

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
 - Engineering Bureau -  
 2040 South Pacheco, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATION FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

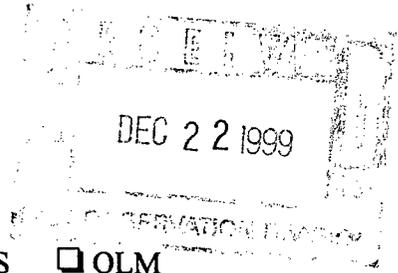
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling  
 NSL  NSP  DD  SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR



[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or  Does Not Apply

- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Certification

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

S. Scott Prather  
 Print or Type Name

[Signature]  
 Signature

Sr. Landman  
 Title

12/21/99  
 Date



# PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401  
5525 HWY. 64 NBU 3004

December 17, 1999

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

Attn: Ms. Lori Wrotenberry

RE: REQUEST FOR ADMINISTRATIVE APPROVAL OF UNORTHODOX WELL LOCATION  
SAN JUAN 30-5 UNIT #265 WELL  
E/2 SECTION 10-30N-5W  
RIO ARRIBA COUNTY, NEW MEXICO  
PHILLIPS CONTRACT C40454

Ladies and Gentlemen:

Phillips Petroleum Company (Phillips) as Operator of the captioned well, respectfully requests administrative approval of an unorthodox location for this well.

Phillips proposes to drill the San Juan 30-5 Unit #265 well at a location of 1840' FNL & 2510' FEL of Section 10-30N-5W, Rio Arriba County, New Mexico. This well will be a Fruitland Coal in the Basin Fruitland Coal Pool with the E/2 of Section 10 designated as the drillblock.

This request for an unorthodox location is being made as a result of topographical concerns. An orthodox location would require extensive excavation into a steep grade on the side of a mesa for location construction and pipeline/road construction. Surface disturbance of this nature has been vigorously opposed by the BLM due to concerns over erosion and potential sedimentation impacts.

For your benefit in reviewing this request, we are providing the following:

1. Form C-102
2. A topographical plat (with orthodox location windows penciled in)
3. A nine section plat exhibiting offset operations.

This drillblock is located within the confines of the San Juan 30-5 Unit. The offset operators have been furnished with three (3) copies of this correspondence by certified mail and are requested to furnish your office with a Waiver of Objections, keep one copy for their records and return one copy to our office.

We thank you for your considerate attention to this request. Should you need additional information or clarification, please do not hesitate to contact the undersigned.

Very truly yours,

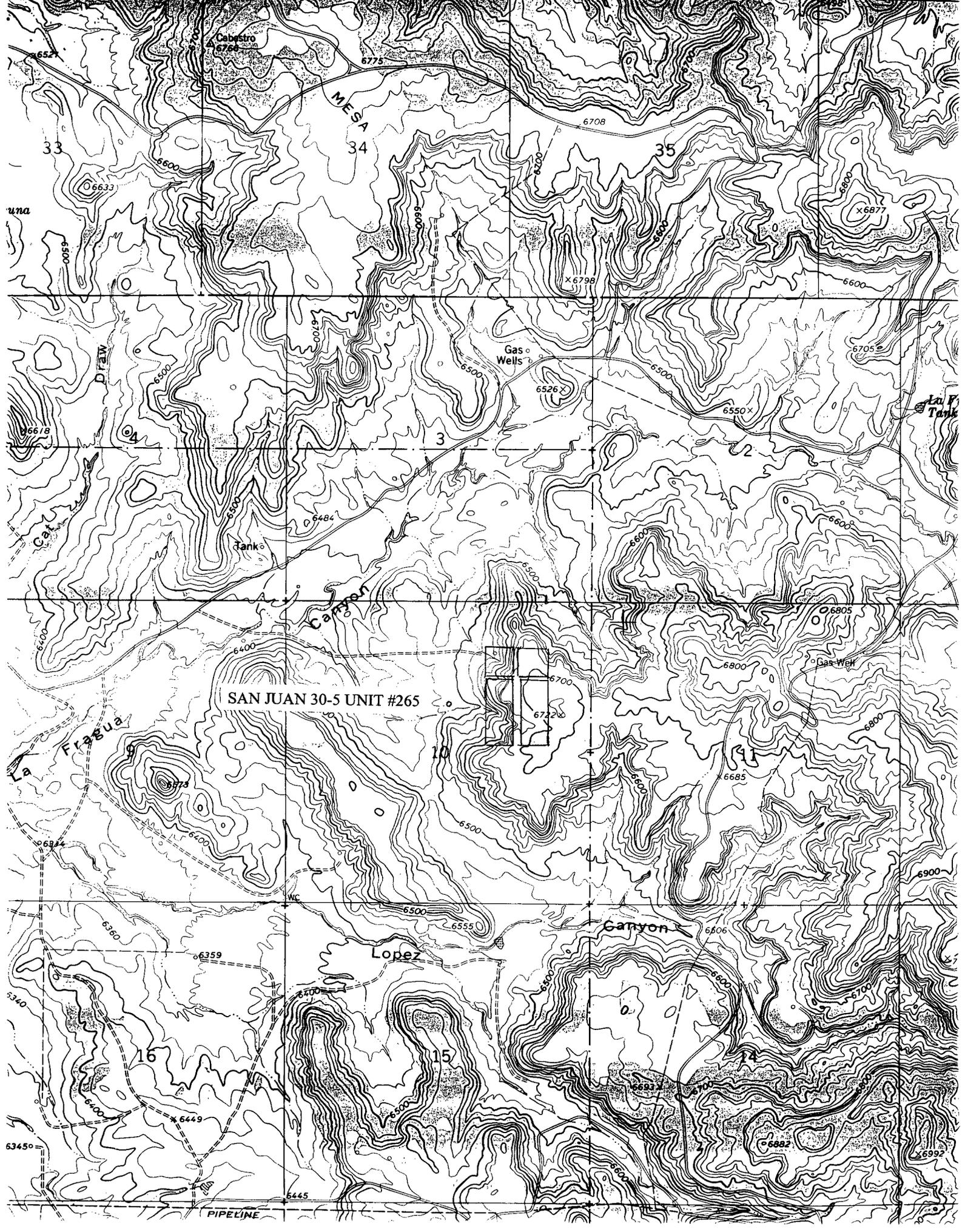
S. Scott Prather, CPL  
Senior Landman  
San Juan Area  
(505) 599-3410

cc: J. L. Mathis (r) C40454  
OCD Office - Aztec  
Offset Owners (3 copies)

\_\_\_\_\_ hereby waives objection to Phillips Petroleum Company's application for a Fruitland Coal unorthodox location for the San Juan 30-5 Unit #265 well as proposed above.

By: \_\_\_\_\_

Date: \_\_\_\_\_



SAN JUAN 30-5 UNIT #265

MESA  
34

35

3

2

10

11

16

15

14

PIPELINE

Cabestro  
6768

Gas  
Wells

Tank

Canyon

La Fragua

Canyon

La Fragua  
Tank

33

una

Canyon

34

63450

Lopez

X 6798

X 6877

6526

6550

6705

6484

6805

Gas Well

6824

6500

6685

6806

6900

6359

6555

6882

6882

6992

6445

6633

6500

6775

6708

6600

6099

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District I  
 P.O. Box 1980, Hobbs, NM 88241-1980  
 District II  
 811 South First, Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals & Natural Resources Department

Form C-102  
 Revised October 18, 1994

OIL CONSERVATION DIVISION  
 2040 South Pacheco  
 Santa Fe, NM 87505

Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal	
4 Property Code 009258		5 Property Name SAN JUAN 30-5 UNIT			6 Well Number 265
7 OGRID No. 017654		8 Operator Name PHILLIPS PETROLEUM COMPANY			9 Elevation 6482'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	10	30N	5W		1840'	NORTH	2510'	EAST	RIO ARRIBA

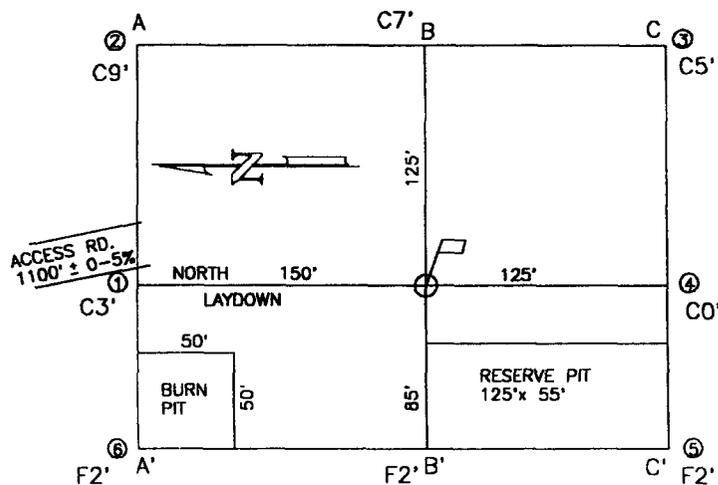
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G									

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
320 E/2	J	U	

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

16 N89°48'E 5280.00' 1840' Section 10 SF-078997 2560. acres 2510' N00°02'E N89°48'E 5265.48'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Patsy Clugston Printed Name Sr. Regulatory/Proration Clerk Title December 17, 1999 Date



A-A' ELEVATION C/L

6502				
6492				
6482				
6472				
6462				

B-B' C/L

6502				
6492				
6482				
6472				
6462				

C-C' C/L

6502				
6492				
6482				
6472				
6462				

COMPANY: PHILLIPS PETROLEUM CO.

LEASE: SAN JUAN 30-5 UNIT No.265

FOOTAGE: 1840 FNL      2510 FEL      UNIT G

SEC. 10    TWN. 30 N    RNG. 5 W    N.M.P.M.

COUNTY: RIO ARRIBA      STATE: N.M.

ELEVATION: 6482

LATITUDE: 36-49-45

LONGITUDE: 107-20-38

 <b>PHILLIPS PETROLEUM CO.</b> FARMINGTON, NEW MEXICO		
SURVEYED: 10/29/99	REV. DATE:	APP. BY
DRAWN BY: K.REA	DATE DRAWN: 10/31/99	FILE NAME: UF004
<b>UNITED</b> <b>FIELD SERVICES INC.</b>		P.O. BOX 3651 FARMINGTON, NM 87499 OFFICE: (505)334-0408

# PHILLIPS PETROLEUM COMPANY

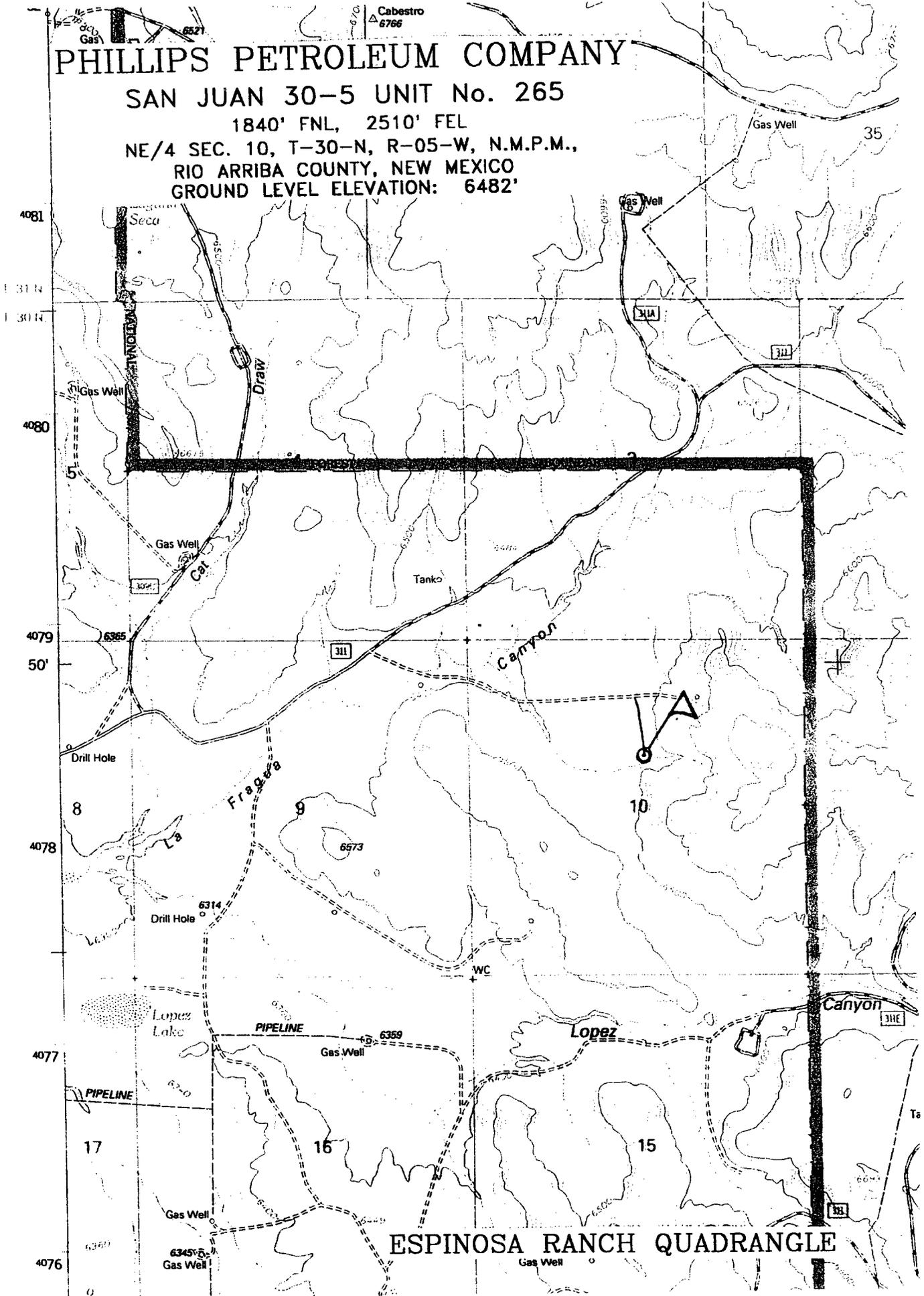
## SAN JUAN 30-5 UNIT No. 265

1840' FNL, 2510' FEL

NE/4 SEC. 10, T-30-N, R-05-W, N.M.P.M.,

RIO ARRIBA COUNTY, NEW MEXICO

GROUND LEVEL ELEVATION: 6482'



**PLAT OF OFFSET OPERATIONS  
SAN JUAN 30-5 UNIT #265**

4  BURLINGTON RESOURCES O&G CO.	3  SCHALK DEVELOPMENT COMPANY	2  SCHALK DEVELOPMENT COMPANY
9  PHILLIPS PETROLEUM COMPANY	10  • #265	11  PHILLIPS PETROLEUM COMPANY
16  PHILLIPS PETROLEUM COMPANY	15  PHILLIPS PETROLEUM COMPANY	14  PHILLIPS PETROLEUM COMPANY