



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

January 28, 2000

Conoco, Inc.
P. O. Box 2197
Houston, Texas 77252

Attention: Marc Shannon

Re: *Administrative Amendment to
Division Order No. R-11139*

Dear Mr. Shannon:

Reference is made to your letter of application dated January 21, 2000 for an exception to the well location requirements provided within the "*Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by New Mexico Oil Conservation Division ("Division") Order No. R-10987, for a certain well previously approved by Division Order No. R-11139, issued in Case No. 12122 and dated February 18, 1999.

Division Order No. R-11139 authorized Conoco, Inc. to conduct an 80-acre pilot infill drilling program within its San Juan "28-7" Unit, located in portions of Townships 27 and 28 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, by permitting six certain wells to be drilled at unorthodox infill gas well locations.

At this time Conoco, Inc. is seeking to change the proposed location for its San Juan "28-7" Unit Well No. 280-M in order to complete an infill drilling plan for Blanco-Mesaverde gas production in the immediate area and to utilize an existing wellbore for this development. The San Juan "28-7" Unit Well No. 280-M was originally to have been drilled 1310 feet from the South line and 10 feet from the West line (Unit M) of Section 16, Township 28 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F (2), Conoco, Inc.'s proposed well, currently designated the San Juan "28-7" Unit Well No. 280-M, to be drilled at an unorthodox infill gas well location 1310 feet from the South line and 10 feet from the East line (Unit P) of Section 17, Township 28 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, is hereby approved.

Further, the above-described San Juan "28-7" Unit Well No. 280-M and existing: (i) San Juan "28-7" Unit Well No. 256 (**API No. 30-039-21731**), located at a standard gas well location 850 feet from the North line and 1845 feet from the East line (Unit B) of Section 17; and (ii) San Juan

Conoco, Inc.

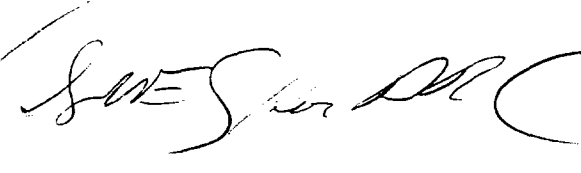
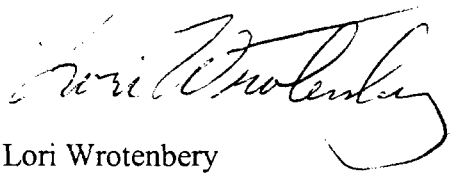
Administrative Amendment to Division Order No. R-11139

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"28-7" Unit Well No. 256-E (**API No. 30-039-22363**), located at a standard infill gas well location 1960 feet from the South line and 1390 feet from the East line (Unit J) of Section 17: are to be dedicated to the existing standard 320-acre stand-up gas spacing and proration unit comprising the S/2 of Section 17. These three wells and existing 320-acre unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico and to the provisions of Division Order No. R-11139.

Sincerely,



Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
File: Case No. 12122



2/17/00

January 21, 2000

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 Pacheco
Santa Fe, New Mexico 87504

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22252
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NEW MEXICO OIL CONSERVATION DIVISION
SANTA FE

Re: Application for Non-Standard Location
Basin Dakota Pool
San Juan 28-7 Unit #280
1310' FSL & 10' FEL (requested)
Unit Ltr. P, Section 17-T28N-R7W
Rio Arriba County, New Mexico

Dear Mr. Stogner,

Conoco plans to drill the above referenced well in 2000. This is one of six wells in the San Juan 28-7 Unit Basin Dakota pilot infill drilling project, authorized by Order No. R-11139 issued out of Case No. 12122. Location for the #280 (then #280M) was filed for, and approved, at a non-standard location 1310' FSL & 10' FWL, Unit Letter M, of Section 16-T28N-R7W. In an effort to prevent waste and prudently develop the Blanco Mesaverde pool, Conoco wishes to move the drill site for the subject well 20' to the west. The new location will situate the subject well at a location 1310' FSL and 10' FEL of Section 17. This will allow Conoco to develop an additional 80 acre Mesaverde withdrawal point by recompleting (with DHC) in the existing #231E wellbore in Section 16. The #231E (API #30-039-22436) and #6 (API #30-039-07398) would then serve as the 80 acre Mesaverde pair in the southwest quarter of Section 16. Please note that this proposed minor change of location will not materially alter Dakota data to be gathered from the #280 for use in evaluating the San Juan 28-7 Unit Dakota pilot program.

The requested location remains non-standard to the interior of the San Juan 28-7 Unit, and does not encroach on any exterior Unit boundaries. An application to downhole commingle (C-107-A) production from the Blanco Mesaverde and Basin Dakota pools in the subject well has been approved, as evidenced by the issuance of Administrative Order DHC-2242 on February 22, 1998. The #280 will be produced as a Dakota single until such time as sufficient data has been gathered for utilization in the overall evaluation of the 80-acre concept for the Basin Dakota Pool in the San Juan 28-7 Unit; only then will the Mesaverde be completed, tested, and downhole commingled with the Dakota. The subject well will then serve as an 80 acre Mesaverde withdrawal point in the southeast quarter of Section 17, paired with the #22A (API #30-039-21936).

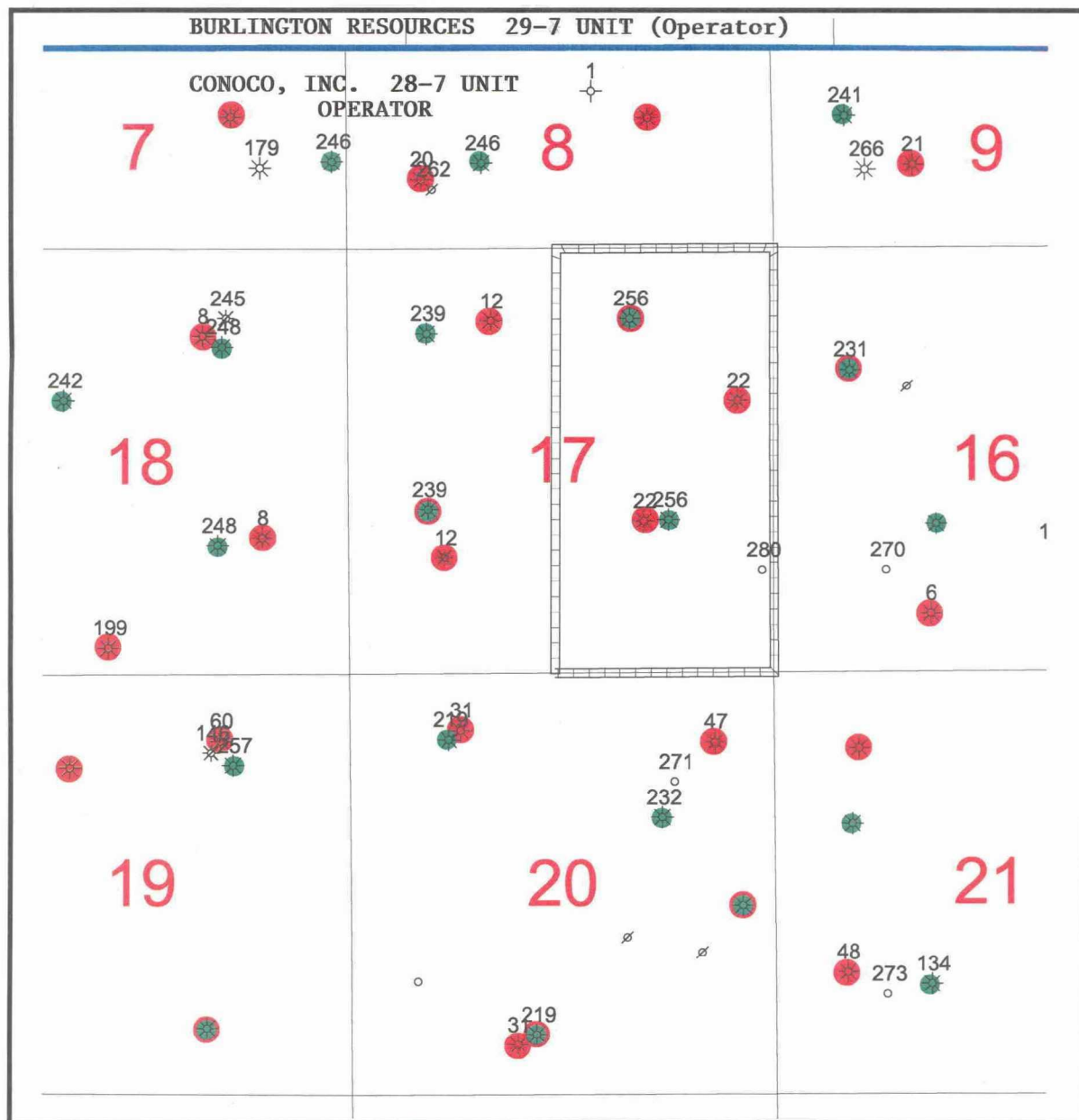
Conoco respectfully requests that a revised, non-standard location for the Basin Dakota Pool be granted for the referenced well for the reasons cited above. Per Order No. R-10987-A issued out of Case No. 12069, the location is standard for the Blanco Mesaverde Pool. If there are any questions concerning this application, please feel free to call me at (281) 293-6564.

Sincerely,

Marc Shannon
Staff Reservoir Engineer

Attach.

T28N R7W Section 17



NOTES

CONOCO OPERATES ALL MESAVERDE AND DAKOTA WELLS WITHIN THE 28-7 UNIT.

● DK Production
● MV Production



conoco

CONOCO 28-7 UNIT MV & DK PRODUCERS

San Juan 28-7 Unit #280
Non-Standard Location

Author: Paul M. Libby
 Compiled by:
 MD File:

Date: 1/21/2000

Map 1 of 1

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

State of New Mexico
Energy, Minerals & Natural Resources Department

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

District II
PO Drawer DD, Artesia, NM 88211-0719

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

District III
1000 Big Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code 016608	*Property Name SAN JUAN 28-7 UNIT		*Well Number 280
*GRIID No. 005073	*Operator Name CONOCO, INC.		*Elevation 6507'

10 Surface Location

U. or lot no.	Section	Township	Range	Lat. Ion	Feet from the	North/South line	Feet from the	East/West line	County
P	17	28N	7W		1300	SOUTH	10	EAST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

U. or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
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14 Dedicated Acres 320	15 Joint or Infill	16 Consolidation Cases	17 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

[illegible]