



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

RECEIVED

JUL 20 1998

June 30, 1998

Burlington Resources Oil & Gas Company
Attention: Maria L. Perez
P. O. Box 51810
Midland, Texas 79710-1810

SEE ATTACHMENTS

7-16-98
Cotterbury Control Exploration,
Inc & Permian Energy, Inc
are offset operator to the
SW corner & were notified
by certified mail on 7-6-98.
Burlington Resources in
offset to the West &
SW corner of open
production unit.
Thank you
Alonzo F.
915-688-4

**RE: Administrative application dated June 1, 1998
for a subsurface gas producing
area/bottomhole gas well location in the
Wolfcamp formation for your proposed Corral
Draw "10" Federal Well No. 1 to be drilled
from a surface location 800 feet from the South
line and 1650 feet from the West line (Unit N)
of Section 10, Township 25 South, Range 29
East, NMPM, Eddy County, New Mexico.**

Dear Ms. Perez:

Per my review of the subject application, I found that the required notice to affected offsets [see Division statewide Rule 104.F(3)] was inadequate in this instance. Please provide me with the required proof of such notification under Rule 104.F(4).

Should you have any questions after first conferring with Ms. Donna Williams in your office in Midland, Texas, you may contact me in Santa Fe at (505) 827-8185.

Sincerely,

TD: → Michael E. Stogner
Chief Hearing Examiner/Engineer

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad

BURLINGTON RESOURCES

MID-CONTINENT DIVISION

July 16 1998

Cotnergy Central Exploration, Inc.
1360 Post Oak Blvd., Suite 1500
Houston, Texas 77056

Penwell Energy, Inc.
600 N. Marienfeld, Suite 1100
Midland, Texas 79701

RE: Proposed Horizontal Well
Standard Surface Location
*Non-Standard Sub-Surface Bottom Hole Location
Due to Topographic Limitations

Burlington Resources Oil & Gas Company, OGRID #26485
Corral Draw 10 Federal #1
Corral Draw Wolfcamp Gas Pool, Pool Code 84330
Surf. Loc.: SE/4 SW/4, UL-N, 800' FSL & 1650' FWL
Section 9, T25S, R29E, Eddy County, New Mexico
Lse. #NM 15303

Ladies and Gentlemen:

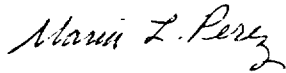
Burlington Resources Oil & Gas Company has made application with the oil conservation Commission in Santa Fe, New Mexico for administrative approval for a non-standard gas producing area/sub-surface bottom hole gas well location for the vertical portion of the wellbore for the proposed horizontal well, pursuant to Division General Rule 104.F and 111.C(2) to be applicable to the Corral Draw Wolfcamp (Gas) Pool for the Corral Draw 10 Federal #1, located at a standard surface location SE/4 SW/4, 800' FSL & 1650' FWL, (Unit N) of Section 10, T25S, R29E, Eddy County, New Mexico. The S/2 of said Section 10, being a standard 320-acre gas spacing and proration unit for this interval is to be dedicated to said well.

Burlington's request for an unorthodox subsurface bottom hole location of SE/4 SW/4, 800' FSL & 1500' FWL, (Unit N) of Section 10, T25S, R29E, Eddy Co., NM, that will allow for potential drilling bit drift to the west due to natural drift tendencies during normal vertical rotary drilling operations. Our options to move the surface location to the east are closed by topographical limitation (i. e. archeological sites. and an existing caliche hill which slopes on the northeast side of the proposed surface well location. Enclosed is the location plat for this proposed well showing the surface location, proposed kick-off point, wolfcamp penetration point and the proposed horizontal bottom hole location at UL-O, 800' FSL, 1650' FEL of said Section 10.

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Any objection to this application must be filed in writing within twenty days from the date of this letter to Mr. Michael E. Stogner, Oil Conservation Division, 2040 South Pacheco Street, Santa Fe, New Mexico 87505-5472.

Sincerely,

A handwritten signature in cursive script that reads "Maria L. Perez".

**Maria L. Perez
Regulatory Representative
A/C 915-688-6906**

cc: Oil Conservation Division, Santa Fe, New Mexico

(s:mlp1:Corral Draw 10 Fed. #1 OSO)

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

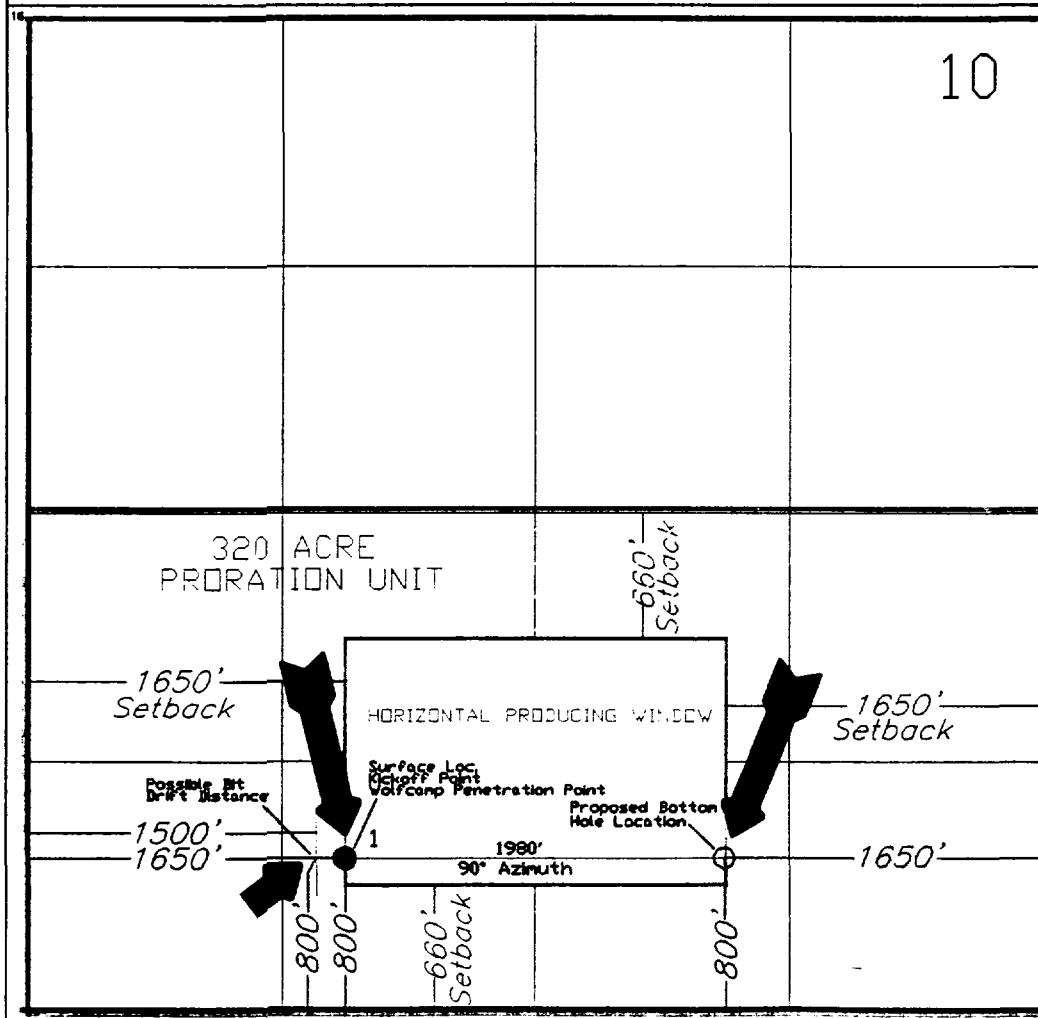
Submit to the Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 84330		3 Pool Name Corral Draw Wolfcamp					
4 Property Code		5 Property Name Corral Draw 10 Federal						6 Well Number 1	
7 OGRID No. 26485		8 Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY						9 Elevation 3031'	
10 SURFACE LOCATION									
UL or lot no. N	Section 10	Township 25 SOUTH	Range 29 EAST, N.M.P.M.	Lot Ida	Feet from the 800'	North/South line SOUTH	Feet from the 1650'	East/West line WEST	County EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no. 0	Section 10	Township 25S	Range 29E	Lot Ida	Feet from the 800	North/South line South	Feet from the 1650	East/West line East	County Eddy
12 Dedicated Acres 320		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature

Marcos L. Perez
Printed Name

Printed Name _____

Maria L. Perez

Title

Regulatory Representative

Date _____

5-13-98

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 _____

JANUARY 28, 1998

**Signature and Seal of
Professional Surveyor**

11

75-10135

12123

151

11-11-61

12-10-68

Kostenlos

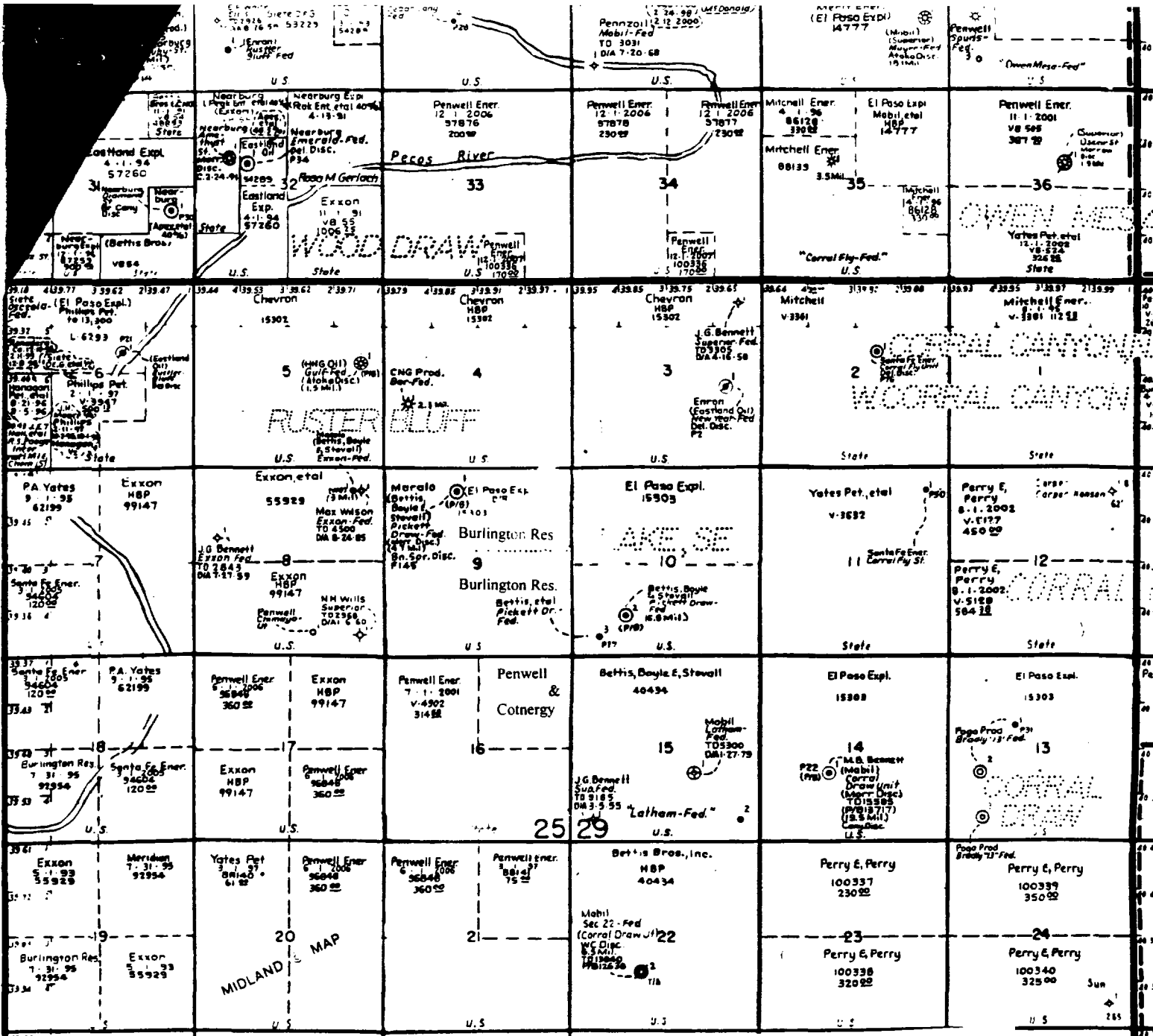
Certificate No. _____

ROGER M. ROBBINS

ROGER M. ROBBINS

JOB #56459 / 2

000 1150455 / 2



Burlington Resources Oil & Gas Company
Corral Draw 10 Federal #1
K, 1980' FSL & 1650' FWL
NE/4 of the SW/4 of Section 10, T25S, R29E
Eddy County, New Mexico
Lse. # NM 15303

Proposed Surface Location/Subject to Change Based on Archeological Survey

