

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF  
BURLINGTON RESOURCES OIL & GAS COMPANY, L.P.  
TO VOID DIVISION ORDER R-8993 INCLUDING  
AUTHORITY TO FILE AMENDED ACREAGE  
DEDICATION PLATS "C-102s" FOR CERTAIN FRUITLAND  
COAL GAS WELLBORES WITHIN SECTION 7 AND 8 OF  
TOWNSHIP 32 NORTH RANGE 6 WEST, ALL WITHIN  
THE ALLISON UNIT, SAN JUAN COUNTY, NEW MEXICO

Before the Oil Conservation Division  
Exhibit No. 14589  
ConocoPhillips  
OCD CASE 14589  
Hearing: January 20, 2011

CASE NO. 14589

**AFFIDAVIT OF VANESSA M. THOMPSON**

STATE OF NEW MEXICO           §  
  § ss.  
COUNTY OF SAN JUAN         §

Before me, the undersigned authority, personally appeared Vanessa M. Thompson, who being fully sworn stated:

A. My name and qualifications as an expert are as follows:

Education: B.B.A. in Energy Management, University of Oklahoma  
Experience: Landman, San Juan Basin, ConocoPhillips, July 2008 – Present

- Job responsibilities include contract preparation/negotiation, title review/curative and ownership analysis with a specialized focus on Federal Units
- Other responsibilities include Land education and training and mentoring for early career Landmen

Associations: American Association of Professional Landmen  
Four Corners Association of Professional Landmen

B. I am over the age of majority and competent to make this Affidavit.

I am each responsible for and involved in preparing the necessary documents for submittal to the New Mexico Oil Conservation Division for this case.

Affidavit of Vanessa M. Thompson  
NMOCD Case \_\_\_\_\_

I am personally knowledgeable and familiar with the facts and circumstances of this case and the following factual statements.

This affidavit has been prepared in accordance with the New Mexico Oil Conservation Division Rule 1207.A(1)(b).

C. My expert opinions are based on the following facts and events:

CHRONOLOGICAL SUMMARY OF SIGNIFICANT EVENTS

- SE/4 SE/4  
apparently  
outside unit*
- (1) Burlington is the current operator of the Allison Unit that includes, among other acreage, all of Sections 7 and 8, T32N, R6W, San Juan County, New Mexico. See **locator Map attached as Exhibit "A"**.
  - (2) The Allison Unit is a "fixed interest unit" in which the working interest and royalty interest are not calculated on a lease basis. Thus Burlington's requested voiding of Order R-8993 and the changes to the configuration of these spacing units will not result in a change of gross or net interest for any interest owner.
  - (3) By Order R-8993, dated August 31, 1989, the Division at the request of Meridian Oil, Inc., the operator of the Allison Unit at that time, approved a 308.75-acre non-standard spacing and proration unit in the Basin-Fruitland Coal Gas Pool comprising Lots 3 and 4 and the SW/4NW/4 of Section 8 and Lots 1 through 5, the SE/4NW/4 and the S/2NE/4 of Section 7, both in T32N, R6W to be dedicated to the Allison Unit Well #133 (API#30-045-27154). See **original C-102 for the Allison Unit Well #133 attached as Exhibit "B."**
  - (4) Then some six days later, on September 6, 1989 and again on October 4, 1989, the Division held an Examiner's hearing involving a spacing unit orientation dispute in the Basin-Fruitland Coal-Gas Pool between Meridian Oil, Inc. and Richmond Petroleum Inc. that had resulted in four compulsory pooling cases 9744, 9745, 9746 and 9750.
  - (5) In these cases, Meridian sought the pooling for its Allison Unit Well #135 to be drilled in the SW/4 of Section 9 and dedicated to a 317.51-acre non-standard gas spacing and proration unit ("NSL") consisting of Lots 1 and 2, the SE/4NE/4 and the E/2SE/4 of Section 8 and the SW/4 of Section 9, T32N, R6W. See **locator map attached as Exhibit "C"**. *[E/2 equivalent]*
  - (6) The proposed 317.51-acre NSP for the Allison Unit Well #135 along with the original 308.75-acre NSP for the Allison Unit Well #133 were intended to resolve the acreage dedication problem within Section 8 caused by the irregular township along the New Mexico boundary with Colorado.

Affidavit of Vanessa M. Thompson  
NMOCD Case \_\_\_\_\_

- (7) The pooling dispute between Meridian and Richmond was settled with the parties agreeing that the Fruitland Coal-gas wells' spacing units in Section 9 would be oriented W/2, operated by Meridian, and E/2, operated by Richmond.
- (8) In approving this settlement, the Division issued Order R-9014, dated October 10, 1989, in Case 9750 pooling the W/2 equivalent of Section 9 to form a 278.2-acre standard gas spacing and proration unit to be dedicated to Meridian's Allison Unit Well #135.
- (9) Based upon Order R-9014, Meridian then commenced to dedicate new wells drilled in the Basin-Fruitland Coal-Gas Pool to stand-up spacing units in Section 7 and 8 being the W/2 or E/2 equivalent of those two sections. If Meridian had not changed the acreage dedication for the Allison Unit Well #134 from the SW/4, W/2 SE/4, SW/4 NE/4, SE/4 NW/4 and Lots 2-3 of Section 8 to the W/2 of Section 8, then the E/2E/2 of Section 8 would have been stranded. **See locator map attached as Exhibit "D"**. Changing the acreage dedication for the Allison Unit Well #134 required the dedication for the Allison Unit Well #133 be changed as well, since the original dedication overlapped the revised dedication for the Allison Unit Well #134. **See locator map attached as Exhibit "E"**.
- (10) For more than 22 years, Meridian and now Burlington, as operators of the Allison Unit, have been approved to and have drilled five wells using these standup spacing units as follows:

**List wells, spacing units and API numbers**

E/2 of Section 7:

- (a) Well No. 133 (API #30-045-27154)
- (b) Well No. 133(H) - lateral re-entry (API # 30-045-27154)
- (c) Well No. 133S (API # 30-045-33235)

W/2 Section 7:

- (a) Well No. 145 (API # 30-045-29363)
- (b) Well No. 145(H) – pending lateral re-entry (API # 30-045-29363)
- (c) Well No. 145S – cancelled in lieu of 145H (or lateral re-entry)
- (d) Well No. 149(H) – pending lateral re-entry. Surface location only; producing portion of lateral is in Colorado.

E/2 Section 8:

- (a) Well No. 150 (API #30-045-30154)
- (b) Well No. 150(H) – lateral re-entry (API #30-045-30154)

W/2 Section 8:

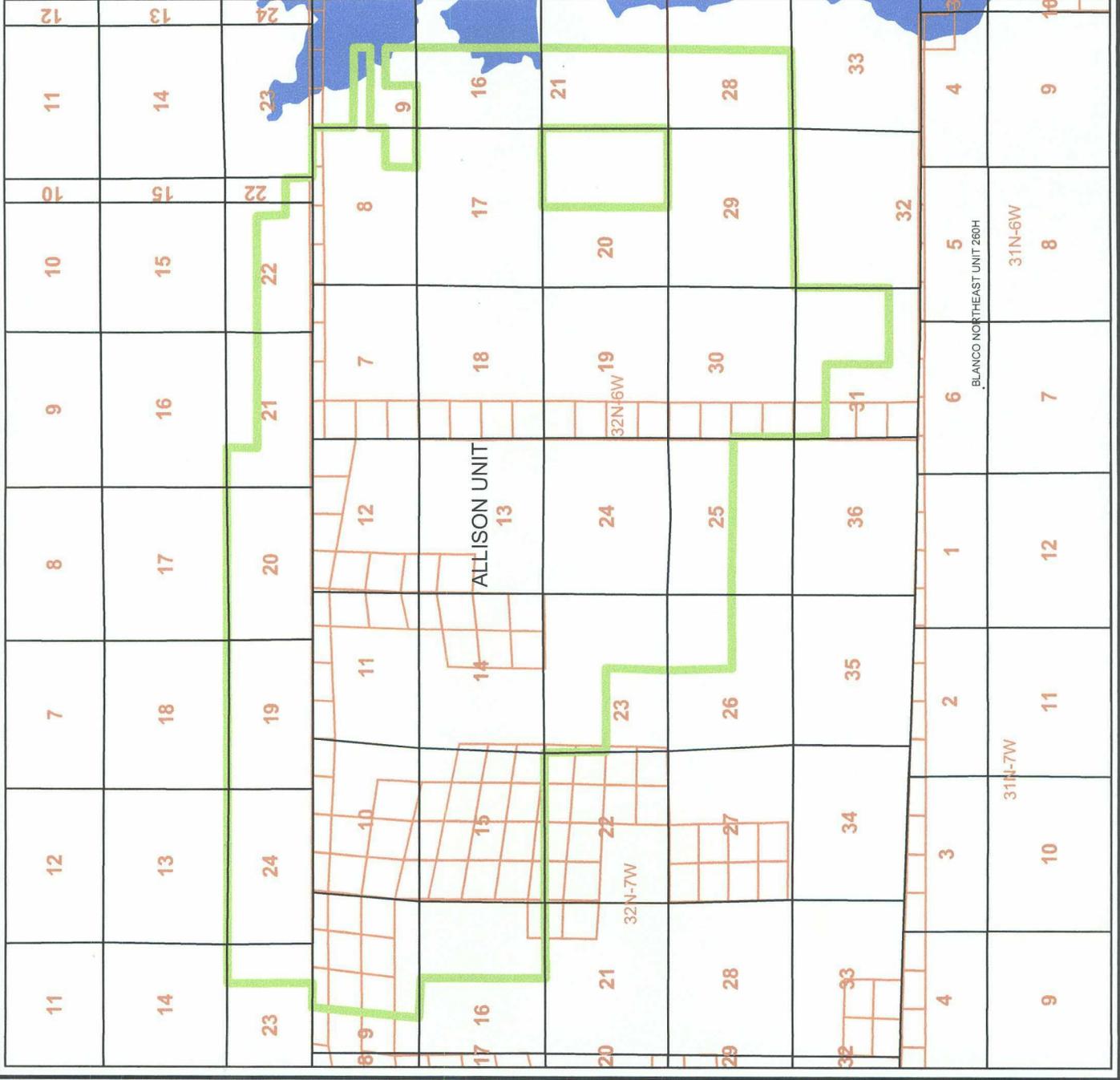
- (a) Well No. 134 (API #30-045-27186)
- (b) Well No. 134S (API #30-045-33236)

- (11) Included among these wells is the Allison Unit Com Well #150 (API #30-045-30154) approved by Division Administrative Order NSL-4460, dated May 26, 2000, authorizing an unorthodox well location but including this language: “(E/2 equivalent) of Section 8 is to be dedicated to this well in order to form a standard 277.51 acre stand-up gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.”
- (12) As a result of its attempt to permit its Allison Unit Well #145-Lateral a horizontal wellbore for the W/2 of Section 7, there is an apparent conflict in partially overlapping acreage dedications for the Allison Unit Well #133 as approved by Order R-8993 and with the Allison Unit Well #133-Lateral (C-102, dated 7/24/2009)
- (13) After extensive search of Division and Allison Unit records, Burlington has not been able to find a Division order that amended Order R-8993 being the original NSP for the Allison Unit Well #133. However, there is a C-102 dated 9/30/1989, which was submitted and accepted by the NMOCD, with a notation that states, “Reissued to show revised dedication” on its face.
- (14) In order to solve this apparent conflict in dedications between the Allison Unit Well #133 / #133-Lateral (both API #30-045-27154) and all other FC wellbores in Section 7 and 8, Burlington seeks an order voiding Order R-8993.
- (15) In addition, Burlington seeks authority to file amended C-102s for the following wellbores and the dedication spacing units:
- i. Allison Unit Well #133(H) Lateral – Lots 1-2, S/2 NE/4, SE/4 Section 7. **See plat attached as Exhibit “F”.**
  - ii. Allison Unit Well #133S – Lots 1-2, S/2 NE/4, SE/4 Section 7. **See plat attached as Exhibit “G”.**
  - iii. Allison Unit Well #145(H) Lateral – Lots 3-7, SE/4 NW/4, E/2 SW/4 Section 7. **See plat attached as Exhibit “H”.**

#### EXPERT OPINIONS

- (1) Approval of this application will not impair the correlative rights of any other interest owner in these Fruitland Coal-Gas well and spacing units.
- (2) Because of fixed interest ownership within the Allison Unit notification is not required.





**Legend**

 Allison Unit

 New Mexico Lots



Author:	
Compiled By:	
Scale:	
Project File:	

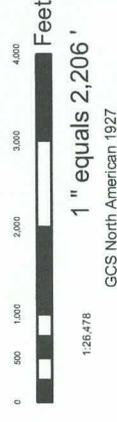
**Exhibit "A"**  
**Allison Unit**  
**Locator Map**



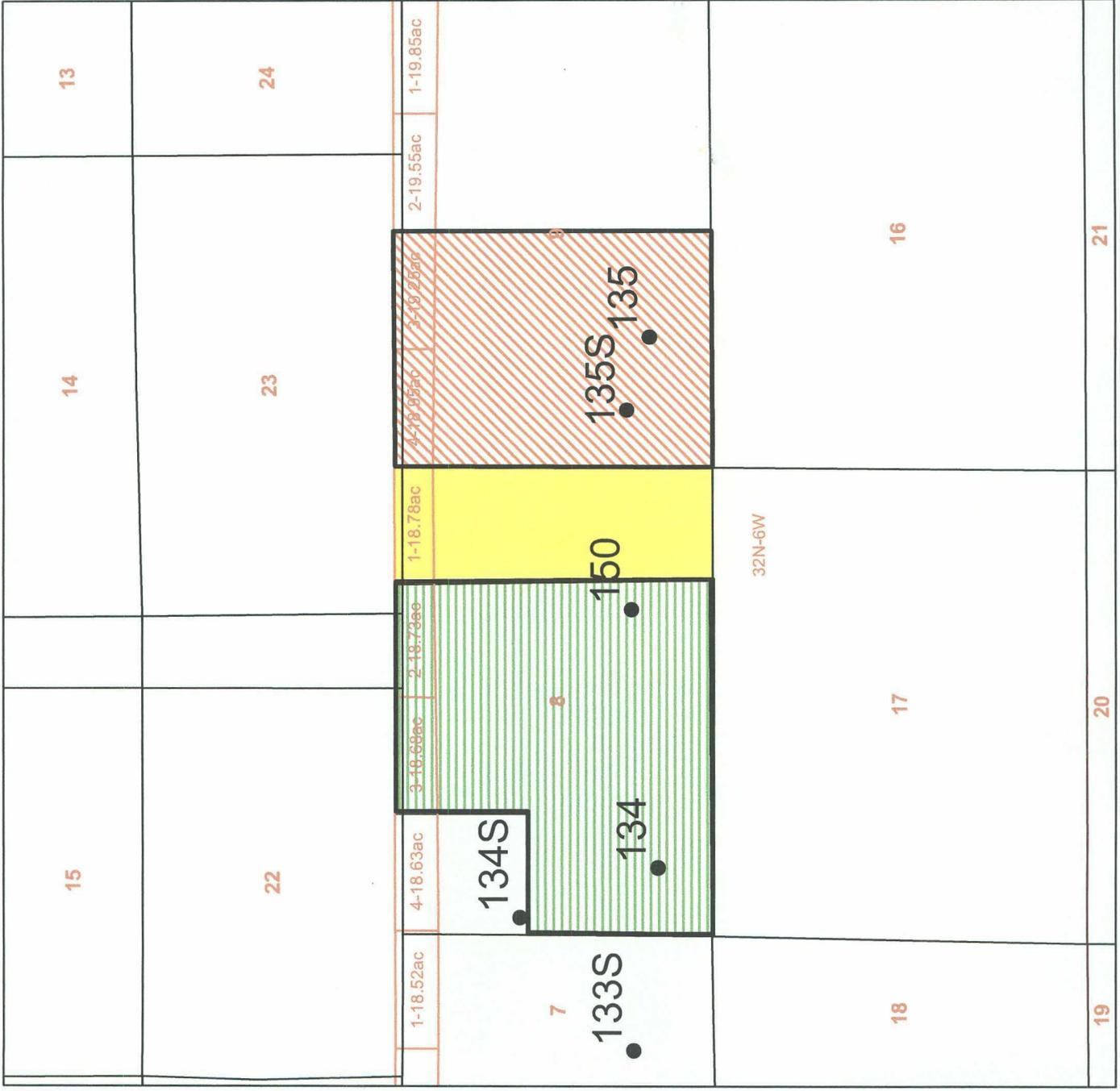


**Legend**

- Allison Unit Fruitland Coal Wells
- New Mexico Lots
- E2E2 Sec. 8
- ▨ Revised Spacing Unit #135
- ▤ Original Spacing Unit #134



Project File	Author
Project Name	Created By
Scale	Scale
Unit	Unit
<p><b>Exhibit "D"</b>                  Revised #135 Spacing                  Original #134 Spacing                  Stranded E2E2 Sec. 8</p>	





DISTRICT I  
1625 N. French Dr., Hobbs, N.M. 88240

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised July 16, 2010

DISTRICT II  
811 South First, Artesia, N.M. 88210

Submit one copy to Appropriate  
District Office

OIL CONSERVATION DIVISION

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

2040 South Pacheco  
Santa Fe, NM 87505

AMENDED REPORT

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name BASIN FRUITLAND COAL
<sup>4</sup> Property Code	<sup>5</sup> Property Name ALLISON UNIT	<sup>6</sup> Well Number 133H
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	<sup>9</sup> Elevation 6243'

<sup>10</sup> Surface Location

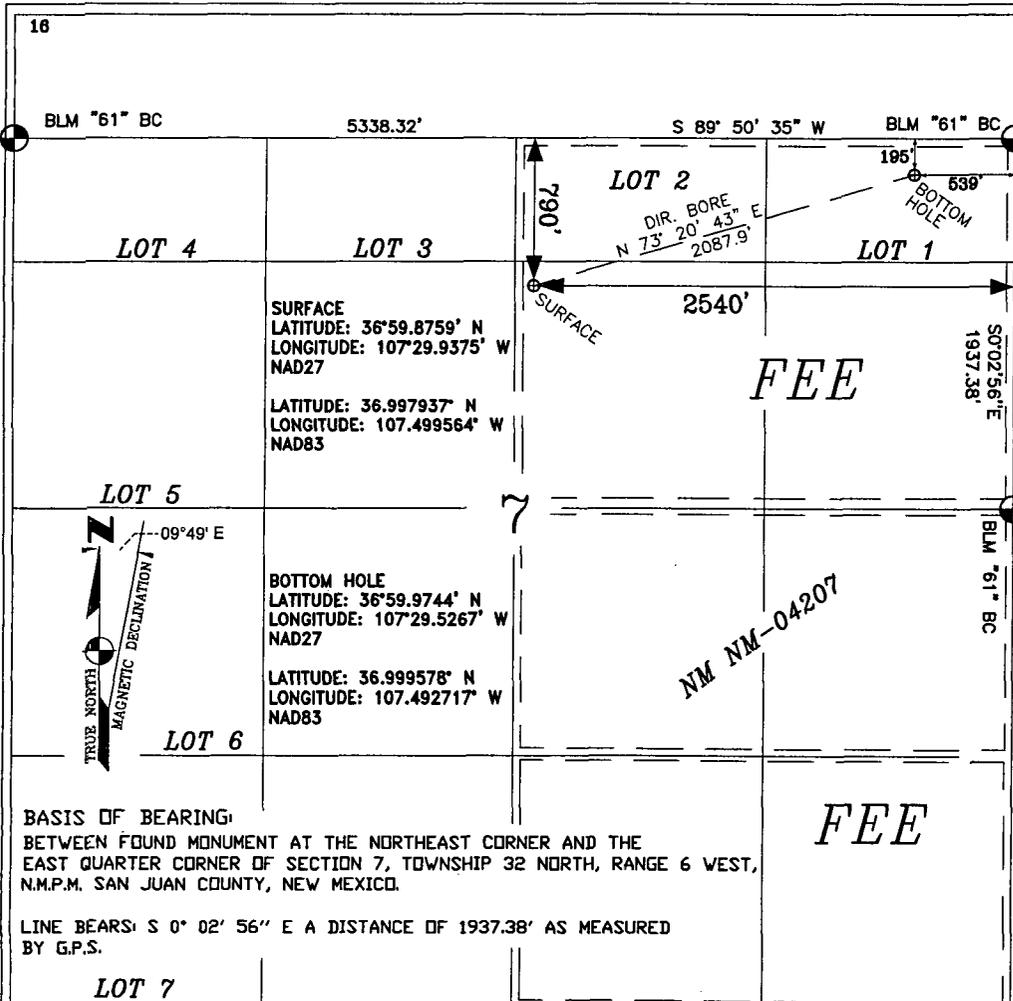
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	7	32-N	6-W		790'	NORTH	2540'	EAST	SAN JUAN

<sup>11</sup> 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
A	7	32-N	6-W		195'	NORTH	539'	EAST	SAN JUAN

<sup>12</sup> Dedicated Acres FC 276.89 ACRES E/2	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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



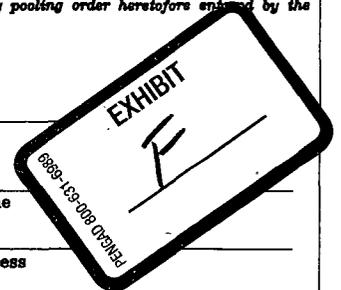
17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the

Signature

Printed Name

E-mail Address



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.

JAN. 11, 2011

Signature and Seal of Professional Surveyor



GLEN W. RUSSELL

Certificate Number

15703

DISTRICT I  
1625 N. French Dr., Hobbs, N.M. 88240

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised July 16, 2010

DISTRICT II  
811 South First, Artesia, N.M. 88210

Submit one copy to Appropriate  
District Office

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name FRUITLAND COAL
<sup>4</sup> Property Code	<sup>5</sup> Property Name ALLISON UNIT	
<sup>7</sup> OGRID No.	<sup>6</sup> Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	<sup>8</sup> Well Number 133S
		<sup>9</sup> Elevation 6521'

<sup>10</sup> Surface Location

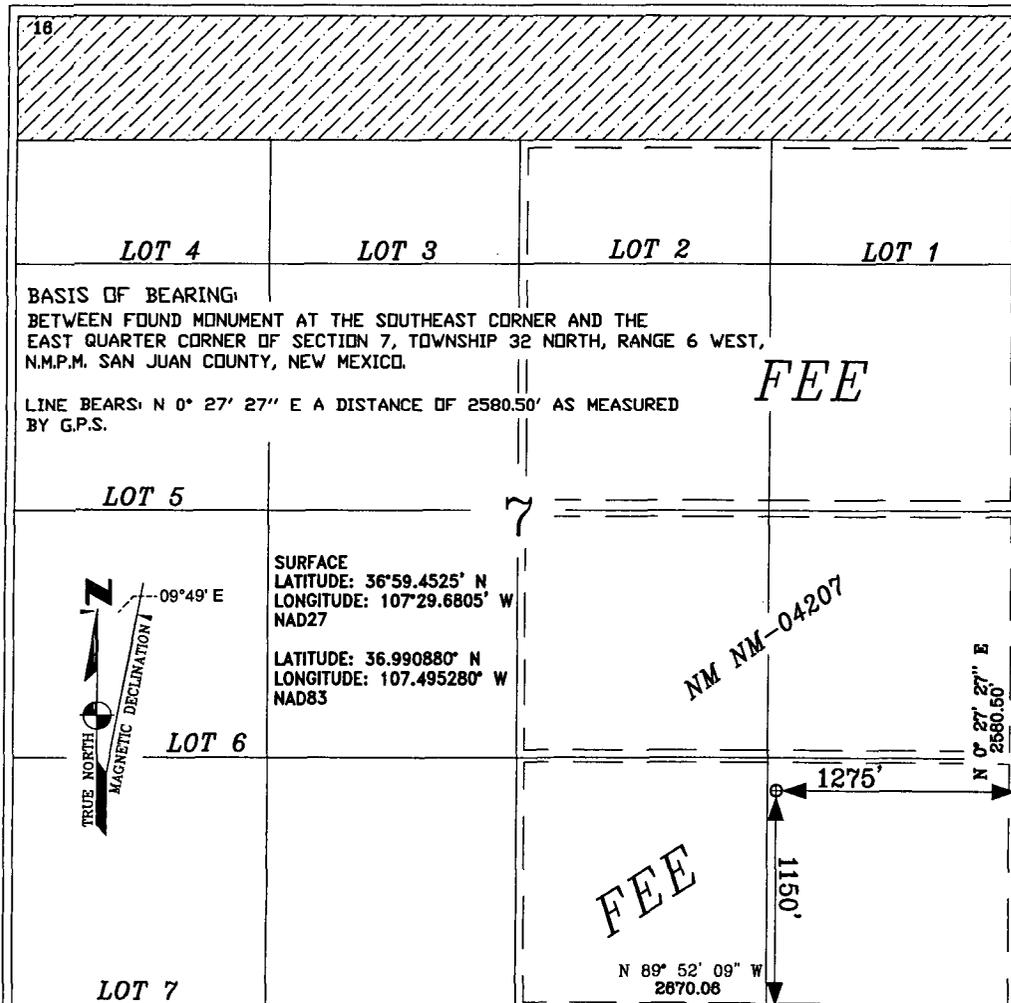
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	7	32-N	6-W		1150'	SOUTH	1275'	EAST	SAN JUAN

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres FC 276.89 ACRES E/2	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
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Signature \_\_\_\_\_  
Printed \_\_\_\_\_  
E-mail Address \_\_\_\_\_

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JAN. 11, 2011

Signature and Seal of Professional Surveyor



GLEN W. RUSSELL

Certificate Number 15703

DISTRICT I  
1625 N. French Dr., Hobbs, N.M. 88240

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised July 16, 2010

DISTRICT II  
1301 West Grand Avenue, Artesia, N.M. 88210

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit one copy to Appropriate  
District Office

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name BASIN FRUITLAND COAL
<sup>4</sup> Property Code	<sup>5</sup> Property Name ALLISON UNIT	<sup>6</sup> Well Number 145H
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP	<sup>9</sup> Elevation 6519'

<sup>10</sup> Surface Location

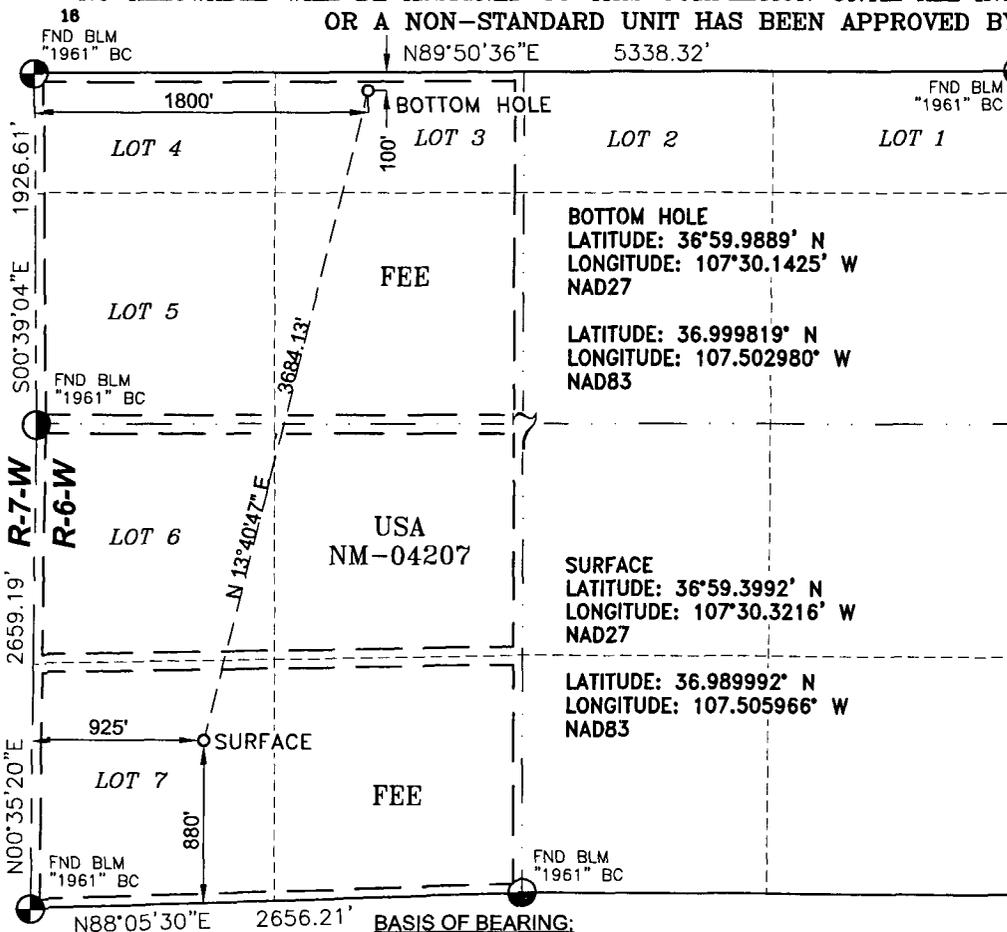
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	7	32-N	6-W		880	SOUTH	925	WEST	SAN JUAN

<sup>11</sup> 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
C	7	32-N	6-W		100	NORTH	1800	WEST	SAN JUAN

<sup>12</sup> Dedicated Acres FC 272.85 ACRES W/2	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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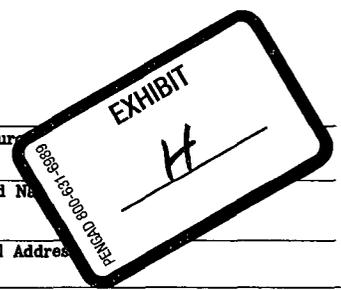
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I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

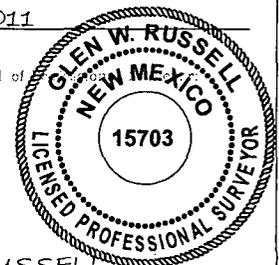


<sup>18</sup> SURVEYOR CERTIFICATION

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.

Jan. 11, 2011  
Date of Survey

Signature and Seal of



GLEN W. RUSSELL  
Certificate Number 15703

BASIS OF BEARING:

BETWEEN FOUND MONUMENTS AT THE SOUTHWEST CORNER AND THE WEST QUARTER CORNER OF SECTION 7, TOWNSHIP 32 NORTH, RANGE 6 WEST, N.M.P.M. SAN JUAN COUNTY, NEW MEXICO.

LINE BEARS: N 00°35'20" E A DISTANCE OF 2659.19 FEET AS MEASURED BY G.P.S. LOCAL GRID NAD83.