



BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

IN REPLY REFER TO:
3162.3 (07600)

JUN 5 1997

Mr. Keith Baker
Burlington Resources
P.O. Box 4289
Farmington, NM 87499

Dear Mr. Baker:

Recently, the Farmington District Office, Bureau of Land Management (FDO) has met with Burlington Resources and Conoco Inc. concerning a number of issues related to the deep well tests of the Pennsylvania and Mississippian Formations. During these meetings, we discussed compliance with the National Environmental Policy Act (NEPA) as related the test wells and full field development. Based on the requirements of NEPA, drilling and completing of test wells can be accomplished with an environmental assessment. Prior to full field development, and dependent upon the anticipated impacts, an environmental impact statement (EIS) may be required. The time frames for an EIS is approximately 18 months. Starting this process as early as possible will facilitate future development.

Additionally, the FDO is concerned with impacts of full field development on cultural resources. The process by which the Fruitland pipeline projects have been approved has served both industry and the FDO well. However, the time frames concerning completion of cultural obligations following pipeline completion has been an issue. As stated in our letter of August 1996 to Burlington Resources, Amoco Production Co., Phillips Petroleum Co. and Williams Field Services Co., the time has come to promptly fulfill lingering cultural mitigation obligations. Utilizing a "Fruitland-like" approach to expedite full field development of these deep formations will only be considered if the existing Fruitland cultural mitigation obligations have been brought up-to-date.

Enclosed is approval of the first deep test well for Burlington Resources. To date, we have received two Notice of Stakings (NOS) from Conoco Inc. for deep test wells. This letter is to formally notify you that upon completion of the deep test wells and prior to any type of field development, an EIS may be required and the mitigation of other resources, including cultural resources, will have to be evaluated. This evaluation will be done on a regional basis (not company by company) and prior to full field development. If you have any questions or would like to discuss these issues further, please contact me at (505) 599-6330.

Sincerely,


Ilyse Auringer
Land Resources Team Lead

CC: Amoco Production Company
Conoco, Inc.

BEFORE THE
OIL CONSERVATION COMMISSION
Case No. 11808&09 Exhibit No. 9
Submitted By:
Burlington Resources
Hearing Date: July 10, 1997

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

RECEIVED
37 SEP 15 1997
070 FARMINGTON, NM

1a. Type of Work DRILL	5. Lease Number SF-078604 Unit Reporting Number	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator BURLINGTON RESOURCES Oil & Gas Company	7. Unit Agreement Name	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Marcotte 9. Well Number 2	
4. Location of Well 1540' FSL, 935' FEL Latitude 36° 54.6, Longitude 107° 54.0	10. Field, Pool, Wildcat Rico, Honaker Trail, Ismay, Desert Creek, Akah, Barker Creek, Alkali Gulch, Molas, Leadville; Wildcat 11. Sec., Twn. Rge, Mer. (NMPM) Sec 8, T-31-N, R-10-W API # 30-045	
14. Distance in Miles from Nearest Town 2.25 miles to Cedar Hill	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line	- 935'	
16. Acres in Lease	17. Acres Assigned to Well 160 SE/4	
18. Distance from Proposed Location to Nearest Well, Drig. Compl, or Applied for on this Lease	- 220'	
19. Proposed Depth 14,225'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 5987'GR	22. Approx. Date Work will Start DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u><i>Randy Stoddard</i></u> Regulatory/Compliance Administrator	<u>4-10-97</u> Date	SEE ATTACHED F CONDITIONS OF ASP.

PERMIT NO. _____ APPROVAL DATE JUN 05 1997
APPROVED BY *Shawn Dyer* TITLE Team Lead DATE 6/5/97

SEE ATTACHED FOR
COMPLIANCE REQUIREMENTS
Please Note: BLM letter of June 5, 1997

Archaeological Report submitted by Arboles Contract Archaeology Technical Report #1037
Threatened and Endangered Species Report submitted
NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

OPERATOR

District I
 PO Box 298, Hobbs, NM 88241-1990
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Ute Avenue 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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APN Number 30 045-		Pool Code		Pool Name Wildcat; Rico, Alkali Gulch, Molas, Leadville, Honaker Trail, Tsmay, Desert Creek, Akah, Barko	
Property Code 7287	Property Name Marcotte			Well Number 2	
OGRID No. 14538	Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY			Elevation 5987'	

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
I	8	31-N	10-W		1540	South	935	East	S.J.

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 Acre 640	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

16						<p>17 OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p style="text-align: center;">CONFIDENTIAL</p> <p style="text-align: center;"><i>Peggy Bradford</i></p> <p>Signature Peggy Bradford</p> <p>Printed Name Regulatory Administrator</p> <p>Title</p> <p>Date 6/30/97</p> <hr/> <p>18 SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p style="text-align: right;">2/16/97</p> <p>Date of Survey</p> <p>Signature and Seal of a Registered Surveyor</p> <div style="text-align: center;">  </div> <p>6857</p> <p>Certification Number</p>
	8	SF - 078604	2	1	935'	
	3	4	1540'	5		