

DATE IN 10/23/06	SUSPENSE 11/13/06	ENGINEER D. CATANAGH	LOGGED IN 10/23/06	TYPE NSL	APP NO. PTD 50629646930
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2006 OCT 23 AM 9 46 1220 South St. Francis Drive, Santa Fe, NM 87505



5486

### ADMINISTRATIVE APPLICATION CHECKLIST

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

#### Application Acronyms:

**[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication  
☒ NSL ☐ NSP ☐ 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

- [D] Other: Specify \_\_\_\_\_

#### [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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

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

Patsy Clugston

Print or Type Name

Signature

Sr. Regulatory Specialist

Title

10/20/06

Date

pclugston@br-inc.com

e-mail Address

# BURLINGTON

## RESOURCES

San Juan Division

Sent Overnight UPS

October 16, 2006

New Mexico Oil Conservation Division  
NSL Engineer  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87504

30-045-33384

Re: Non-Standard Location (NSL) for Florance #1M  
Unit A, (NENE), 45' FNL & 235' FEL, Sec. 26, T28N, R8W, San Juan County  
30-045-33384

Dear Sirs:

Burlington Resources proposes to drill the above referenced well location as a commingled well in the Mesaverde and Dakota formations and is applying for administrative approval of an unorthodox gas well location for the Blanco Mesaverde and the Basin Dakota formations. The primary reason for the non-standard staking of this proposed well is the rugged terrain and washes that encompass a majority of the area within the legal spacing window for these formations. There were also three archaeological sites that we had to avoid in the placement of this well pad. As a result, no suitable location could be found within the orthodox drilling window.

Production from the Mesaverde and Dakota is included in the 320-acre gas spacing unit, the north half dedication of Section 26, T28N, R8W.

The following attachments are for your review:

- Approved application for Permit to Drill and C-102 at referenced location
- Offset operators plat
- Topographic Map
- Archaeological Report – 2005-SJC-075

Copies of this application are being submitted to offset operator / working interest owners by certified mail. Please let me know if you have any questions about this application.

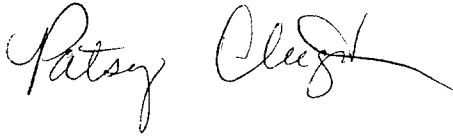
Sincerely,



Patsy Clugston  
Senior Regulatory Specialist

Re: Florance #1M  
45' FNL & 235' FEL, Section 26, T28N, R8W, San Juan County  
30-045-33384

I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard well location of the above well.

A handwritten signature in cursive script, appearing to read "Patsy Cleigh".

Offset Operators

BP America Production Company  
Attn: John Larson  
West Lake 1 Room 19-158  
501 Westlake Park Blvd.  
Houston, TX 77079-3092

# **BURLINGTON**

## **RESOURCES**

San Juan Division

### **Waiver**

\_\_\_\_\_ Hereby waives objection to Burlington Resources' application for non-standard location for the Florance #1M as proposed above.

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

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-078566-A Unit Reporting Number	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator <b>BURLINGTON RESOURCES</b> Oil & Gas Company LP	7. Unit Agreement Name	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499  (505) 326-9700	8. Farm or Lease Name Florance 9. Well Number 1M	
4. Location of Well 45' FNL, 235' FEL  Latitude 36° 38.3755'N, Longitude 107° 38.4927'W	10. Field, Pool, Wildcat Blanco Mesaverde/Basin Dakota 11. Sec., Twn, Rge, Mer. (NMPM) Sec 26, T28N, R8-W API # 30-045-33384	
14. Distance in Miles from Nearest Town Blanco, 12 Miles	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 45'		
16. Acres in Lease	17. Acres Assigned to Well 320 N/2	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 1750' -MV		
19. Proposed Depth 6938'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 5909' GR, 5921' KB	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Frances Band</u> Regulatory Specialist	<u>10-19-05</u> Date	

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

Archaeological Report Attached

Threatened and Endangered Species Report Attached

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.

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS".

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3  
and appeal pursuant to 43 CFR 3165.4

OPERATOR

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer DD, 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

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

2005 OCT 20 PM 7 27

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045		*Pool Code MV-72319 DK-71599	*Pool Name Blanco Mesaverde/ Basin Dakota
*Property Code 7021	*Property Name FLORANCE		*Well Number 1M
*OGRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP		*Elevation 5909

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
A	26	28N	8W		45	NORTH	235	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

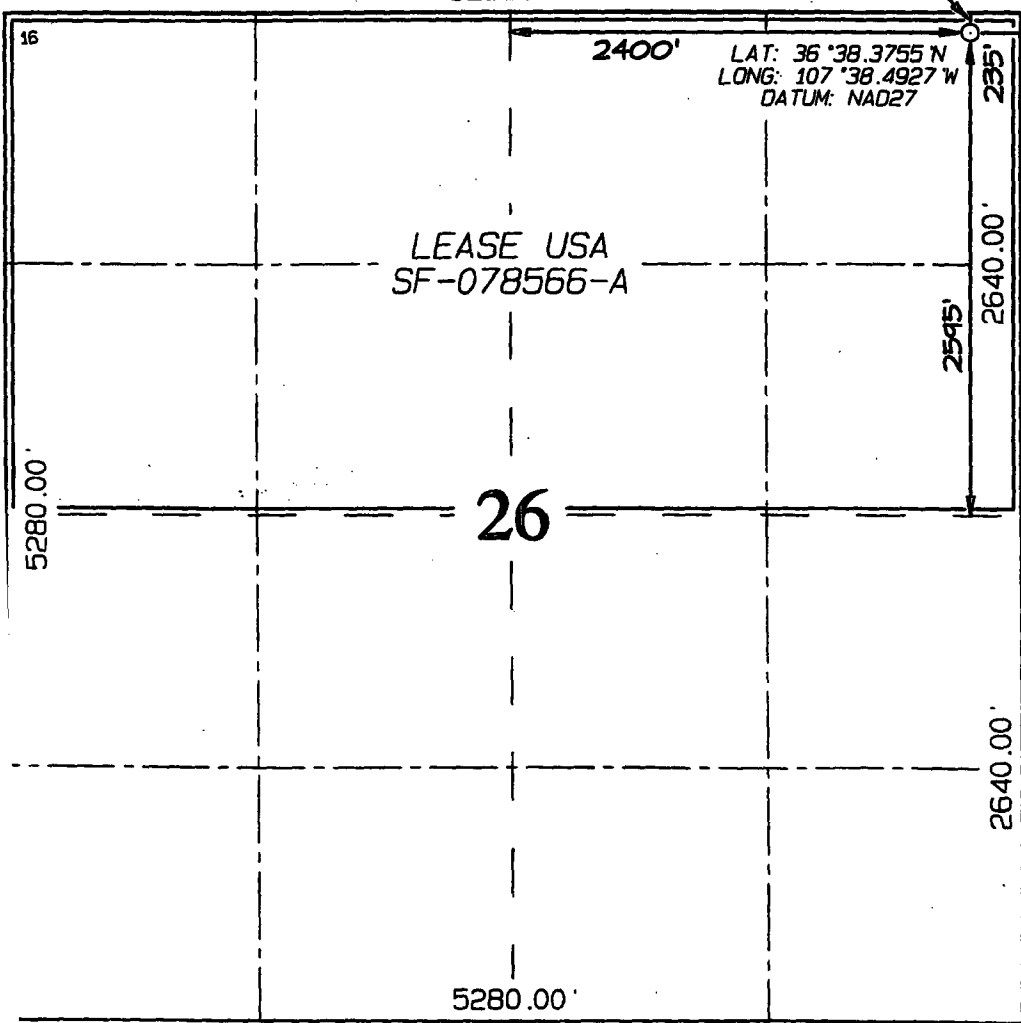
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres MV/DK 320 N2	13 Joint or Infill	14 Consolidation Code	15 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

5269.44'

45'



17 OPERATOR CERTIFICATION

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

*Philana Thompson*  
Signature

Philana Thompson  
Printed Name

Regulatory Associate II  
Title

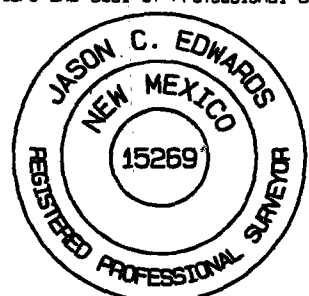
August 1, 2005  
Date

18 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 belief.

Date of Survey: JUNE 29, 2005

Signature and Seal of Professional Surveyor

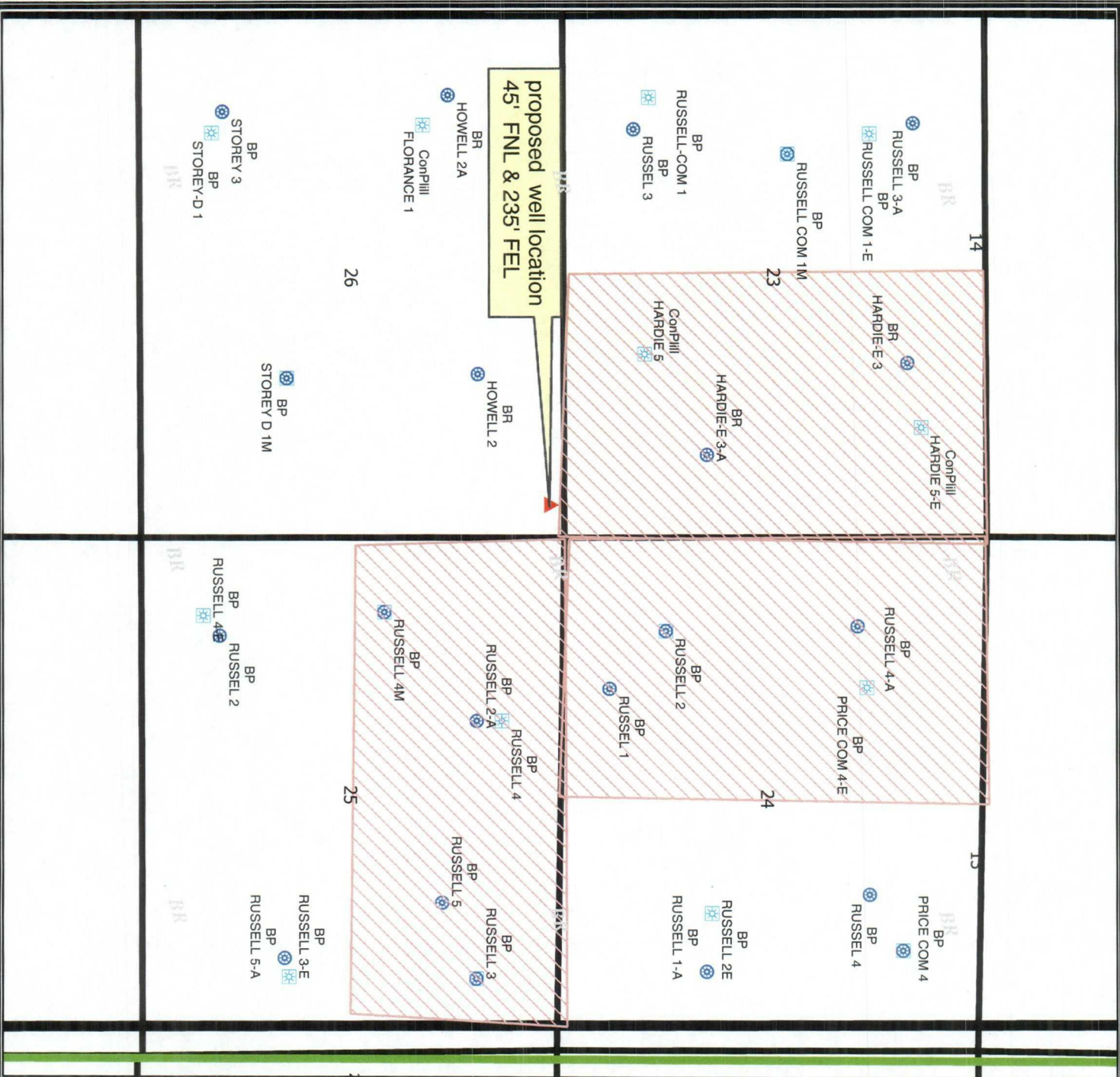


*JASON C. EDWARDS*  
Certificate Number 15269














### Offset Operator Map

### P2000 Wells by formation

-  MESAVERDE
-  DAKOTA
-  San Juan Federal Units
-  Sections (SJD)
-  Townships (SJD)

**BURLINGTON**  
RESOURCES

© Unpublished Work, Burlington Resources, Inc.



1:22,043 - 1" equals 1,837'

GCS North American 1927

**BURLINGTON RESOURCES**

*San Juan*

## Florence 1M - NSL

Sec. 26 T28N R8W

San Juan County, New Mexico

Prepared By: *pdml* Date: 10/16/2006  
 File Number: Revised Date: 10/16/2006  
 File Name: c:\platt\pdm\Projects\Florence 1M - NSL.mxd



**Bureau of Land Management  
Title/Abstract/Negative Inventory Report Form**

10/02

<b>1. (For BLM Use)</b> BLM Report No. _____		<b>2. (For BLM Use)</b> Reviewers Initials/Date _____  Accepted (    )                      Rejected (    )		<b>3. NMCRIS No.:</b> 95034		
<b>4. Type of Report:</b> Negative ( X )                      Positive (    )						
<b>5. Title of Report:</b> A Cultural Resources Inventory of the Proposed Florance #1M Well Pad and Well Tie Located in Carrizo Canyon, San Juan County, New Mexico. Conducted for Burlington Resources Oil & Gas Company.  <b>Author(s):</b> Donna Colton and Meredith Matthews				<b>6. Fieldwork Date(s)</b> <b>From:</b> 29-June-2005 <b>To:</b> 29-June-2005		
<b>8. Consultant Name/Address:</b> San Juan College Cultural Resources Management Program <b>Direct Charge:</b> Steve Dye <b>Field Personnel Names:</b> <b>Address:</b> 4601 College Blvd, Farmington, NM 87401 <b>Phone:</b> (505) 566-3344				<b>7. Report Date:</b> 17-October-2005		
				<b>9. Cultural Resource Permit No.:</b> 1-2920-04-UU		
<b>10. Consultant Report No.:</b> 2005-SJC-075				<b>11. Customer Name:</b> Burlington Resources Corporation <b>Responsible Individual:</b> Chuck Smith <b>Address:</b> 3401 E. 30 <sup>th</sup> St. Farmington, N.M. 87402 <b>Phone:</b> (505) 326-9700		
						<b>12. Customer PIF No.</b> 21592
<b>13. Land Status:</b>		BLM	State	Private	Other	Total
<b>a. Area Surveyed (acres)</b>		2.79		4.17		6.96
<b>b. Area of Effect (acres)</b>		0.68		2.12		2.80
<b>14. Linear</b> Length: <u>57.66</u> Width: <u>40 ft</u> (Well Tie)						
<b>15. Location (Figures 1-4)</b> <b>a. State:</b> NM <b>b. County:</b> San Juan <b>c. BLM Office:</b> Farmington				<b>d. Nearest City or Town:</b> Blanco, NM <b>f. Well Pad Footages:</b> 45 ft FNL & 235 ft FEL <b>g. USGS 7.5 Map Name(s), Date(s), and Code(s)</b> Gutter Canyon, NM 1985 36107-F6		
<b>15 e. Legal Description:</b> T. <u>28</u> N R. <u>8</u> W Sec(s) <u>26</u> <u>NE/4 NE/4 NE/4</u> - well tie and most of well pad T. <u>28</u> N R. <u>8</u> W Sec(s) <u>23</u> <u>SE/4 SE/4 SE/4</u> - corner of well pad						
<b>16. Project Data:</b> <b>16 a. Records Search:</b> Date(s) of BLM File Review: 3/21/2005                      Name of Reviewer(s): Lacy McCarty Date(s) of ARMS Data Review: 6/23/2005                      Name of Reviewer(s): Steve Dye <b>Findings (see Field Office requirements to determine area to be reviewed during records search):</b> Three previously recorded sites are within a 1/4 mile radius of the project area. Site LA 71790 is of unknown temporal/cultural affiliation and is approximately 1500 ft to the southwest of the proposed well pad. Site LA 111488 is a possible historic Navajo feature located approximately 1000 ft to the south of the project area. Site LA 111490 is a Navajo Dinetah phase activity area and is also about 1000 ft to the south of the project area. The sites will not be impacted by the undertaking. There are no ACECs within a mile of the undertaking, but there is one Navajo sacred site in the vicinity according to VanValkenburgh (1974). Salt Point, which is associated with Salt Woman, is about 4.5 mi northwest of the project area, near the junction of Largo and Blanco canyons. Projects in the area for which other archaeological inspections have been conducted include gas and oil wells, pipelines, and access roads.						
<b>16 b. Description of Undertaking:</b> The proposed undertaking will consist of construction of 205 x 300 ft well pad with a 50 ft wide construction area (2.80 acres) and a 57.66 ft long x 40 ft wide well tie (0.65 acres) right-of-way (ROW). The well tie is a Enterprise Field Services LLC line. The pad is split between fee and BLM surface with BLM minerals.						
<b>16 c. Environmental Setting (NRCS soil designation; vegetative community; elevation; etc):</b> The well pad is in the bottom and north side of a small side canyon that flows southwest into Carrizo Canyon. The tributary is at the base of a secondary mesa below the southwest end of Prieta Mesa. The southern edge of the pad straddles an existing road and pipeline corridor, which come northeast out of Carrizo Canyon. No new access is necessary and the well tie will take off from the existing pipeline on the pad. The northern side of the pad and construction zone are against the base of a 30 ft or higher cliff and boulder-strewn talus slope and the remainder of the pad is in the bottom of the side canyon. Above the top of the cliff are a series of sandstone ledges up another cliff face that ends at the edge of the mesa. The canyon drainage is south of the pad and deeply entrenched, but the pad is on relatively level, deep alluvium. The floodplain terrain is dissected with erosional cuts flowing toward the canyon drainage. A natural rock shelter is immediately southwest of the well location, but investigation provided no evidence of cultural remains in the shelter. The pad is in a scrubland vegetation zone dominated by greasewood and wolfberry with rabbitbrush and cactus, as well as cheat grass that covers the old floodplain. Sparse pinyon and juniper are present on the slope of the canyon and along the edge of the mesa above. Ground cover averaged 40 percent. Soil is alluvial and colluvial sand to silty sand. The NRCS soil designation is projected to be NM66 (Rock Outcrop-Travessilla-Weska). Elevation is 5909 ft at the pad.						





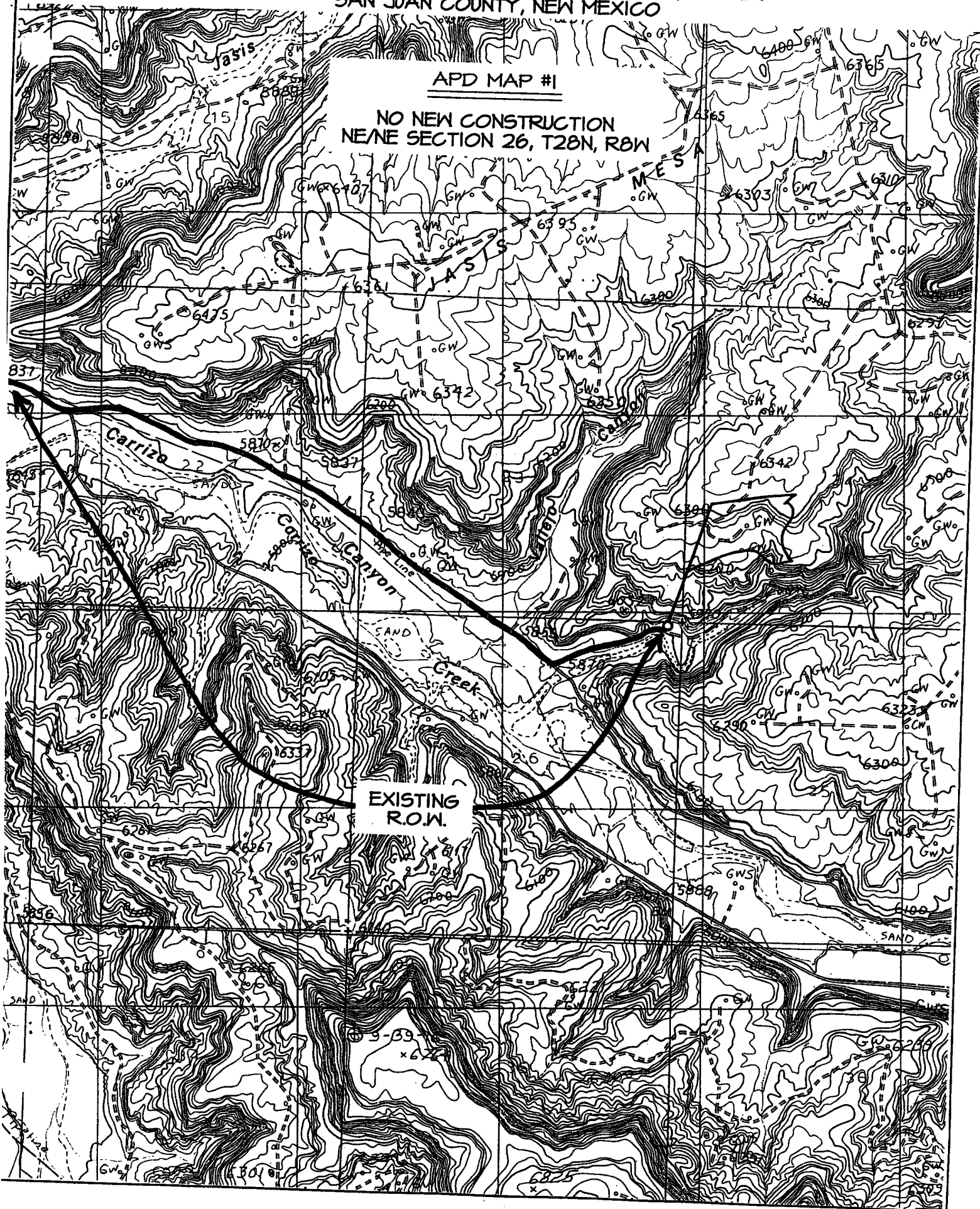


BURLINGTON RESOURCES OIL & GAS COMPANY FLORANCE #1M

45' FNL & 235' FEL, SECTION 26, T28N, R8W, N.M.P.M.  
SAN JUAN COUNTY, NEW MEXICO

APD MAP #1

NO NEW CONSTRUCTION  
NE/NE SECTION 26, T28N, R8W



**Catanach, David, EMNRD**

---

**From:** Catanach, David, EMNRD  
**Sent:** Wednesday, November 08, 2006 1:54 PM  
**To:** 'pclugston@br-inc.com'  
**Subject:** Florance No. 1M

Patsy,

I am currently reviewing your application for a non-standard well location for the Florance No. 1M. I have a question about the offset acreage to the north in Section 23.

Your application shows that Burlington/ConocoPhillips is the operator within the E/2 of that section. Is the interest ownership between the N/2 of Section 26 and the E/2 of Section 23 common. If not, this would fall under Rule No. 1210(A)(2)(b), which requires that:

"in the event the proposed unorthodox well's operator is also the operator of an existing, adjoining spacing unit, and ownership is not common between the adjoining spacing unit and the spacing unit containing the proposed unorthodox well, then "affected persons" include all working interest owners in that spacing unit".

In other words, if there are working interest owners in the E/2 of Section 23 who do not own an interest in the N/2 of Section 26, these working interest owners would have to be notified of your application.

Thanks for your help.

David Catanach  
Engineer

11/8/2006



**Catanach, David, EMNRD**

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**From:** Clugston, Patricia L [Patsy.L.Clugston@conocophillips.com]  
**Sent:** Friday, November 10, 2006 5:02 PM  
**To:** Catanach, David, EMNRD  
**Cc:** Alexander, Alan E  
**Subject:** RE: Florance No. 1M NSL application

Hi David,

Florance #1M update

Offset Operator COPC for DK (N/2 of Section 23) for the Hardie #5E and Hardie #5- WIO - 78.15% COPC and 21.85% BR,  
Offset Operator BR for MV (N/2 of Section 23) for the Hardie E #3 and Hardie E3A - WIO - 100% BR

Would you like us to send you a waiver from ConocoPhillips or can you treat this email as ConocoPhillips' waiver?

David, please let us know if you need anything else from us on this NSL application. We appreciate your patience with us and want you to know that with the merger came hic-ups, but we are trying to work through these. Thanks again. Patsy

---

**From:** Catanach, David, EMNRD [mailto:david.catanach@state.nm.us]  
**Sent:** Wednesday, November 08, 2006 1:54 PM  
**To:** Clugston, Patricia L  
**Subject:** Florance No. 1M

Patsy,

I am currently reviewing your application for a non-standard well location for the Florance No. 1M. I have a question about the offset acreage to the north in Section 23.

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"in the event the proposed unorthodox well's operator is also the operator of an existing, adjoining spacing unit, and ownership is not common between the adjoining spacing unit and the spacing unit containing the proposed unorthodox well, then "affected persons" include all working interest owners in that spacing unit".

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Thanks for your help.

David Catanach  
Engineer

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11/14/2006