

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



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.

Mary Corley
 Print or Type Name

Mary Corley
 Signature

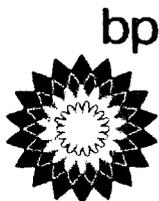
Sr. Regulatory Analyst 01/27/2004
 Title Date

corleyml@bp.com
 e-mail Address

RECEIVED

JAN 29 2004

Oil Conservation Division
 1220 S. St. Francis Drive
 Santa Fe, NM 87505



San Juan South Asset

Mary Corley
WL1-19.171
281-366-4491 (direct)
281-366-0700 (FAX)
corleyml@bp.com

P. O. Box 3092
Houston, Texas 77253-3092
501 Westlake Park Boulevard
Houston, Texas 77079

January 27, 2004

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St Francis Drive
P.O. Box 6429
Santa Fe, NM 87505

Application for Non-Standard Well Location
Archuleta Well No. 1C API # 30-045-23607
W/2 Section 19-T30N-R08W
Blanco Mesaverde Pool
San Juan County, New Mexico

BP America Production Company respectfully requests an administrative approval for a non-standard well location for the Archuleta Well No. 1C to be deepened from an existing Pictured Cliffs well into the Mesaverde formation. The subject well was drilled as the Archuleta # 2 by Tenneco Oil Company in 1979 at a non-standard well location for the Pictured Cliffs formation: Administrative Order NSL – 1053, dated July 9, 1979 (copy attached for your reference). BP request that the name be change for this completion to the Archuleta # 1C.

The spacing unit for this well is the W/2 Section 19 as shown on attached C-102. Also attached is a 9 section plats with the subject well and surrounding wells and operators identified, and a copy of Tenneco's application for a NSL exception.

All offset operators are being notified of this application via certified mail return receipt requested.

Your attention to this matter is greatly appreciated. Should you have any questions concerning this application please do not hesitate to call me at 281-366-4491.

Sincerely,

A handwritten signature in black ink that reads "Mary Corley". The signature is fluid and cursive, written over the printed name.

Mary Corley

cc: Frank Chavez, Supervisor
NMOCD District III
1000 Rio Brazos Road
Aztec, NM 87410

Offset Operators
Archuleta 1-C

Burlington Resources
P O Box 4289
Farmington, NM 87499-4289

Energen Resources Corp.
2198 Bloomfield Highway
Farmington, NM 87401

ConocoPhillips Company
P O Box 2197
Houston, TX 77252-2197

District I
 PO Box 1980, Hobbs NM 88241-1980
 District II
 PO Drawer KK, Artesia, NM 87211-0719
 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

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

Form C-102
 Revised February 21, 1994

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 72319 | ³ Pool Name BLANCO MESA VERDE |
| ⁴ Property Code 000268 | ⁵ Property Name Archuleta | | ⁶ Well Number # 1C |
| ⁷ OGRID No. 000778 | ⁸ Operator Name BP AMERICA PRODUCTION COMPANY | | ⁹ Elevation 6272 |

¹⁰ Surface Location

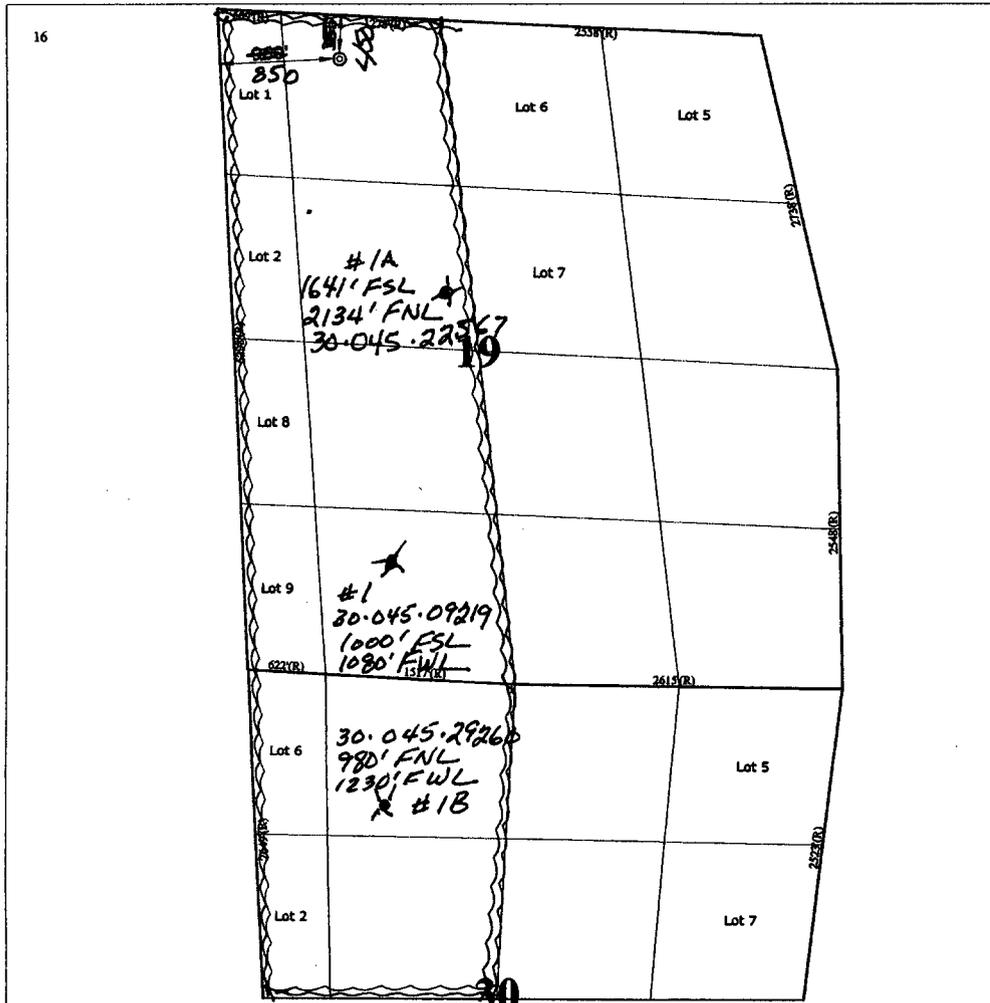
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| C | 19 | 30 N | 8 W | | 450' | NORTH | 850' | WEST | SAN JUAN |

¹¹ Bottom Hole Location If Different From Surface

| ⁷ 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 342.54 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

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



¹⁷ OPERATOR CERTIFICATION

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

Mary Corley
 Signature

Mary Corley
 Printed Name

Sr. Regulatory Analyst
 Title

01.14.2004
 Date

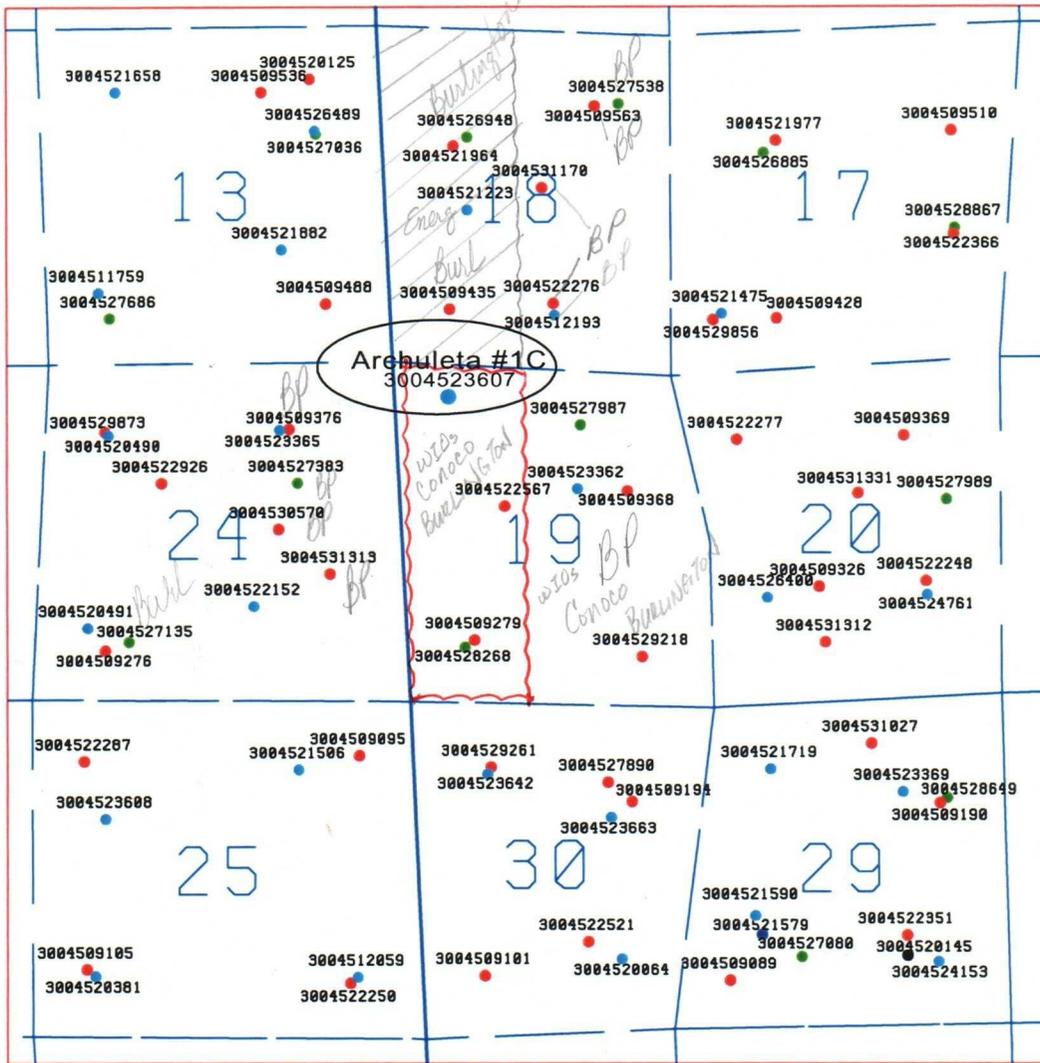
¹⁸ SURVEYOR CERTIFICATION

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.

October 15, 2003
 Date of Survey

GARY D. VANA
 Signature and Seal of Professional Surveyor

7016
 Certificate Number



- Pictured Cliffs
- Mesaverde
- Dakota
- Fruitland Coal
- Fruitland Sand

| | | |
|---|------------------|------------------|
| BP America Production Co. Houston, TX | | |
| T-30-N R-08-W Sec. 19 <i>Archuleta 1C</i> | | |
| SCALE | DRAWN M. J. RITZ | DATE 26-JAN-2004 |
| CORRECTIONS | | |



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

July 9, 1979

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
15051 827-2434

Tenneco Oil Company
720 South Colorado Blvd.
Denver, Colorado 80222

Attention: J. M. Lacey

Administrative Order NSL-1053

Gentlemen:

Reference is made to your application for a non-standard location for your Archuleta Well No. 2 located 450 feet from the North line and 850 feet from the West line of Section 19, Township 30 North, Range 8 West, NMPM, Blanco Pictured Cliffs Gas Pool, San Juan County, New Mexico.

By authority granted me under the provisions of Rule 104 F of the Division Rules and Regulations, the above-described unorthodox location is hereby approved.

Very truly yours,

JOE D. RAMEY,
Director

JDR/RLS/dr

cc: Oil Conservation Division - Aztec
Oil & Gas Engineering Committee - Hobbs
U. S. Geological Survey - Farmington



Tenneco Oil
A Tenneco Company

Penthouse
720 South Colorado Blvd.
Denver, Colorado 80222
(303) 758-7130



CERTIFIED MAIL

Return Receipt Requested

June 8, 1979

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501
Attention: Mr. Joe D. Ramey

New Mexico Oil Conservation Division
Brazos Road
Aztec, New Mexico 87401
Attention: Mr. A. R. Kendrick

RE: Application for Unorthodox Location
Tenneco Archuleta #2
Proposed Pictured Cliffs Gas Well
San Juan County, New Mexico

Gentlemen:

Attached in duplicate are a well location plat C-102 with the topography indicated plus an ownership plat for the above captioned Pictured Cliffs gas well.

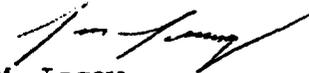
The proposed site for the Archuleta #2 is located 450' FNL and 850' FWL, Sec. 19-T30N-R8W, San Juan County, New Mexico. This places the well 450' from the boundary line of the proration unit. This was the only feasible location due to topographical conditions as shown on the map.

A copy of this application is being submitted to all offset operators by Certified Mail with a request that they furnish your Santa Fe office with a Waiver Objection.

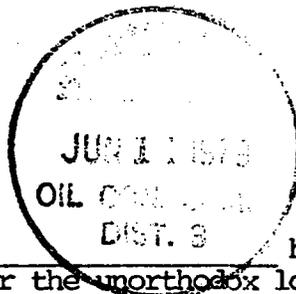
Pursuant to authority of Rule 104-F, we respectfully request your approval of an exception to the standard well location requirements.

Very truly yours,

TENNECO OIL COMPANY


J. M. Lacey
Division Production Manager

JML/plw
Enclosures



WAIVER

_____ hereby waives objection to Tenneco Oil Company's application for the unorthodox location of their Archuleta #2 as proposed above.

By: _____

Date: _____

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-11
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

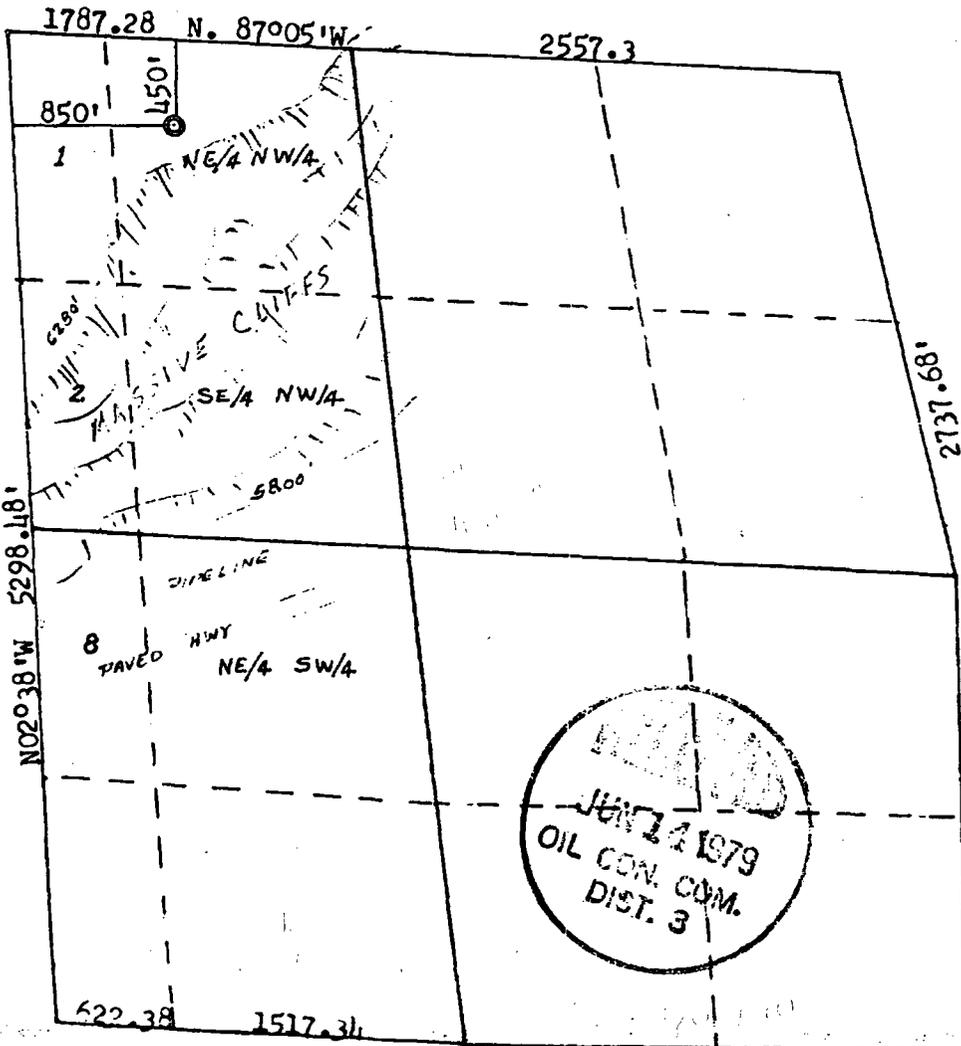
| | | | | | |
|--|---|------------------------|---------------------------|---|----------------------|
| Operator TENNECO OIL COMPANY | | | Lease ARCHULETA | | Well No. 2 |
| Unit Letter C | Section 19 | Township 30N | Range 8W | County San Juan | |
| Actual Footage Location of Well: 450 feet from the North line and 850 feet from the West line | | | | | |
| Ground Level Elev: 6268 | Producing Formation Pictured Cliffs | | Pool | Dedicated Acreage: 169.64 Acres | |

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

Yes No If answer is "yes," type of consolidation _____

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 communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name J. A. Rush
 Position Environmental Coordinator
 Company Tenneco Oil Company
 Date June 11, 1979

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 March 27, 1979
 Registered Professional Engineer and Land Surveyor
W. R. Herr, Jr.
 Certificate No. 3950

Stogner, Michael

From: Stogner, Michael
Sent: Tuesday, February 03, 2004 1:13 PM
To: Mary Corley (E-mail)
Cc: William F. Carr (E-mail)
Subject: Archuleta Well No. 2, to be redesignated the Archuleta #1-C (30-045-23607)

Dear Ms. Corley,

I have a couple of questions concerning your NSL application (pLR0-402949228) filed on January 29, 2004:

- (1) will the PC be plugged-off and abandoned; and
- (2) what Division order authorized the existing non-standard 342.54-acre Mesaverde spacing and proration unit comprising the W/2 equivalent of Section 19 and NW/4 equivalent of Section 30 that this well is to be included?

Thanks.

Stogner, Michael

From: Corley, Mary L [corleym@bp.com]
Sent: Friday, February 06, 2004 7:13 AM
To: Stogner, Michael
Subject: RE: Archuleta Well No. 2, to be redesignated the Archuleta #1-C (30-045-23607)

Mr. Stogner,
Per your request:

1. It is our intent to plug the PC formation by cement squeezing the perforated interval from 3004' to 3066'.
2. Division Order R-120 Approved 01/08/1952 (Case 300) authorized the non-standard 342.54-acre spacing and proration unit comprising the W/2 equivalent of Section 19 and NW/4 equivalent of Section 30 that is to be assigned to the subject well.

Thank you,

Mary Corley
Senior Regulatory Analyst
San Juan Performance Unit
281-366-4491

-----Original Message-----

From: Stogner, Michael [mailto:MSTOGNER@state.nm.us]
Sent: Tuesday, February 03, 2004 2:13 PM
To: Corley, Mary L
Cc: William F. Carr (E-mail)
Subject: Archuleta Well No. 2, to be redesignated the Archuleta #1-C (30-045-23607)

Dear Ms. Corley,

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Thanks.