



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

November 4, 1999

Conoco, Inc.
P. O. Box 2197 - DU3066
Houston, Texas 77252

Attention: Yolanda Perez

Re: *Two administrative applications of Conoco, Inc. both dated October 28, 1999 for unorthodox gas well locations within the Basin-Dakota Pool in Sections 10 and 11, Township 28 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.*

Dear Ms. Perez:

Per our voice mail conversations this week, I am returning the subject applications for re-submittal when complete.

Thank you for your cooperation in this matter.

Sincerely

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec
W. Thomas Kellahin, Legal Counsel for Conoco, Inc. - Santa Fe
Kathy Valdes, NMOCD - Santa Fe

NSL 11/18/99

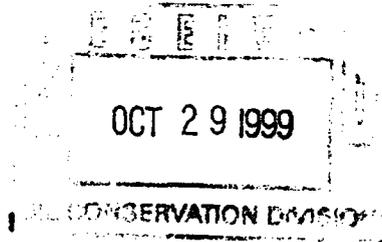


Yolanda Perez
Regulatory Analyst
EPNA - Gulf Region
Lobo/San Juan Asset Unit

Conoco Inc.
P.O. Box 2197 - DU3066
Houston, TX 77252
(281) 293-1613

October 28, 1999

New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505



Attn: Michael Stogner

Re: Application for Non-Standard Location
Basin Dakota Pool
San Juan 28-7 Unit #235M
1725' FSL (700' FNL) & 1910' FEL
Unit Ltr. J, Section 10, T-28N, R-7W
Rio Arriba County, New Mexico

Dear Mr. Stogner,

Conoco Inc. plans to drill the above referenced well in 2000. The proposed well has been staked at a non-standard location of 700' from the North line and 1910' from the East line, Sec.10, T-28N, R-7W, Rio Arriba County as shown on the attached C-102. Basin-Dakota pool rules require a standard location to be located no closer than 790 feet to any outer boundary of the quarter section on which the well is located. The subject location is an open, 160-acre Dakota infill site. In an effort to prevent waste and to effectively / efficiently develop the 28-7 Unit to its fullest potential, Conoco selected this site to serve two purposes. To accommodate both a primary, 160-acre Dakota infill, and an 80-acre Mesaverde infill withdrawal point. The subject location was selected, in part, because of the need to situate the proposed Mesaverde completion in a different quarter/quarter Section than the existing Mesaverde well (per Order No. R-10987-A), and the desire to maximize distance from same. Additionally, drastic structural relief immediately south of this location, limits viable site selections that do not crowd existing Unit wells (see attached topography map and surveyor comments).

The ability to access both horizons in a single wellbore will reduce development costs and surface disturbance. Please note that the location is interior to the 28-7 Unit, and does not encroach on any exterior Unit boundaries. An application to downhole commingle production from the Blanco Mesaverde and Basin Dakota pools has been approved (DHC-2443, issued 8/31/99).

Conoco respectfully requests that a non-standard location for the Basin Dakota Pool be issued for the referenced well for the reasons cited above. At 700' from the north line of Section 10, the referenced well is standard for the Blanco Mesaverde Pool (660' allowed).

If there are any questions concerning this application, please feel free to call me at (281) 293-1613.

Sincerely,

CONOCO INC.

Yolanda Perez
Regulatory Analyst
Lobo/San Juan Asset

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-10:
Revised February 21, 1999
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District II
PO Drawer 00, Artesia, NM 88211-0719

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

District III
1000 Rio 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		'Pool Name	
		72319 / 71599		BLANCO MESAVERDE / BASIN DAKOTA	
'Property Code		'Property Name			'Well Number
016608		SAN JUAN 28-7 UNIT			235M
'OGRID No.		'Operator Name			'Elevation
005073		CONOCO, INC.			6580'

¹⁰ Surface Location

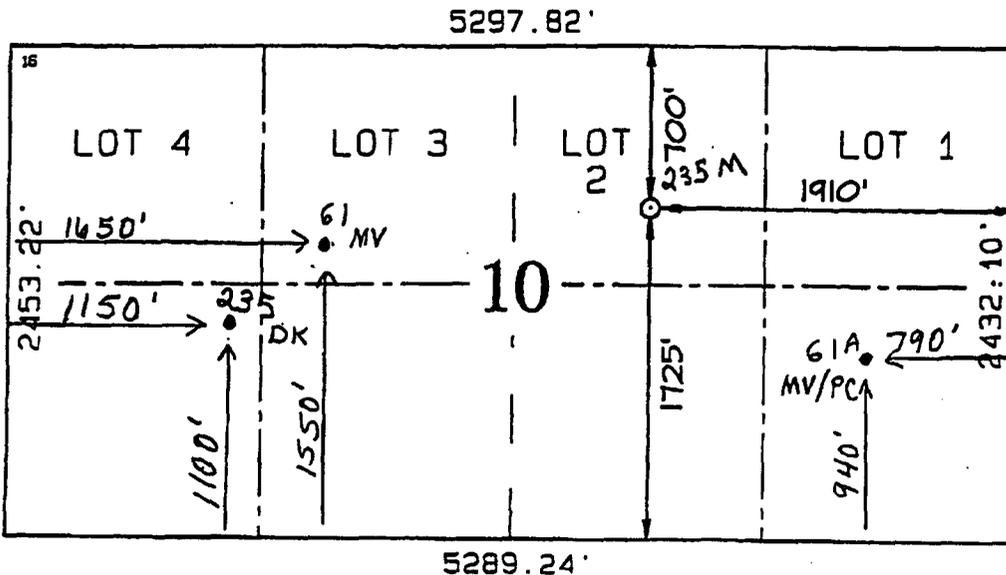
UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County
J	10	28N	7W		1725	SOUTH	1910	EAST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
296.08 MV 331.55 DK	Y		

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 correct to the best of my knowledge and belief.

Mike L. Mankin
Signature

Mike L. Mankin
Printed Name

Right-Of-Way Agent
Title

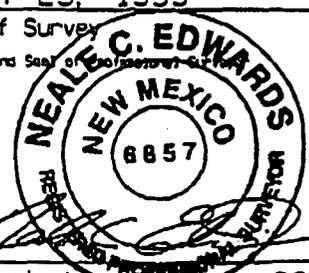
6-16-99
Date

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.

MAY 25, 1999
Date of Survey

Signature and Seal of the Surveyor



Certificate Number 6857

District I
PO Box 1980, Hobbs, NM 88241-198

State of New Mexico
Energy, Minerals & Natural Resources Department

Revised February 21, 1994
instructions on back

District II
PO Drawer DD, Artesia, NM 88211-071

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

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

District III
1000 Rio Brazos Rd. Aztec, NM 8741

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-n/a	2 Pool Code 72319/71599	3 Pool Name Blanco Mesaverde Basin Dakota
4 Property Code 016608	5 Property Name San Juan 28-7 Unit	
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Sta. 100W, Midland, TX 79705-4500	9 Elevation 6580'

10 Surface Location

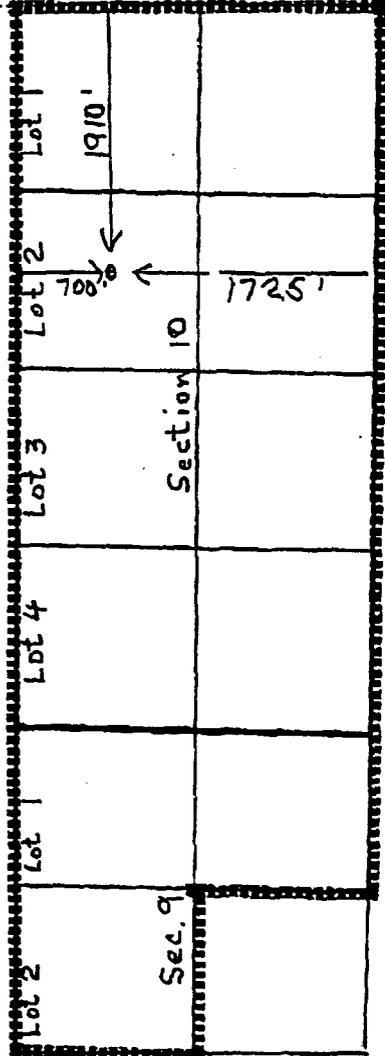
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	10	28N	7W		1725'	South	1910'	East	Rio Arriba

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

13 Dedications 296.08 MV 331.55 DK	15 Joint or Infill Y	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



17 OPERATOR CERTIFICATION

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

Jo Ann Johnson
Signature

Jo Ann Johnson

Printed Name

Sr. Property Analyst

Title

September 10, 1999

Date

18 SURVEYOR CERTIFICATION

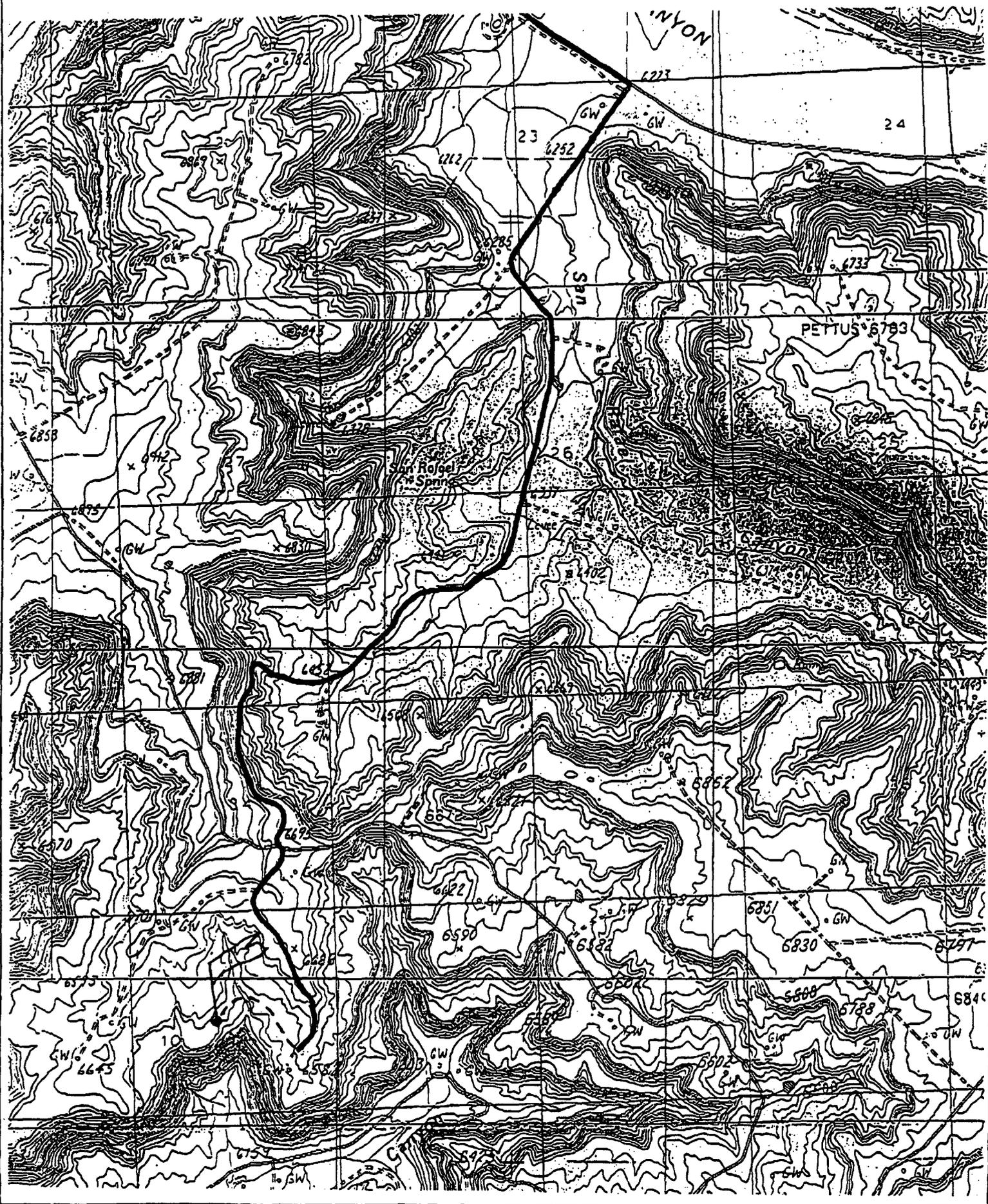
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

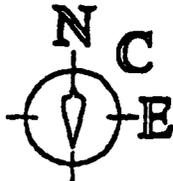
Date of Survey

Signature and Seal of Professional Surveyor.

Certificate Number

CONOCO, INC. SAN JUAN 28-7 UNIT #235M
1725' FSL & 1910' FEL, SECTION 10, T28N, R7W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO





SURVEYS, INC.

P.O. BOX 6612
FARMINGTON, NM 87449
OFFICE: (505)325-2654
FAX: (505)326-5650

JUNE 2, 1999

CONOCO, INC.
SAN JUAN 28-7 UNIT #235M
1725' FSL, 1910' FEL,
SECTION 10, T28N, R7W, NMPM
RIO ARriba COUNTY, NM

TO WHOM IT MAY CONCERN @ CONOCO ,INC:

REASONS FOR NON-STANDARD LOCATION:

THE PRIMARY REASON FOR THE NON-STANDARD STAKING OF THE SAN JUAN 28-7 UNIT #235M IS THE DRASTIC RELIEF IN TOPOGRAPHY WHICH EXISTS IN THE AREA. FURTHERMORE, ARCHEOLOGICAL DISCOVERIES HAVED ALSO AFFECTED THE PLACEMENT OF THIS WELL. MOREOVER, THE WELL FALLS WITHIN THE DRILLING WINDOWS WHICH PERTAIN TO THE MESAVERDE FORMATION; HOWEVER, IT IS DECLARED NON-STANDARD DUE TO THE FACT THAT IS NOT MEET DAKOTA CRITERIA.

SAN JUAN 28-7

RIO ARRIBA COUNTY
NEW MEXICO

No. 14-08-001-459

EFFECTIVE 1-29-53

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