Stogner, Michael

From: Stogner, Michael
Sent: Friday, March 04, 2005 9:56 AM
To: Christopher Spencer (E-mail)
Cc: Hayden, Steven
Subject: NSL application

Re: Morris Gas Com. #2
30-045-32642
adm. appl. ref. no. pSEM0-501841823

Mr. Spencer:

I've reviewed your application to drill the proposed Morris Gas Com. Well No. 3 (**API No. 30-045-32642**) at an unorthodox Basin-Fruitland infill coal gas well location within the S/2 of Sec. 26-T29N-R10W, San Juan County 1810' FSL & 470' FEL (Unit I) of Sec. 26 by utilizing the existing well pad for XTO's Abrams "L" Well No. 1A (**API No. 30-045-25616**), which well by the way was not drilled at an approved non-standard location but was actually permitted and drilled to a total depth of 5,900 feet in 1983 by Amoco as a Gallup oil well at a standard oil well location on 40-acre spacing. A year later Amoco recompleted this well up-hole into the Blanco-Mesaverde Pool at an unorthodox gas well location on 320-acre spacing, which is a sneaky way to obtain approval for an unorthodox location and is frowned upon by this agency.

You state in your application that XTO will drill the proposed Morris Gas Com. Well No. 3 on the existing well pad in order to "best preserve the surrounding surface while effectively and efficiently producing gas from the Fruitland Coal Formation." There are three other XTO operated wells within Unit "I" to the southwest, the: **(i)** Abrams Gas Com. "M" #1 (**API No. 30-045-26166**), located 1700' FSL & 1060' FEL; **(ii)** Morris Gas Com. "C" #1E (**API No. 30-045-23567**), located 1740' FSL & 1150' FEL; and **(iii)** Abrams Gas Com. "A" #1 (**API No. 30-045-07821**), located 1650' FS & EL. Why can't this well pad or one of these well pads, whichever is applicable, be used?

You also state the reason for the proposed unorthodox well location is "due to the surrounding land development." From the support data included with your application, nor from my review of other sources including aerial photos, this land development is not readily apparent.

Please address these two issues with a detailed explanation and any data that might support your application. Thank you for your cooperation.

m stogner

Stogner, Michael

From: Christopher_Spencer@xtoenergy.com
Sent: Friday, March 04, 2005 10:38 AM
To: Stogner, Michael
Subject: NSL application

Return Receipt

Your document :	NSL application
was received by:	Christopher Spencer/FTW/CTOC
at:	03/04/2005 11:38:25 AM

Stogner, Michael

From: Hayden, Steven
Sent: Thursday, March 10, 2005 2:49 PM
To: Stogner, Michael
Cc: Perrin, Charlie
Subject: RE: NSL application

Mike,

I went out and field checked these locations yesterday.

The area with the three standard wells has had a small amount put back into irrigation since the air photos were shot. This is a strip along the north side. On the west end, the land owner has built a steel irrigation sump fed by the ditch that pipes water north into the hay field. There is a lot more equipment on the three locations than appears in the air photo; 3 separator setups, storage tanks with berms and metersheds along with the wellheads. If they have to drill on this location, they will have to take some of the landowner's irrigated hay field.

The NSL, where they want to twin off the Abrams L #1A has a lot of room without any created disturbance. It is just a weed patch in the corner of the field that the landowner does not even pay for irrigation water on. If they move the stake west to 660FEL, half the location will be in the hay field

This is in an area with a lot of development going on and where there have been many disputes over surface issues. XTO is gradually coming around to working better with the landowners where ever possible.

To me, the NSL seems a reasonable resolution for this well.

Steve Hayden

Steve Hayden shayden@state.nm.us
NM OCD District III 505-334-6178 ext 14
1000 Rio Brazos Rd.
Aztec, NM 87410

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