



**Southwestern Energy
Production Company**

A subsidiary of Southwestern Energy Company

2350 N. Sam Houston Parkway East
Suite 300
Houston, Texas 77032
(281) 618-4700 FAX: (281) 618-4757

May 17, 2005

RECEIVED

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

MAY 17 2005

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RECEIVED

MAY 18 2005

Dear Mr. Stogner:

Pursuant to Division Rule 104.F.(2), Southwestern Energy Production Company is requesting approval for of an unorthodox oil well location for the following well:

Oil Conservation Division
Company, requesting
Santa Fe, NM 87505

Well: No Bluff State Well No. 6
Location: 1125 feet FNL & 330 feet FWL
Well Unit: NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico

This is an amendment to the original drilling permit application sent March 22, 2005. The well will continue be drilled to test the Glorieta/Yeso formations (Northeast Red Lake Glorieta-Yeso Pool). The pool is spaced on 40 acres, with wells to be located no closer than 330 feet to a quarter-quarter section line and for the subject well an exception to this 330' requirement is requested. A form C-102 for the well is attached as Exhibit A.

The new location is based on engineering reasons. The applicant has drilled four Glorieta/Yeso wells in the W $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 36 (the No Bluff State Well No. 3, located 2264 feet FNL & 366 feet FWL, the No Bluff State Well No. 4, located 1765 feet FNL & 330 feet FWL, the No Bluff State Well No. 5 located 2000 feet FNL and 990 feet FWL and the No Bluff State Well No. 9 located 760 feet FNL and 990 feet FWL). Based on the evidence presented in Division Case No. 13185, which increased the allowable in the pool, one well will not adequately drain a 40 acre well unit. Therefore, applicant intends to drill three or four wells per 40 acre well unit, but wants to offset them laterally.

The fracture orientation in the field appears to be due east to due west. Drilling the wells within the 80 acre State Lease V-5512 on an alternate east/west pattern (see attached land plat – Exhibit B) will allow the fractures to be placed to most effectively recover the reserves and avoid communicating with offset wells resulting in loss of reserves and/or possible damage to existing wells.

A structure map is also attached as Exhibit C. The structure dips to the north and the water saturation increases with the loss of structure. Moving the location south to the proposed unorthodox location will increase the chance of drilling a economic well.

As mentioned above, attached as Exhibit B is a land plat. The W $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 36 is covered by State Lease V-5512, which has common interest ownership as to all depths. The proposed well only encroaches on the interior quarter-quarter section line of the lease, and as a result notice of this application is not required.

Your approval of this unorthodox location is requested. If you have any questions, I can be reached at 281-618-4749.

Very truly yours,

A handwritten signature in black ink, appearing to read "W. Kurt Butler". The signature is written in a cursive style with a large, sweeping initial "W".

W. Kurt Butler
Southwestern Energy Production Co.

Attachments

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I
1625 N. FRENCH DR., HOBBES, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name NO BLUFF STATE COM	Well Number 6
OGRID No.	Operator Name SOUTHWESTERN ENERGY PRODUCTION COMPANY	Elevation 3566'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	36	17-S	27-E		1125	NORTH	330	WEST	EDDY

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

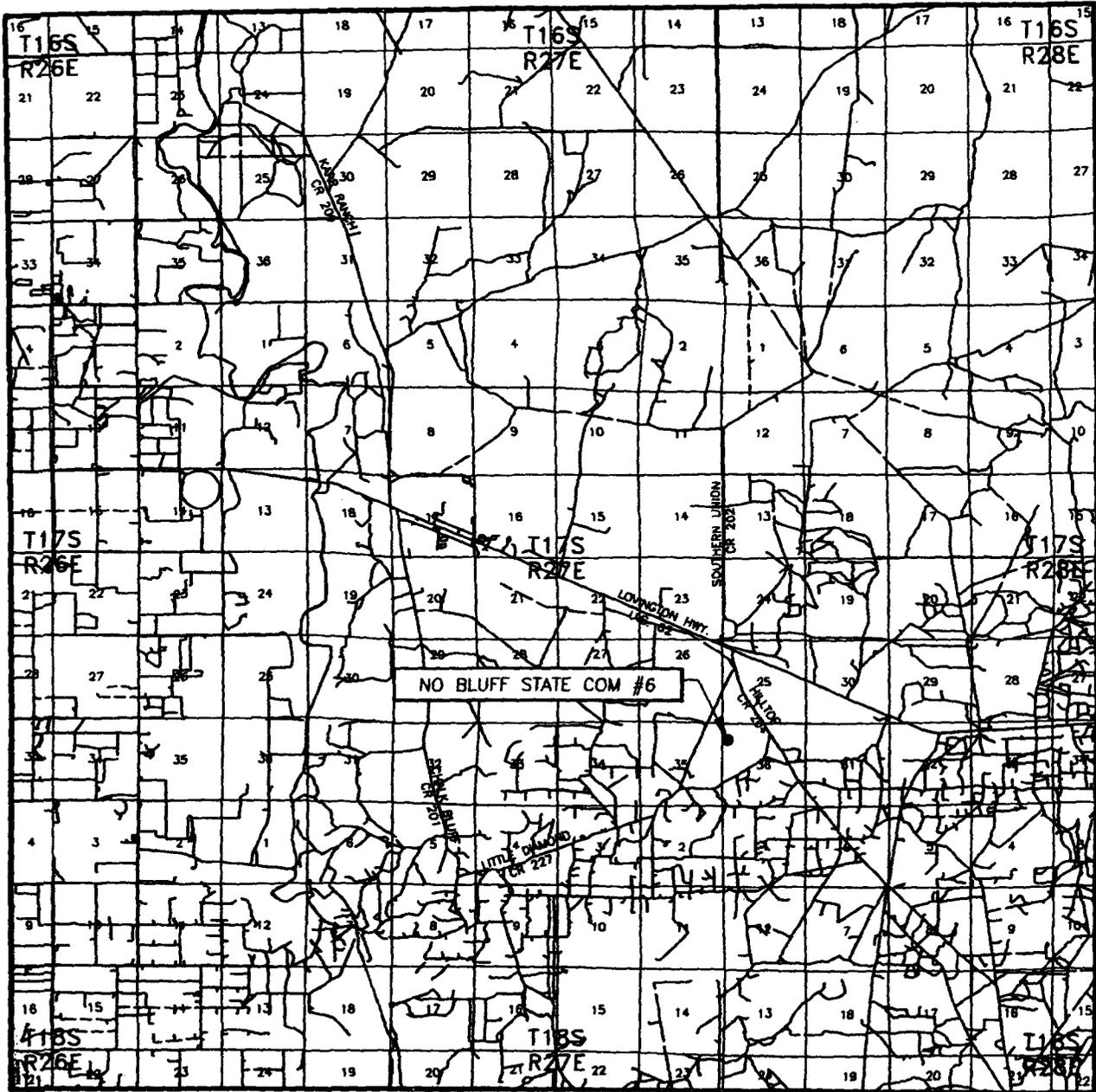
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=652831.9 N X=528916.3 E</p> <p>LAT.=32°47'40.88" N LONG.=104°14'21.24" W</p>	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title _____</p> <p>Date _____</p>
		<p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>APRIL 28, 2005</p> <p>Date Surveyed _____ DEL</p> <p>Signature & Seal of Professional Surveyor Gary Edson 5/2/05 05.11.0666 Certificate No. GARY EDSON 12041 Certified Professional</p>

EXHIBIT A

VICINITY MAP



SCALE: 1" = 2 MILES

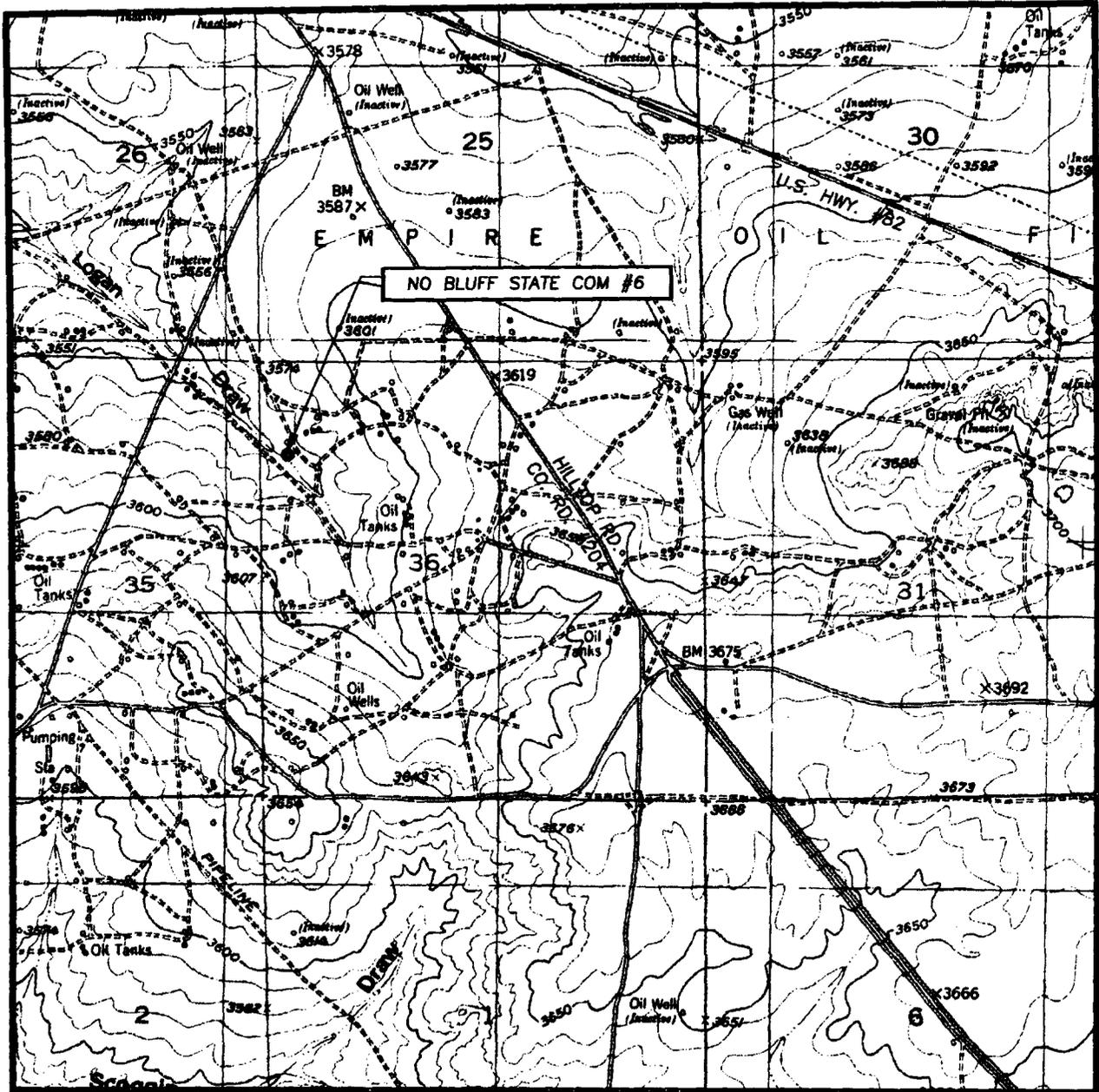
SEC. 36 TWP. 17-S RGE. 27-E
 SURVEY N.M.P.M.
 COUNTY EDDY
 DESCRIPTION 1125' FNL & 330' FWL
 ELEVATION 3566'
 OPERATOR SOUTHWESTERN ENERGY PRODUCTION COMPANY
 LEASE NO BLUFF STATE COM



PROVIDING SURVEYING SERVICES
 SINCE 1948
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 395-3117

EXHIBIT A

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
RED LAKE, N.M. - 10'

SEC. 36 TWP. 17-S RGE. 27-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1125' FNL & 330' FWL

ELEVATION 3566'

OPERATOR SOUTHWESTERN ENERGY
PRODUCTION COMPANY

LEASE NO BLUFF STATE COM

U.S.G.S. TOPOGRAPHIC MAP
RED LAKE, N.M.



**PROVIDING SURVEYING SERVICES
SINCE 1948**
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 383-3117

EXHIBIT A

SWN
No Bluff



PTD



9,917

1

SWN
No Bluff

SWN
No Bluff St. Com.



PTD



9

3709'

SWN
No Bluff



PTD

SWN



3652'

4

SWN
No Bluff St. Com.



5

3706'

SWN



3890'

3

WI20

2,378

T17S - R 27E



1

5,849

50



3

5,865

51

2

5,97



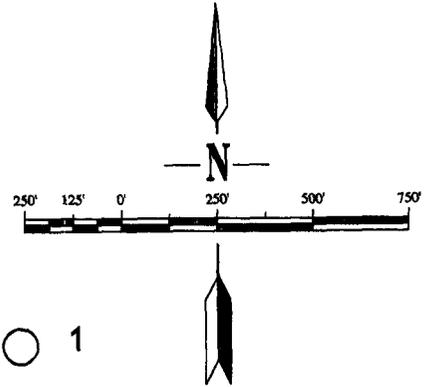
1

10,060



1

5,795



3

3,52



1

3,695

36

15
3,503

3,800

13
5,840

SOUTHWESTERN ENERGY COMPANY	
NO BLUFF PROSPECT EDDY COUNTY, NEW MEXICO	
LAND MAP	
EXHIBIT B	
INTERP. BY: CHUCK CORNISH	DATE: 21-MAR-05
DRAFTED BY: S.D.P.	CADFILE: s:\NoBluff\mob\05r11-3
PROJECTION: New Mexico East	NAD 27

From: Origin ID: (281)618-4793
 Sharon Lawrence
 Southwestern Energy Production
 2350 N. Sam Houston Parkway E
 Suite 300
 Houston, TX 77032



CLS12290406/10

Ship Date: 17MAY05
 Actual Wgt: 1 LB
 System#: 8081071/INET2000
 Account#: C *****

REF

SHIP TO: (505)393-3117 **BILL SENDER**
Michael Stogner
Oil Conservation Division
1220 South St Francis Drive

Santa Fe, NM 87505

STANDARD OVERNIGHT

WED

Deliver By:
 18MAY05

TRK# **7929 2538 4282**

FORM
 0201

ABQ

A2

87505 -NM-US

NO SAFA

Shipping Label: Your shipment is complete

1. Use the 'Print' feature from your browser to send this page to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

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