



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

December 23, 1999

RECEIVED
DEC 27 1999

OIL CON. DIV.
DIST. 3

Phillips Petroleum Company
5525 Highway 64 NBU 3004
Farmington, New Mexico 87401

Attention: S. Scott Prather

Re: *Application for administrative approval dated December 17, 1999 (received by the Division on December 22, 1999) for Phillips Petroleum Company ("Phillips") to drill its proposed San Juan "30-5" Unit Well No. 265 at an unorthodox coal gas well location within a standard 320-acre gas spacing and proration unit in the Basin-Fruitland Coal (Gas) Pool comprising the E/2 of Section 10, Township 30 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.* G

Dear Mr. Prather:

The Division's review of this application shows that Phillips applied for and received authorization from the U. S. Bureau of Land Management ("BLM") to drill a coal gas well at a standard location within the E/2 of Section 10 [see attached *Application for Permit to Drill ("APD")* and BLM correspondence regarding Phillips' San Juan "30-5" Unit Well No. 222 (API No. 30-039-25036) to be located 1831 feet from the North line and 816 feet from the East line (Unit H) of Section 10] in 1990. In 1992 the BLM rescinded this APD because Phillips had not drilled the well. Since topography in the E/2 of Section 10 will allow for a standard coal gas well location, this application is therefore denied.

Another solution in this instance is to reorient your proposed spacing unit from a stand-up 320 to a lay-down 320.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
Kathy Valdes, NMOCD - Santa Fe
Ms. Lori Wrotenbery, Director - NMOCD, Santa Fe



Oil Conservation
DIVISION
JAN 10 37

United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Farmington Resource Area
1235 Laplata Highway
Farmington, New Mexico 87401

IN REPLY REFER TO:
SF-078997 (WC)
3162.3-1.0 (019)

JAN. 9 1992

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

Gentlemen:

Enclosed is your Application for Permit to Drill (APD) well No. 222 San Juan 30-5 Unit, NE $\frac{1}{4}$ Section 10, T. 30 N., R. 5 W., Rio Arriba County, New Mexico, lease SF-078997. The subject APD is rescinded and returned due to drilling not being commenced within one year of the approval date.

You are required to request surface rehabilitation instructions from this office if construction activities occurred on the referenced drill site. If this office does not receive comment within 30 days, we will presume that no construction occurred and proceed accordingly. Later discovery that construction activities have in fact occurred, may result in assessment of liquidated damages.

Sincerely,

/s/ John L. Keller

John L. Keller
Chief, Branch of Mineral Resources

1 Enclosure

cc:
New Mexico Oil Conservation Division, 1000 Rio Brazos Rd., Aztec, NM 87410

ABANDONED LOCATION

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-039-25036

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
 Phillips Petroleum Company

3. ADDRESS OF OPERATOR
 300 W. Arrington, Suite 200, Farmington, N.M. 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface Unit H, 1831' FNL & 816' FEL
 At proposed prod. zone Unit H, 1831' FNL & 816' FEL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

5. LEASE DESIGNATION AND SERIAL NO.
 SF-078997

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 San Juan 30-5 Unit

8. FARM OR LEASE NAME

9. WELL NO.
 222

10. FIELD AND POOL, OR WILDCAT
 Basin Fruitland Coal Gas

11. SEC., T., R., M., OR B.L. AND SURVEY OR AREA
 Sec. 10, T-30-N, R- 5-W

12. COUNTY OR PARISH | 13. STATE
 Rio Arriba | NM

16. NO. OF ACRES IN LEASE
 2560 Ac

17. NO. OF ACRES ASSIGNED TO THIS WELL
 320 Ac E/2 of Section

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FE. 1325' from #73

19. PROPOSED DEPTH
 3505'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.
 6711' (GL Unprepared)

22. APPROX. DATE WORK WILL START*
 Upon Approval

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	GENERAL QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#, K-55	250'	250' sxs, Circ to Surface
8-3/4"	7"	.23#, K-55	3413'	650 sxs, Circ to Surface
6-1/8"	5-1/2"	15.5# or 23#	3313'-3505'	*

*If the coal is cleated a 5-1/2", 23#, P-110 liner will be run in the open hole without being cemented.

*If the coal is not cleated the well will be stimulated and a 5-1/2", 15.5#, J-55 liner will be run without being cemented.

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 DIST 2

Mud Program and BOP Equipment: See Attached

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED J.M. Sanders TITLE Supv. Regulatory Affairs DATE 6/16/90

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY [Signature] TITLE _____ DATE NOV 27 1990
 CONDITIONS OF APPROVAL, IF ANY: _____
 NMOC D [Signature] FOR AREA MANAGER

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

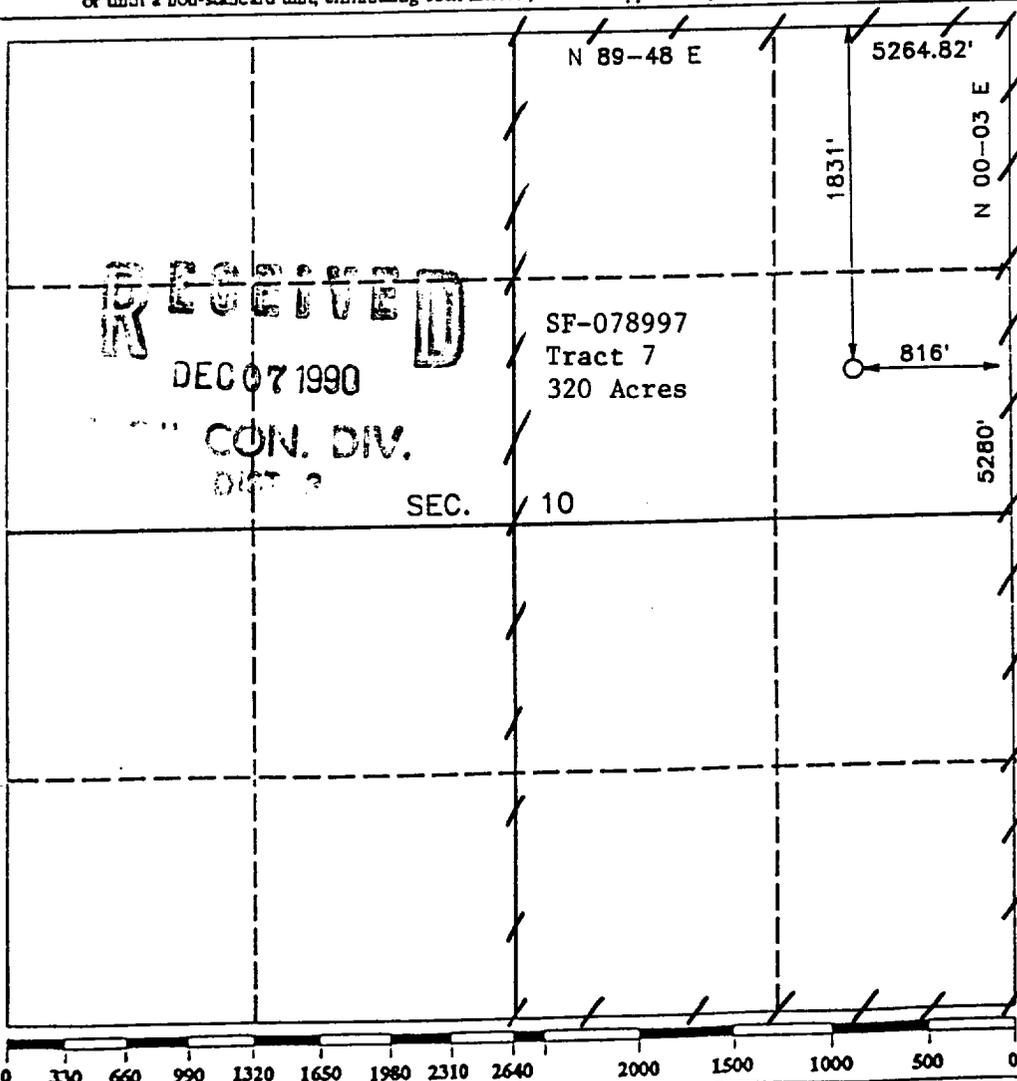
Operator PHILLIPS PETROLEUM			Lease SAN JUAN 30-5 UNIT		Well No. 222
Unit Letter H	Section 10	Township T.30 N.	Range R.5 W.	County RIO ARRIBA COUNTY	NMPM
Actual Footage Location of Well: 1831 feet from the NORTH line and 816 feet from the EAST line					
Ground level Elev. 6711	Producing Formation Fruitland		Pool Basin Fruitland Coal		Dedicated Acreage: 320 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communization, unitization, force-pooling, etc.?

Yes No If answer is "yes" type of consolidation Unitization

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



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

Signature: *L.M. Sanders*
 Printed Name: **L.M. Sanders**
 Position: **Supv. Regulatory Affairs**
 Company: **Phillips Petroleum Co.**
 Date: *12/16/90*

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 knowledge and belief.

Date Surveyed: *12/16/90*
 Signature: *R. Howard Dagget*
 Professional Surveyor Seal: **NEW MEXICO**
 Certificate No.: **9679**
 Land Surveyor