

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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

April 1, 1999

Phillips Petroleum Company 5525 Highway 64 – NBU 3004 Farmington, New Mexico 87401 Attention: S. Scott Prather DECEIVED N APR - 6 1999

OIL COM. DIV.

Administrative Order NSL-4250

Dear Mr. Prather:

Reference is made to your application dated March 29, 1999 for an exception to the well location requirements provided within the "Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by New Mexico Oil Conservation Division ("Division") Order No. R-10987. The W/2 of Section 13, Township 30 North, Range 5 West, NMPM, Rio Arriba County, New Mexico is to be dedicated to the proposed well in order to form a standard 320-acre stand-up gas spacing and proration unit for the Basin-Dakota Pool.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled at an unorthodox gas well location in Section 13 is hereby approved:

San Juan "30-5" Unit Well No. 111 860' FSL & 1375' FWL (Unit N) - 13 - 36 N - 5 W

Further, the aforementioned well and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

Lori Wrotenbery

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Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington

U.S. Forest Service - Bloomfield

Remarks: The subject application further requested approval for this well at an unorthodox gas well location in the Blanco-Mesaverde Pool. Pursuant to the recently revised "Special Rules for the Blanco-Mesaverde Pool", as promulgated by Division Order No. R-10987-A this request is deemed unnecessary.



PHILLIPS PETROLEUM COMPAN

FARMINGTON, NEW MEXICO 8740 5525 HWY, 64 NBU 3004

March 29, 1999

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

OIL COM. DIV. 3

Attn: Mr. Michael Stogner

RE: REQUEST FOR ADMINISTRATIVE APPROVAL OF UNORTHODOX WELL LOCATION SAN JUAN 30-5 UNIT #111 WELL W/2 SECTION 13-30N-5W RIO ARRIBA COUNTY, NEW MEXICO PHILLIPS CONTRACT C40454

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 30-5 Unit #111 well at a location of 860' FSL & 1375' FWL of Section 13-30N-5W, Rio Arriba County, New Mexico. This well will be located in the Basin Dakota and Blanco Mesaverde Pools and will have the W/2 of Section 13 designated as the drillblock. This location is necessary due to topographical considerations and prevention of unnecessary resource damage and is at the request of the Carson National Forest. For your benefit in reviewing this request, we are providing the following:

- 1. A letter from the Jicarilla Ranger District, Carson National Forest
- 2. An APD packet for the subject well (Form C-102 included)
- 3. A topographical plat of the area
- 4. A nine section plat exhibiting offset operators

This drill block is located within the confines of the San Juan 30-5 Unit and is completely surrounded by drillblocks operated by Phillips. Per the District OCD office in Aztec, it is our understanding that the 20 day notice period can be waived due to Phillips operating all offsetting drillblocks. We respectfully ask that if possible, the waiting period be waived and this request be expedited.

We thank you for your considerate 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,

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

cc: J. I.. Mathis® C40464 Ernie Busch - OCD, Aztec San Juan 30-5 Unit Owners



Forest Service Southwestern Region 3 Carson National Forest Jicarilla Ranger District 664 East Broadway Bloomfield, New Mexico 87413 505-632-2956 FAX 505-632-3173

File Code: 2820

Date: 3/24/99

Patsy Clugstom Phillips Petroleum 5525 Highway 64, NBU 3004 Farmington, NM 87401

RE: Unorthodox location for wells: SJ 30-5 #111, SJ 30-5 #112, SJ 30-5 #83M

Dear Ms. Clugston,,

The Jicarilla Ranger District, Carson National Forest is requesting you apply for an unorthodox location as follows, as discussed by your company representative and Camela Hooley of this office:

SJ 30-5 #111, T30N R5W Sec.13, 860'FSL/1375'FWL SJ 30-5 #112, T30N R5W Sec.12, 1190'FSL/1730'FEL SJ 30-5 #83M, T30N R5W Sec.23, 230'FNL/1440'FWL

The mineral operator is required to comply with other applicable regulations such as the Endangered Species Act and the Archeological Resources Protection Act under 36CFR228.112(c). The operator is also required under 36CFR228.108(c) to minimize or prevent damage to surface resources. The Carson National Forest Management Plan states that surface resource impacts will be minimized when administering mineral resources.

The following conditions apply which require an unorthodox location:

#112 Archeological resources prevent locating the well in an orthodox location.

#111,#112,83M Topography prevents locating the well in an orthodox location.

Threatened/endangered species concerns prevent locating the well in an orthodox location.

#111,#112,#83M Prevention of unneccesary resource damage requires the location be unorthodox.

(Previously disturbed area or existing road available outside the drilling window.)

Thank you for your cooperation in this matter.

Mark Catron
District Ranger

Mal leter





Form 3160-3 (July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

SUBMIT IN TRIPLICATE® (Other instructions on reverse side)

FORM APPROVED OMB NO. 1004-0136

BUREAU OF LAND MANAGEMENT

Expires: February 28, 1995 5. LEASE DESIGNATION AND SERIAL NO. SF-080538

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

- DOII	L 🔯	DEEPEN []		SAN JUAN 30-	-5 UNIT		
TYPE OF WELL				1	8. FARM OR LEASE NAME,			
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<u>nillips Petroleum</u>	Company				y, API WELL NO.			
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UNIT N, 860	' FSL & 1375'	LMT			11. SEC., T., R., M., OR BLA AND SURVEY OR AREA	_		
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		N OR POST OFFICE*			12. COUNTY OR PARISH	13. STATE		
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- "	or State office use)		TITLE-					
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NOS Format

NOTICE OF STAKING (Not to be used in place of Application for Permit to Drill Form 3160-3	6. Lease Number SF-080538			
1. Oil Well Gas Well	7. If Indian, Allottee or Tribe Name			
2. Name of Operator		8. Unit Agreement N	lame	
PHILLIPS PETROLEUM COMPANY		San Juan 30-5 Unit		
3. Name of Specific Contact Person		9. Farm or Lease Na	me	
Richard Alired 505-599-3403				
4. Address & Phone No. of Operator or Ag	10. Well No. #111			
5525 Hwy. 64, NBU 3004, Farmington, N 5. Surface Location of Well Unit N, 860' FSL & 1375' FWL	11. Field or Wildcat Name Blanco Mesaverde & Basin Dakota			
•	g road entry onto sions, and reserve	12. Sec., T., R., M., or Blk and Survey or Area		
b) Topographical or other acceptable map showing location, access road, and lease boundaries		Section 13, T30N, R5W		
15. Formation Objective (s)	16. Estimated Well Depth	13. County, Parish or Borough Rio Arriba	14. State	
Basin Dakota 17. Additional Information (as approprint telephone number).	+/- 8350' riate; must include surface owner's		Nava	
18. Signed Partsy Clu	Siff Title Regulato	ry Assistant D:	atc 03/19/99	

Note: Upon receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

Operators must consider the following prior to the onsite:

- a) H2S Potential
- b) Cultural Resources (Archaeology)
- c) Federal Right of Way or Special Use Permit

PO Bug 1980, Hubbs, NN 88241-1980 District II 811 South First, Artesia, NM 88210 District III 1800 Ris Brazas Rd., Astec, NM 87410 District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico Energy, Minerala & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

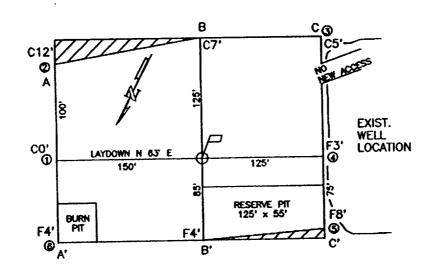
Form C-1 Revised October 18, 19 Instructions on ba

Submit to Appropriate District Offi State Lease - 4 Copi

Fee Lease - 3 Copi

AMENDED REPOR

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⁴ Property Code				Froperty Name SAN JUAN 30-5					* Weil Number		Well Number	
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			11 Bot	tom Hol	e Location I	f Dif	ferent Fro	m	Surface	-		
UL er lot ac.	Section	Township	Ringe	Lot Ida	Feet from the	Nort	h/South line	Fo	ct from the	East/West	line	County
12 Dedicated Acre	es 10 Joint	or Infill 14	Consolidatio	n Code "C	order No.	<u></u>		[
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COMPANY: PHILLIPS PETROLEUM COMPANY

LEASE: SAN JUAN 30-5 UNIT No.111

FOOTAGE: 860' FSL, 1375' FWL UNIT N

SEC. 13 TWN. 30-N RNG 05-W N.M.P.M.

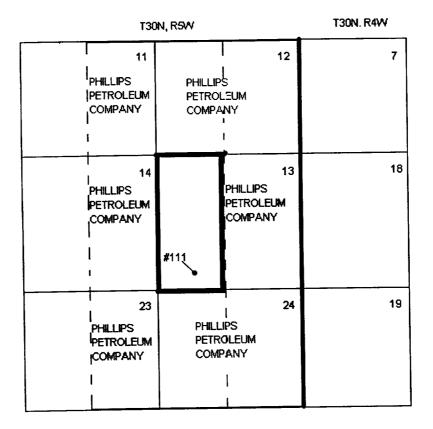
COUNTY, RIO ARRIBA STATE, N.M.

ELEVATION: 6891

LATITUDE: _36-48-26 LONGITUDE: _107-18-46

-	PHILLIPS PETROLEUM COMPANY FARMINGTON, NEW MEXICO						
-	SURVEYED: 3/3/99	REV. DATE:	APP. BY H.B.				
•	DRAWN BY: T.G.	DATE DRAWN: 3/9/99	FILE NAME: POO7101				
	UNITED SERVICE	FARM	P.O. BOX 3651 NGTON, NM 87499 E: (505)334-0408				





OWNERSHIP PLAT
OF
NINE SPACING UNITS
SURROUNDING
W/2 SECTION 13-30N-5W
RIO ARRIBA COUNTY, NEW MEXICO