



Mid-Continent Region
Exploration/Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

March 27, 2001

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87504

Application for Nonstandard Location Cass Pool

SEMU #160
Section 14, T-20-S, R-37-E, K
1650' FSL & 2250' FWL
Lea County, NM

Dear Mr. Stogner,

The SEMU #160 well is located within a mile of the Cass pool. The standard location for a Cass Pool well shall be within 150 feet of the center of a governmental quarter-quarter section or lot. This well is staked outside of that radius therefore a nonstandard location order is required.

The location is proposed as a northern extension of the Cass Pool. If this well is successful it will extend the Cass Pool to the north into Section 14 of T20S, R37E. Three exhibits are enclosed that explain the reasoning for proposing the non-standard Strawn location for this well. Exhibit 1 is an east-west seismic line from the 3D survey through the proposed location. On Exhibit 1, the yellow line is the Top Strawn seismic pick at about 1035 milliseconds and the green line is the Top Devonian seismic pick at about 1040 milliseconds. The Strawn to Devonian section thins from west to east and at the proposed location for the SEMU 160, the Strawn is interpreted to be structurally high. To the east of the proposed location, the seismic event at the Top Strawn is thinner. The interpretation indicates this seismic event is the productive zone in the Cass Pool. Exhibit 2 is a depth map on the Top Strawn pick. The darker red color on the map is high and the green color is low. The map shows a structural nose at Top Strawn in the southwest quarter of section 14. This structural nose is the target of the SEMU 160 well.

The page size plot, Exhibit 3, (both paper and film overlay) is of a standard 640 acre section. On the plot, a Cass Pool standard location is shown within the red circles of a 150 foot radius. Placing the overlay on the Top Strawn Depth map will illustrate that the northern portion of the structural nose is not located within a standard location. The proposed location of the SEMU #160 was chosen: 1) to get high structurally, 2) to be in a coherent seismic event and 3) to have the possibility of a standard completion to shallower zones.

The SEMU # 160 lies within the Conoco operated Southeast Monument Unit. Conoco is the only offset operator, there is no notification required. After drilling the well and documenting commercial production, Conoco will establish a new Strawn participating

area. Please find enclosed with this application an updated map of Conoco's SEMU Area showing the new 2001 staked well locations.

Conoco respectfully requests an administrative nonstandard location order for the SEMU # 160. If you need any additional data please call me at (915) 686-5798.

Sincerely,

A handwritten signature in black ink that reads "Kay Maddox". The signature is written in a cursive style with a large, sweeping initial "K".

Kay Maddox
Regulatory Agent – Conoco

CC: NMOCD- Hobbs
Thomas Kellahin - Attorney

DISTRICT I
1025 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 10450	Pool Name CASS Penn
Property Code	Property Name SEMU	Well Number 160
OGRID No. 005073	Operator Name CONOCO INC.	Elevation 3546'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	14	20 S	37 E		1650	SOUTH	2250	WEST	LEA

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

Dedicated Acres 80	Joint or Infill	Consolidation Code	Order No. NSL Applied For
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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

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kay Maddox</i> Signature</p> <p>KAY MADDOX Printed Name</p> <p>Regulatory Agent Title</p> <p>3/17/01 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>March 8, 2001 Date Surveyed</p> <p><i>Gary L. Jones</i> Signature & Seal of Professional Surveyor</p> <p>W.O. No. 1218</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN-SURVEYS</p>

PROPOSED LOCATION SEMU 160

EXHIBIT 1

WEST

EAST

L1947
T800

L1948
T850

T900

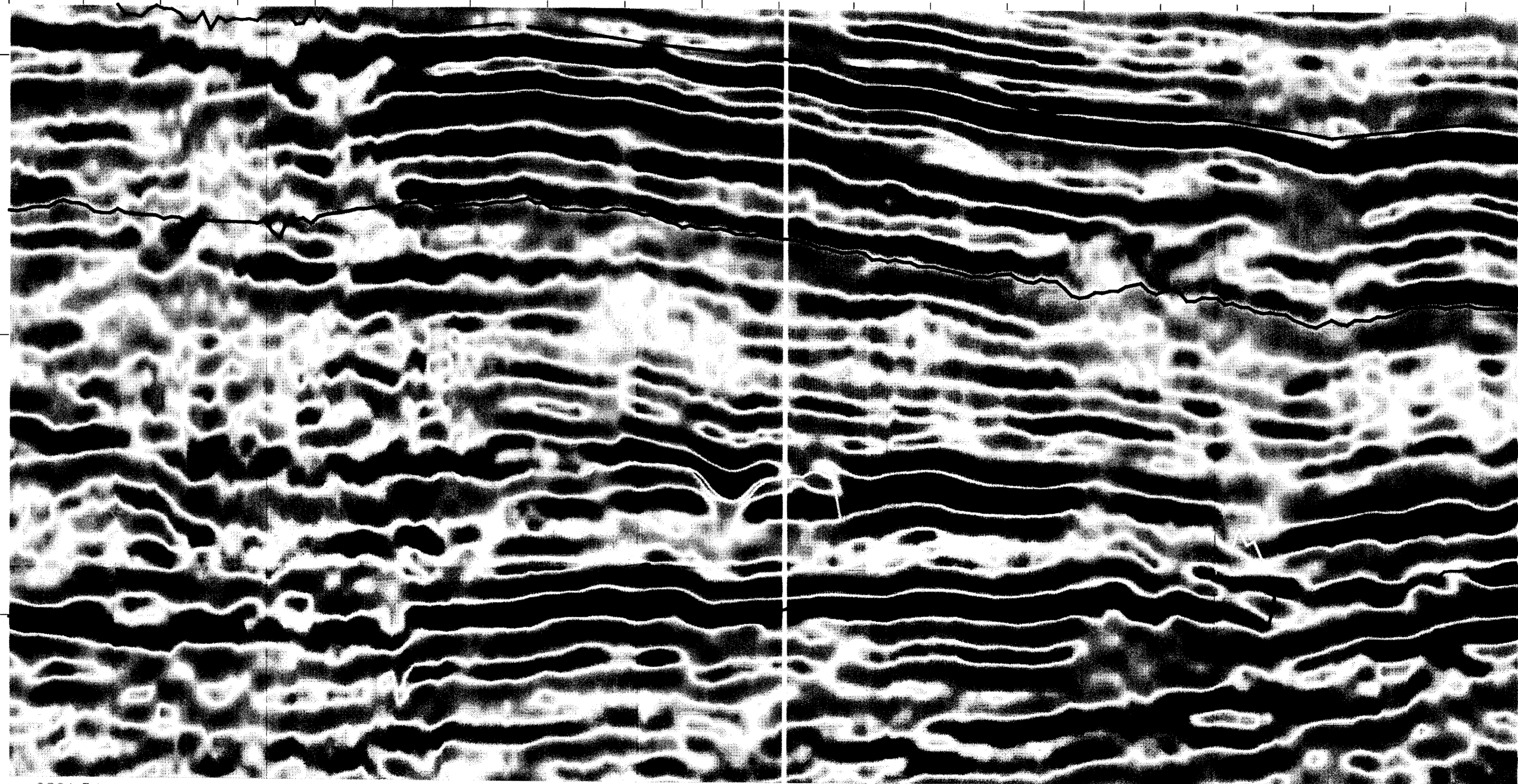
T950

1000

ABO

1000

STRAWN
DEVONIAN



agc0801.3dv
W

1503'

ArbitraryLine

agc0801.3dv
E W

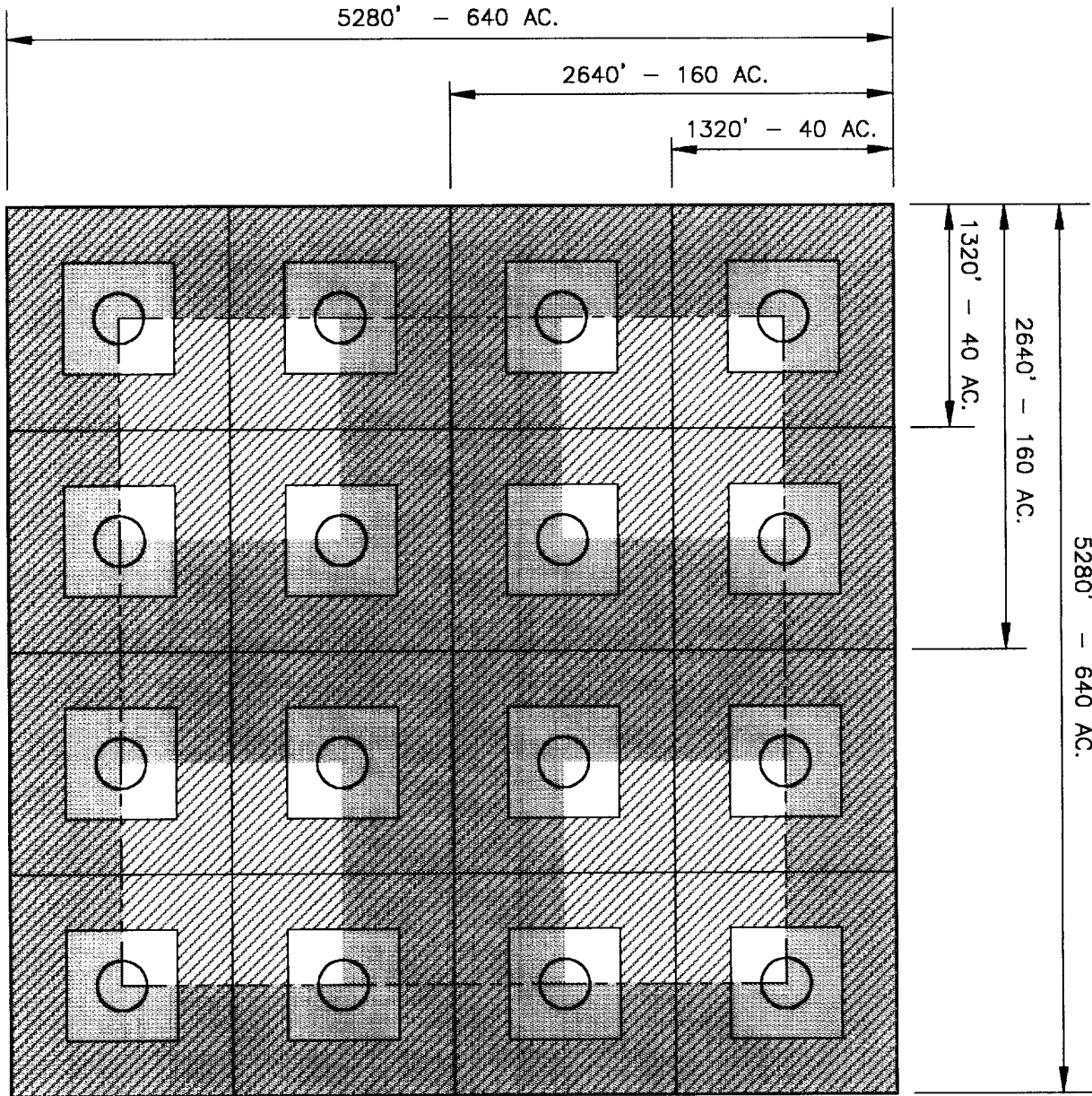
1503'

LINE 1948
E

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NSL_SEMU16023132450_huck.jl 23-Mar-2001 13:24

EXHIBIT 3



NOTES



STANDARD 660' OFFSET FROM 160.0 AC. LINE



STANDARD 330' OFFSET FROM INTERIOR 40 AC. SUBDIVISION LINES



150' RADIUS

DATE: 3/23/2001

DRAWN BY: glg

CHECKED BY:

APPROVED BY:

SCALE: 1" = 1000'



EXPLORATION PRODUCTION AMERICAS

CASS POOL
STANDARD 640 AC. SECTION
ALLOWABLE SURFACE LOCATIONS

DRAWING

CASS

CONOCO INC. OFFICE
10 DESTA DRIVE WEST
MIDLAND, TEXAS 79705

ELF 12/4/01
ABOVE DATE DOES NOT
INDICATE WHEN
CONFIDENTIAL LOGS
WILL BE RELEASED

