, FT, GR, Etc.) 6258' GR  Proposed Casing and Cementing Program	Rotary or Cable Tools Rotary  22. Approx. Date Work will Start
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Archaeological Report to be submitted

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 PD Box 1980, Hobbs, NM 88241-1980 State of New Mexico
Energy, Manerals & Natural Resources Department

Revised February 21.
Instructions on
Appropriate District 0

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

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

Submit to Appropriate District 0
State Lease - 4 C
Fee Lease - 3 C

District III 1000 Rio Brazos Rd. Aztec, NM 87410 District IV PD Box 2088, Santa Fe. NM 87504-2088

AMENDED REP

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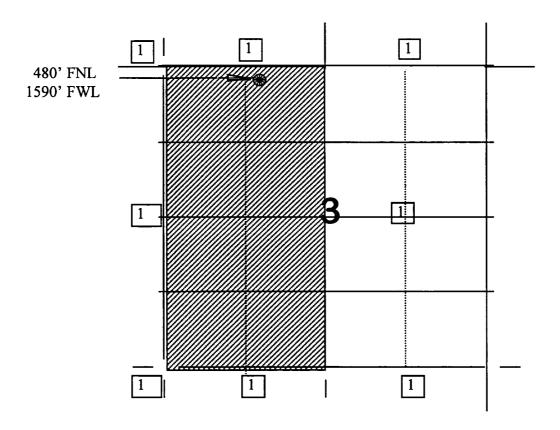
### **BURLINGTON RESOURCES OIL AND GAS COMPANY**

### San Juan 29-7 Unit #11C

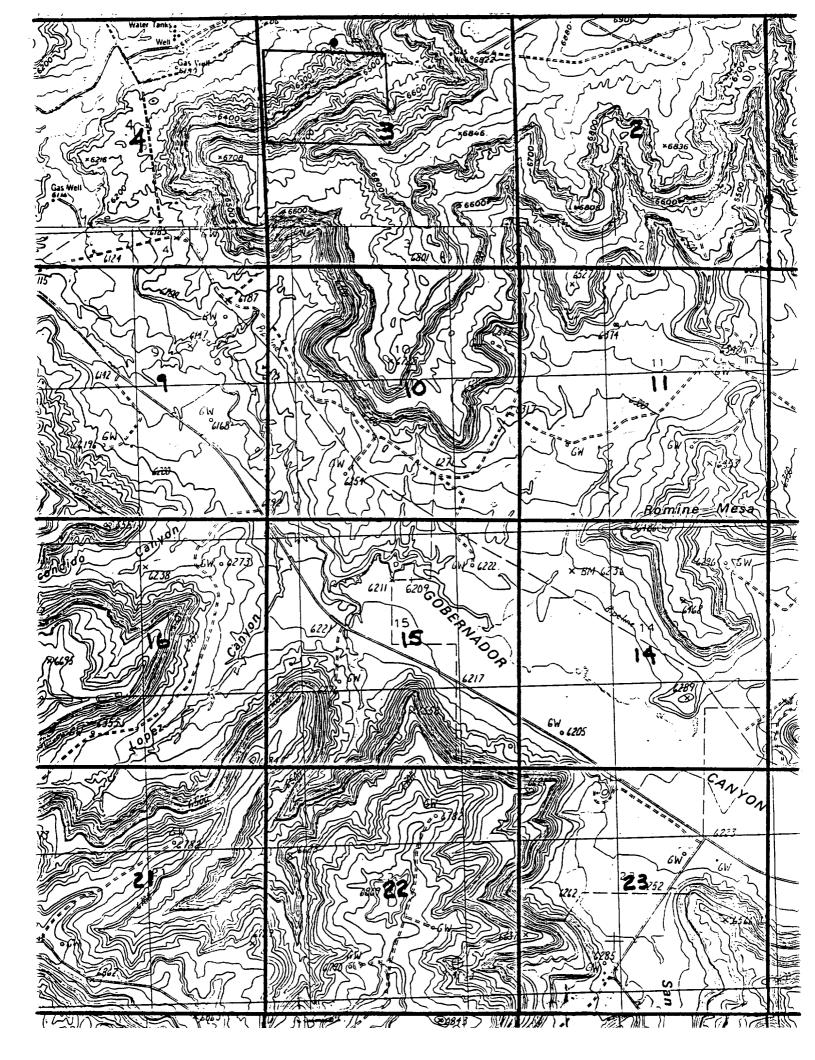
#### **OFFSET OPERATOR/OWNER PLAT**

# Mesaverde Formation Non-standard Location

Township 29 North, Range 7 West



1) Burlington Resources



Proposed San Juan 29-7 Unit Well Number 11C
480' FNL & 1590' FWL
Section 3, T29N, R7W
Rio Arriba County, New Mexico
Blanco Mesaverde Pool
Estimated TD 5730'

The location of the proposed test was selected to optimize gas recovery from the Mesaverde Group. The primary control on productivity in the Mesaverde is the density of natural fractures. Fracture orientation ranges from due north to north 30 degrees east. Gas drainage areas are elliptical in shape with the long axis parallel to the direction of fracture orientation. A drainage ellipse map of the project vicinity indicates that undeveloped gas reserves remain to be exploited in the E/2NW/4 of Section 3, T29N, R7W. The drainage ellipse map is based upon data derived from a larger study of the entire Blanco Mesaverde Pool (estimated ultimate recovery calculated for all wells in the Blanco Mesaverde Pool, original gas in place values calculated for entire Blanco Mesaverde Pool, etc.). Gross recoverable gas reserves of 2.692 BCF are projected from the Mesaverde producing interval for the proposed test. Due to topographic and archeological restrictions, it is not possible to exploit the remaining gas reserves in the Mesaverde in the E/2NW/4 of Section 3, T29N, R7W from a standard surface location.

SJ29 7 11C NSL 07/16/99

