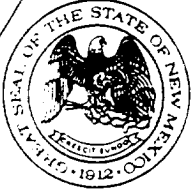


*Blue*



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

November 9, 1993

Phillips Petroleum Company  
5525 Highway 64, NBU 3004  
Farmington, NM 87401

Attention: W.F. Hulse, III

**RECEIVED**  
NOV 15 1993  
OIL CON. DIV.  
DIST. 3

*Administrative Order NSL-3328*

Dear Mr. Hulse:

Reference is made to your application dated September 29, 1993 for a non-standard coal gas well location for your San Juan 30-5 Unit Well No. 246 which has been drilled 2011 feet from the South line and 531 feet from the West line (Unit L) of Section 26, Township 30 North, Range 5 West, NMPM, Basin Fruitland Coal Gas Pool, Rio Arriba County, New Mexico. The W/2 of said Section 26 shall be dedicated to the well forming a standard 320-acre, more or less, gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

William J. LeMay  
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec



STATE OF NEW MEXICO  
 ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT  
 OIL CONSERVATION DIVISION  
 AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD  
 AZTEC, NEW MEXICO 87410  
 (505) 334-6178

Date: 9-30-73

*Attn: Mike Ayres*

Oil Conservation Division  
 P.O. Box 2088  
 Santa Fe, NM 87504-2088

RE: Proposed MC \_\_\_\_\_  
 Proposed NSL X \_\_\_\_\_  
 Proposed WFX \_\_\_\_\_  
 Proposed NSP \_\_\_\_\_

Proposed DHC \_\_\_\_\_  
 Proposed SWD \_\_\_\_\_  
 Proposed PMX \_\_\_\_\_  
 Proposed DD \_\_\_\_\_

Gentlemen:

I have examined the application received on 9-27-73  
 for the Phillips OPERATOR S.E. 28-5 #244 LEASE & WELL NO.

L-20-302-0511 and my recommendations are as follows:  
 UL-S-T-R

Approved

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Yours truly,

Gene Bush



**PHILLIPS PETROLEUM COMPANY**

FARMINGTON, NEW MEXICO 87401  
5525 HWY. 64 NBU 3004

September 28, 1993

RECEIVED  
SEP 29 1993  
OIL CON. DIV.  
DIST. 3

Mr. William J. LeMay  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Sante Fe, New Mexico 87501

Re: Unorthodox Well Location  
2011 FSL & 531 FWL  
Section 26, T30N, R5W  
Rio Arriba County, New Mexico  
G.F. 5397

Dear Mr. LeMay:

Phillips Petroleum Company drilled its San Juan 30-5 #246 well in the Fruitland Coal formation at the subject location in accordance with its approved APD. However, we are advised that approval of the Non Standard Location (NSL) will be required prior to processing of the C-104.

The movement of this well to a NSL was predicated upon archaeological concerns set forth in La Plata Archaeological Consultants Report 9316B. The drillsite is located upon private surface and minerals and waiver of objection was obtained. In as much as the unorthodox location is internal to and offset on all four sides by the Phillips-operated San Juan 30-5 Unit, request administrative approval of this unorthodox location.

Please advise of any additional information you may require.

Very truly yours,  
PHILLIPS PETROLEUM COMPANY

*W.F. Hulse III*  
W.F. Hulse, III  
Land Specialist, CPL  
Farmington Area  
(505) 599-3458

Attachments

cc: Mr. Ernie Busch  
NMOCD-Aztec



*Attn: E. Busch*



**PHILLIPS PETROLEUM COMPANY**

FARMINGTON, NEW MEXICO 87401  
5525 HWY 64 NBU 3004

10/21/93  
10 24

October 21, 1993

New Mexico Oil Conservation Division  
ATTN: MR. MICHAEL E. STOGNER  
P.O. Box 2088  
Santa Fe, New Mexico 87501

RE: Administrative Application for an  
Unorthodox Coal Gas Well Location.  
San Juan 30-5 Unit Well No. 246  
2011' FSL & 531' FWL (Unit L)  
Section 26, Township 30 North,  
Range 5 West, NMPM, Rio Arriba Co.,  
New Mexico  
Basin Fruitland Coal (Gas) Pool

**RECEIVED**  
NOV 10 1993  
OIL CON. DIV.  
DIST. 3

Gentlemen:

This letter is in response to your October 15, 1993 letter requesting additional information relating to the staking of the unorthodox location. Phillips Petroleum Company did in fact conduct a thorough survey of orthodox locations for the subject well. This survey was conducted jointly by Henry P. Broadhurst Jr., Surveyor, Maureen Cavanaugh, Archaeologist and Richard Allred, Phillips Drilling Superintendent.

In response to your numbered paragraph (1), although the archaeological survey was dated April 16, 1993, the actual survey work was conducted on April 6, prior to the date of the C-102 form. Please refer to the first paragraph under "Introduction" of the Archaeological Survey. Since both the surveyor and archaeologist were present during staking, the location was chosen after pedestrian transects were conducted by the archaeologist. Again, note the survey was conducted April 6.

In the final paragraph of page one of your letter you state that "...it would appear that many locations considered to be standard were available." Please be assured that the "Fruitland Window" in the SW/4 was transversed by pedestrian survey methods by Ms. Cavanaugh and Mr. Allred. The location set forth in the archaeological survey was determined after eliminating unacceptable topographical locales in the window. We have requested La Plata Archaeological consultants to provide information to expand on the survey narrative. We do wish to confirm, however, that the location set forth in the archaeological survey represents the ONLY location not hampered by archaeological constraints yet offering acceptable topographic conditions.


In reviewing the information presented in our September 28 request, we can see where the apparent contradiction may have occurred. To repeat our earlier statement, the well is physically located on the ONLY site available to Phillips which would not have contained significant archaeological problems encountered during the study conducted in our behalf, after eliminating unacceptable topography.

MR. MICHAEL STOGNER  
PAGE 2  
OCTOBER 21, 1993

We believe this letter responds to the concerns raised in your October 15 letter. However, if you require any additional information please contact us at your earliest convenience.

Very truly yours,

PHILLIPS PETROLEUM COMPANY

  
W. F. Hulse, III  
Land Specialist, CPL  
Farmington Area  
(505) 599-3458

Enclosure

**LA PLATA ARCHAEOLOGICAL CONSULTANTS**

**26851 County Road P Dolores, Colorado 81323**

**Office Phone: (303) 565-8708**

**Fax Phone: (303) 882-2224**

**October 19, 1993**

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Mr. Frank Hulse  
Phillips Petroleum  
5525 Highway 64 NBU 3004  
Farmington, New Mexico 87401

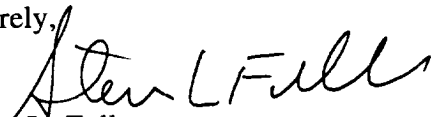
Dear Mr. Hulse:

I have read the letter dated October 15, 1993, sent by the OCD to Phillips Petroleum and have several comments to offer. Maureen Cavanaugh, who conducted the study for La Plata Archaeological Consultants, was accompanied in the field by Richard Allred of your office on April 6, 1993. According to Ms. Cavanaugh, they conducted a general reconnaissance of the most logical drilling locations within the "Fruitland window" in the SW 1/4 of Section 26, Township 30N, Range 5W. As indicated by the very steep topography shown on Figure 1 in our survey report, any possible well locations are confined to the bottom of Manuel Canyon. The surrounding topography is simply too steep to consider. Ms. Cavanaugh and Mr. Allred conducted a reconnaissance of the portion of the canyon bottom within the Fruitland window and found that the canyon bottom is covered with unrecorded archaeological sites in this vicinity. Based on their reconnaissance, they determined that the nearest well location that would not have an impact on cultural resources is the one that was subsequently staked.

Please note that the well was staked on April 7 as indicated on the C-102 and that we conducted the reconnaissance and survey on April 6, 1993. The section on page 1 of our report under Field Methods is "boiler plate" and indicates that we later rechecked the location after staking to insure that the well was staked as initially surveyed.

If you have any questions concerning this survey, please let me know.

Sincerely,



Steven L. Fuller  
Director