



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

October 15, 1999

59 29-7 Unit # 11C
C-3-29N-7W

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

RECEIVED
OCT 20 1999

Telex No. (505) 982-2047

OIL CON. DIV.
DIST. 3

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

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,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery", followed by a small mark that looks like "by DE".

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

RECEIVED
JUL 20 1999
OIL CON. DIV.
DIST. 3

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number SF-078945 Unit Reporting Number 891001650A	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator BURLINGTON RESOURCES Oil & Gas Company	7. Unit Agreement Name San Juan 29-7 Unit	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name San Juan 29-7 Unit 9. Well Number 11C	
4. Location of Well 480' FNL, 1590' FWL Latitude 36° 45.6, Longitude 107° 33.7	10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 3, T-29-N, R-7-W API # 30-039-26126	
14. Distance in Miles from Nearest Town 2 miles from Navajo City	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 480'	17. Acres Assigned to Well 317.83 W/2	
16. Acres in Lease	18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 700'	
19. Proposed Depth 5730'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6258' GR	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached	DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"	
24. Authorized by: <u>[Signature]</u> Regulatory/Compliance Administrator	Date <u>7-1-99</u>	

PERMIT NO. _____

APPROVAL DATE JUN 17 1999

APPROVED BY [Signature]

TITLE Team Lead

DATE _____

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
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, 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
Revised February 21,
Instructions on
Submit to Appropriate District 0
State Lease - 4 C
Fee Lease - 3 C

☐ AMENDED REP

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-		2 Pool Code 72319		3 Pool Name Blanco Mesaverde			
4 Property Code 7465		5 Property Name SAN JUAN 29-7 UNIT				6 Well Number 11C	
7 OGRID No. 14538		8 Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY				9 Elevation 6258'	

10 Surface Location

11 UL or lot no. C	12 Section 3	13 Township 29N	14 Range 7W	15 Lot 10n	16 Feet from the 480	17 North/South line NORTH	18 Feet from the 1590	19 East/West line WEST	20 Count RI ARR
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11 Bottom Hole Location If Different From Surface

21 UL or lot no.	22 Section	23 Township	24 Range	25 Lot 10n	26 Feet from the	27 North/South line	28 Feet from the	29 East/West line	30 Count
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31 Dedicated Acres MV-W/317.83	32 Joint or Infill	33 Consolidation Code	34 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

<p>15</p> <p>5280.00'</p> <p>1590'</p> <p>480'</p> <p>8</p> <p>7</p> <p>6</p> <p>5</p> <p>NMSF-078945</p> <p>3</p> <p>5242.38'</p> <p>NMSF-078919</p> <p>5297.16'</p>		<p>16 OPERATOR CERTIFICATE</p> <p>I hereby certify that the information contained in this plat is true and complete to the best of my knowledge and belief.</p> <p>Signature Peggy Bradfield</p> <p>Printed Name Regulatory Administrator</p> <p>Title</p> <p>Date DECEMBER 8, 1998</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor NEALE C. EDWARDS NEW MEXICO 6857</p> <p>Certificate Number 6258</p>	
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BURLINGTON RESOURCES OIL AND GAS COMPANY

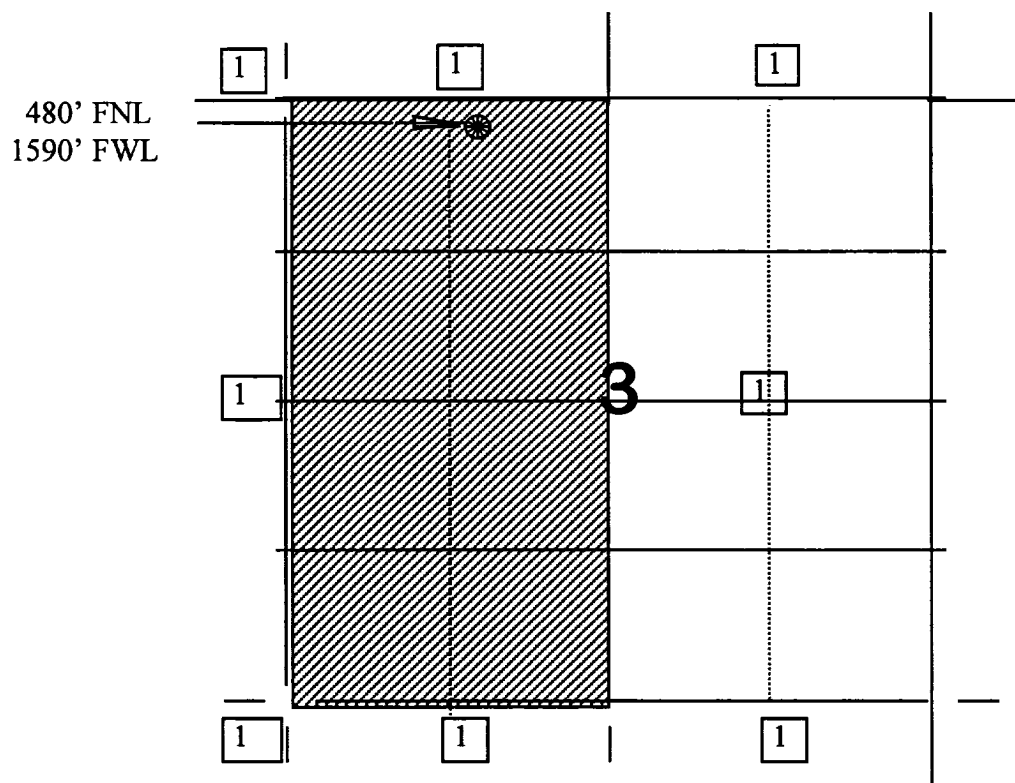
San Juan 29-7 Unit #11C

OFFSET OPERATOR/OWNER PLAT

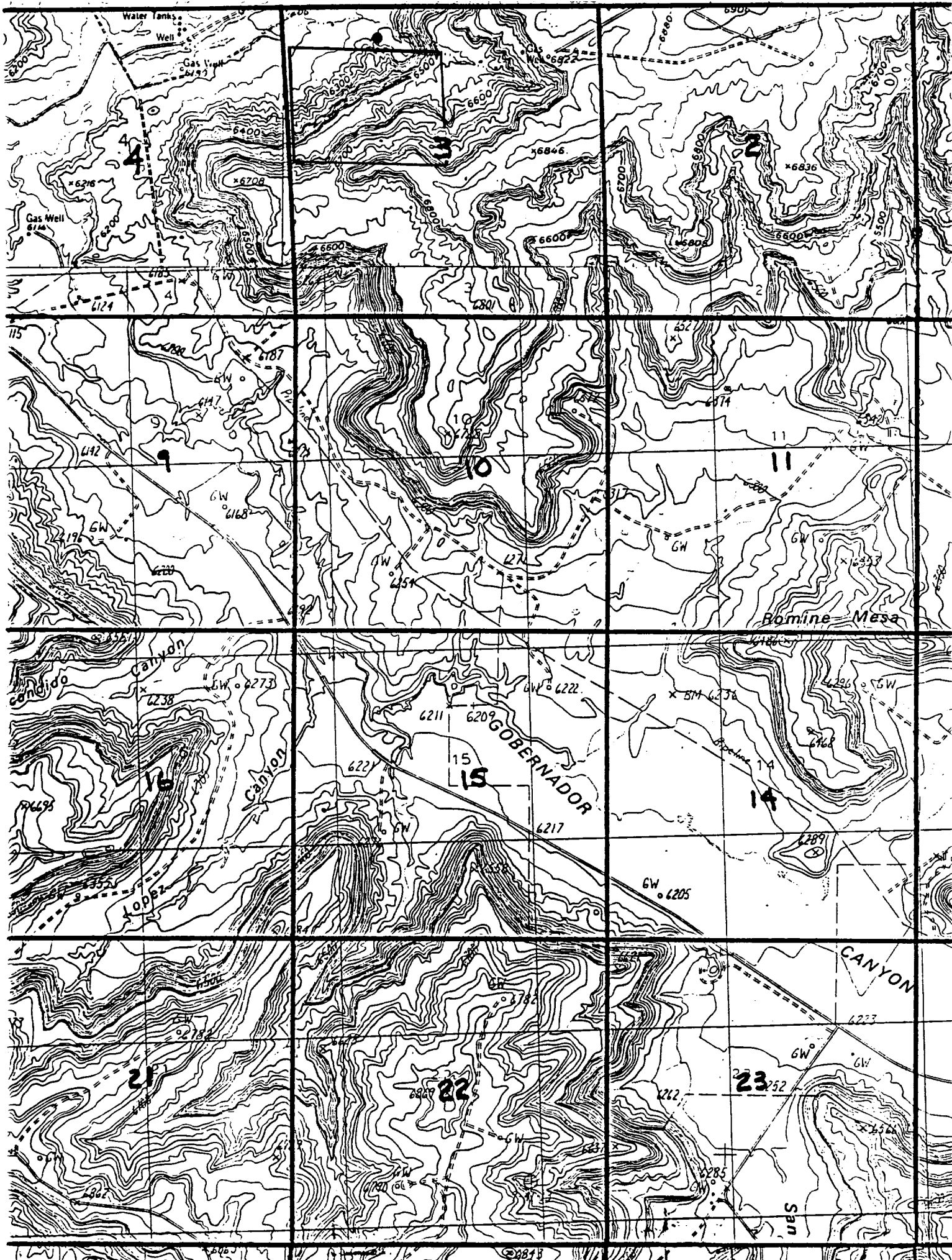
Mesaverde Formation

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.

San Juan 29-7 #11C

29N - 7W - 03

Blanco Mesaverde

