

KELLAHIN, KELLAHIN AND AUBREY

*Attorneys at Law*

El Patio - 117 North Guadalupe

Post Office Box 2265

Santa Fe, New Mexico 87504-2265

Telephone 982-4285  
Area Code 505

W. Thomas Kellahin  
Karen Aubrey

Jason Kellahin  
Of Counsel

January 30, 1989



Mr. William J. LeMay  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Administrative Applications of BHP  
Petroleum Company Inc. for an Unorthodox  
Gas Well location N/2 Section 8, T11S, R27E  
Chaves County, New Mexico  
Ervin Ranch Prospect

Dear Mr. LeMay:

On behalf of BHP Petroleum Company, Inc. and in accordance with Division Rule 104(F), we are requesting administrative approval to locate ~~its proposed Conoco "8"~~ Federal Com. No. 1 well, a 6,700' Ordovician test, at an unorthodox location of 330' FNL and 990' FEL Section 8, T11S, R27E. Please be advised that due to extensive archaeological site problems in the N/2 Section 8, T-11-S, R-27-E, Chaves County, New Mexico, BHP Petroleum Company believes a topographical exception to a standard well location is necessary. After having staked and surveyed seven locations in the N/2 Section 8 it has been determined that this proposed well location is not within the previously recorded cultural resource site (NM-06-3097) which covers the majority of the N/2 Section 8.

The Bureau of Land Management Area Office in Roswell, New Mexico, has approved the proposed well site based upon archaeological reasons.

For your information, I am enclosing a copy of our surveyor's plat on which the proposed location is spotted along with copies of the BLM letter of January 23, 1989. While the only companies that are directly affected by this

KELLAHIN, KELLAHIN & AUBREY

nonstandard location are BHP Petroleum Company Inc. and Samedan Oil Corporation being both the north and east offset operators, all offset operations have been notified as shown on the enclosed list.

Very Truly Yours,

W. Thomas Kellahin

WTK/rs  
Encl.

cc: Randall L. Davis  
BHP Petroleum



NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

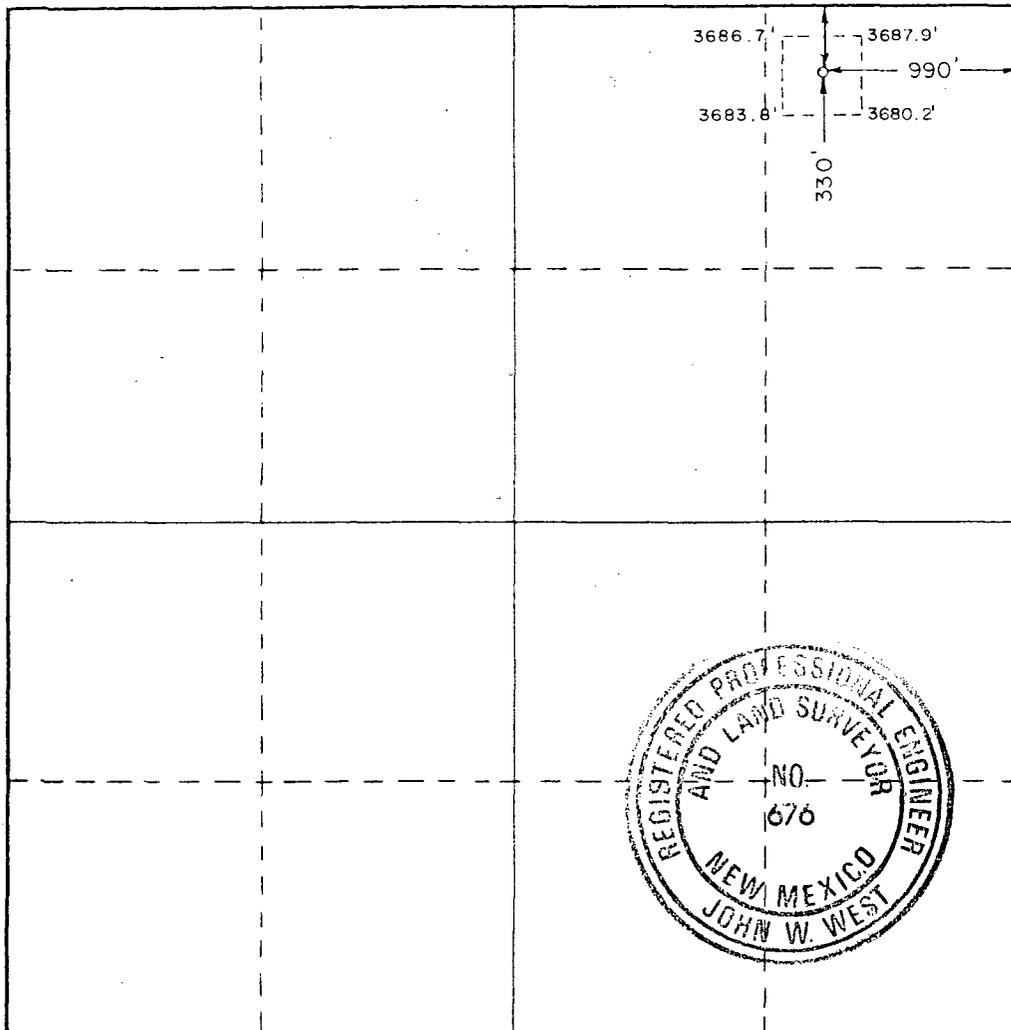
Operator BHP Petroleum (Americas)		Lease " Conoco 8 Federal		Well No. 1
Unit Letter A	Section 8	Township 11 South	Range 27 East	County Chaves
Actual Footage Location of Well: 330 feet from the North line and 990 feet from the East line				
Ground Level Elev. 3682.7	Producing Formation	Pool	Dedicated Acreage: Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes!" type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name: \_\_\_\_\_  
Position: \_\_\_\_\_  
Company: \_\_\_\_\_  
Date: \_\_\_\_\_

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 knowledge and belief.

Date Surveyed  
January 16, 1989  
Registered Professional Engineer  
and/or Land Surveyor  
*John W. West*  
Certificate No. JOHN W. WEST, 676  
RONALD J. EIDSON, 3239





JERRY W. LONG  
CONSULTANT

January 23, 1989

RECEIVED  
LAND DEPT.

JAN 26 1989

BUREAU OF LAND MANAGEMENT  
Roswell Resource Area  
P.O. Drawer 1857  
Roswell, New Mexico 88201

Re: BHP PETROLEUM COMPANY INC.  
No.1 Conoco "8" Federal  
NE/4NE/4 Sec.8, T.11S., R.27E  
Chaves County, New Mexico  
Lease NM 02146

Attn: Mr. John Crane

Gentlemen:

Submitted herewith, for your review and approval, are seven copies of Application to Drill and attachments required by Onshore Oil and Gas Order No.1, for the drilling of referenced well.

Please send an approved copy to the operator at the address on Form 3160-3 and make appropriate distribution to the New Mexico Oil Conservation Division. Send a copy of the approval sheet to me at the letterhead address.

If you have any questions regarding this application, please call me at Phone 505-622-1299.

Sincerely yours,

A handwritten signature in cursive script that reads "Jerry W. Long".

JERRY W. LONG  
Agent for:  
BHP PETROLEUM COMPANY INC.

JWL/bl1

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.  
NM 02146

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
Comm. Agree. Pending

8. FARM OR LEASE NAME  
Conoco "8" Federal

9. WELL NO.  
1

10. FIELD AND POOL, OR WILDCAT  
Wildcat

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA  
Sec. 8-11S-27E

12. COUNTY OR PARISH  
Chaves

13. STATE  
N.M.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
DRILL  DEEPEN  PLUG BACK

b. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER   
SINGLE ZONE  MULTIPLE ZONE

2. NAME OF OPERATOR  
BHP PETROLEUM COMPANY INC.

3. ADDRESS OF OPERATOR  
6 Desta Drive, Ste. 3200  
Midland, Texas 79705-5510

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At surface  
330'FNL, 990'FEL of Sec.8-11S-27E  
At proposed prod. zone  
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
16 Miles east of Roswell, New Mexico

10. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)  
330'

16. NO. OF ACRES IN LEASE  
160

17. NO. OF ACRES ASSIGNED  
TO THIS WELL  
320

13. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.  
None

19. PROPOSED DEPTH  
6700'

20. ROTARY OR CABLE TOOLS  
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3682.7 GL

22. APPROX. DATE WORK WILL START\*  
As Soon As Approved

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24.0# J-55	1200'±	650 sx-Circulate to Surface
7-7/8"	5-1/2"	15.5# J-55	6700'±	200 sx

Propose to drill to about 6700' to test Ellenburger and shallower formations.

If commercial production is indicated, the well will be completed in the deepest favorable formation, by cementing production casing, selectively perforating and stimulating. Run 2-7/8" tubing and test well.

See attached "Supplemental Data".

Administrative approval by NMOCD of this unorthodox location is pending receipt of waivers from offset operators.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Jerry W. Long TITLE Agent DATE January 23, 1985  
JERRY W. LONG  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

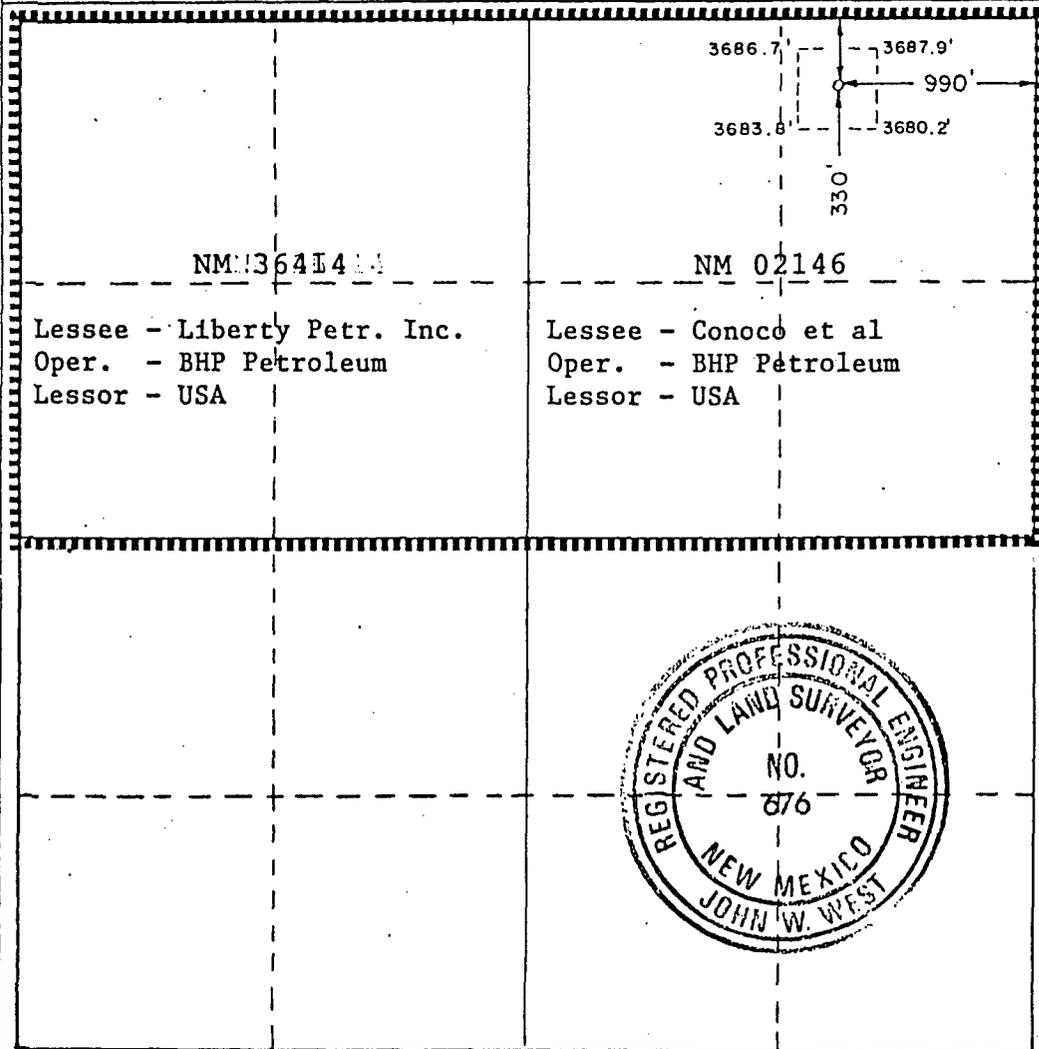
Operator BHP Petroleum Company Inc. (Americus)		Lease Conoco 8 Federal		Well No. 1
Unit Letter A	Section 8	Township 11 South	Range 27 East	County Chaves
Actual Footage Location of Well: 330 feet from the North line and 990 feet from the East line				
Ground Level Elev. 3682.7	Producing Formation Ellenburger	Pool Wildcat	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation Communitization Pending

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

*Jerry W. Long*  
Name  
JERRY W. LONG

Position  
Agent

Company  
BHP PETROLEUM COMPANY INC.

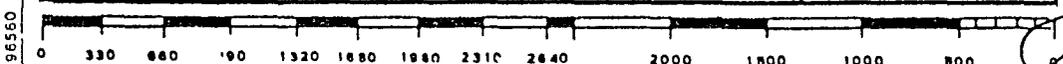
Date  
January 23, 1989

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 knowledge and belief.

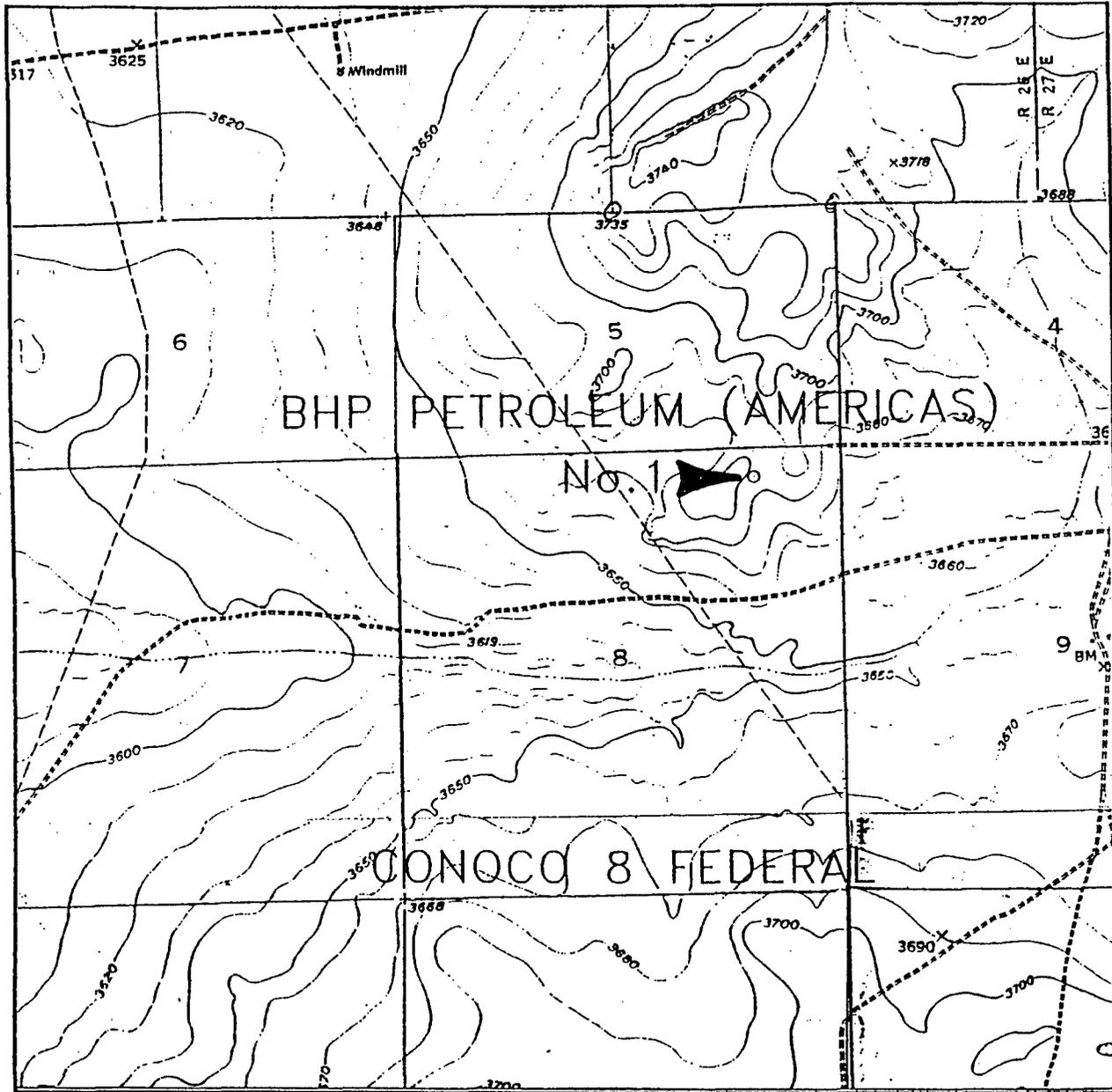
Date Surveyed  
January 16, 1989

Registered Professional Engineer and/or Land Surveyor  
*Ronald J. Eidson*

Certificate No. JOHN W. WEST, 676  
RONALD J. EIDSON, 3239



# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL 10'

SEC. 8 TWP. 11S RGE. 27E

SURVEY N.M.P.M.

COUNTY Chaves STATE NM

DESCRIPTION 330' FNL & 990' FEL

ELEVATION 3682.7

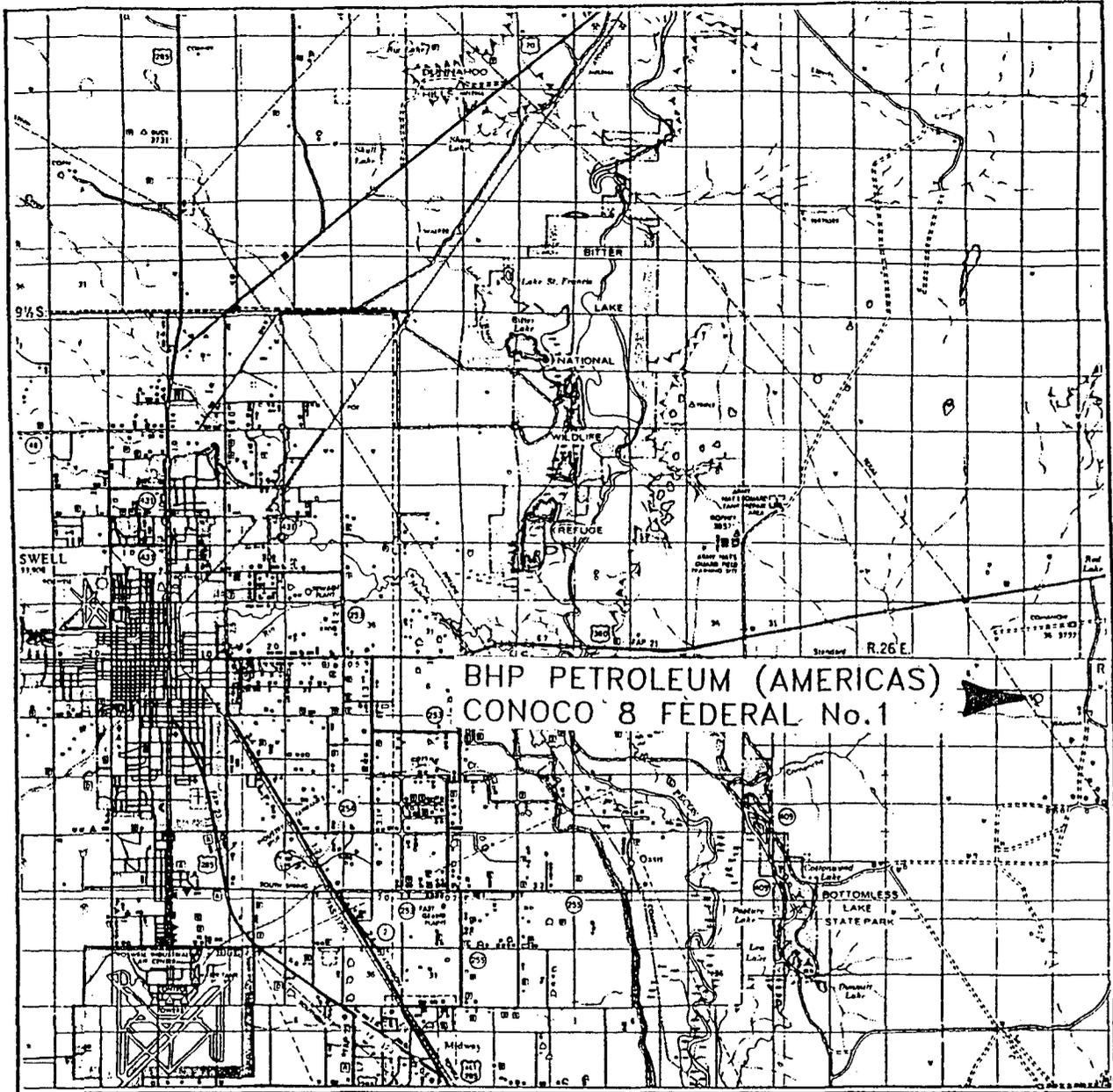
OPERATOR BHP Petroleum (Americas)

LEASE Conoco 8 Federal #1

U.S.G.S. TOPOGRAPHIC MAP

Comanche Spring, NM  
Wade Ranch, NM  
LE Ranch, NM  
Bottomless Lakes, NM

# VICINITY MAP



BHP PETROLEUM (AMERICAS)  
CONOCO 8 FEDERAL No.1

SCALE: 1" = 3 MILES

SEC. 8 TWP. 11S RGE. 27E

SURVEY N.M.P.M.

COUNTY Chaves STATE NM

DESCRIPTION 330' FNL & 990' FEL

ELEVATION 3682.7

OPERATOR BHP Petroleum (Americas)

LEASE Conoco 8 Federal #1



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT ROSWELL RESOURCE AREA

P.O. DRAWER 1857  
ROSWELL, NEW MEXICO 80202-1857

Jan. 23, 1989



IN REPLY REFER TO:

89-0020-E & F  
8100 (066)

Mr. Randall L. Davis  
Regional Land Manager  
BHP Petroleum (Americas) Inc  
6 Desta Drive Suite 3200  
Midland Texas 79705-5510

RECEIVED  
LAND DEPT

JAN 24 1989

Dear Mr. Davis:

In Reply to your letter of Dec. 30, 1988 we provide the following:

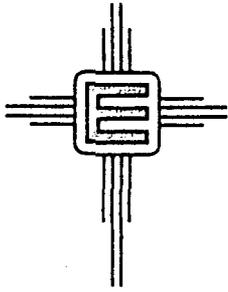
An archaeological site (NM-06-3097) does occupy the majority of the north half of section 8 T. 11 S., R. 27 E. This site is believed to be eligible for listing on the National Register of Historic Places (NRHP) and as such must be treated in certain ways to satisfy our requirements under the National Historic Preservation Act of 1966 (as amended).

Your location at 330' FNL & 990' FEL Section 8 poses the least impacts to the visible parts of NM-06-3097 because the access road is shorter and the surface assemblage is non existant in this portion of the site. Since the site does not appear to exist in the area proposed for your project we should be able to porceed with this proposal as soon as we have the concurrence of the State Historic Preservation Officer.

Sincerely,

*Levi D. Deibel*

for Phil Kirk  
Area Manager



January 17, 1989

RECEIVED  
LAND DESK

JAN 23 1989

BHP Petroleum Company, Inc.  
ATTN: Mr. Randall Davis  
6 Desta Drive, Suite 3200  
Midland, Texas 79705

Dear Mr. Davis:

Enclosed please find your company's copy of the Agency for Conservation Archaeology's cultural resource survey reports F89-131.1 and F89-131.2, *No. 1 Conoco "8" Federal and Access Road* and *No. 1 Conoco "8" Federal and Access Road (Alternate Location)* for a drilling location in Chaves County, New Mexico. No cultural resources were recorded in the primary location, and five isolated manifestations of prehistoric cultural activity were recorded in the alternate location. The isolated manifestations are not considered to be significant; therefore, clearance is recommended for the project and construction should be allowed to proceed as currently planned.

If I may be of further help to you, please call me at (505) 562-2254.

Sincerely,

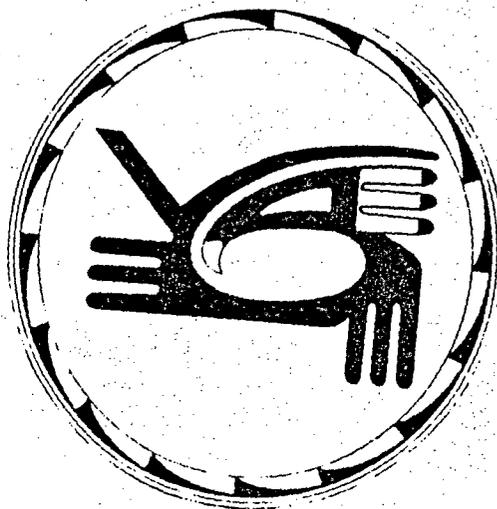
John Montgomery, Ph.D.  
Director, Agency for Conservation Archaeology

enclosure

Copies to: Sam Ball, Roswell BLM (2)  
Jerry Long, Roswell (1)

A C A 

Llano Estacado Center for Advanced  
Professional Studies and Research  
Eastern New Mexico University  
Portales, New Mexico 88130



Cultural Resources Report  
for  
BHP Petroleum Company, Inc.  
No. 1 Conoco "8" Federal and Access Road  
330' FNL : 990' FEL Sec. 8  
F89-131.1

by

Kathleen Bowman

Agency for Conservation Archaeology  
Eastern New Mexico University

Principal Investigator  
Dr. John L. Montgomery

January 17, 1989

1/23/89  
XC: Prod. Dept.  
Bill Morris  
Unicom  
So. Union  
Conoco

Cultural Resources Report  
for  
BHP Petroleum Company, Inc.  
No. 1 Conoco "8" Federal and Access Road

F89-131.1

by

Kathleen Bowman

Agency for Conservation Archaeology  
Eastern New Mexico University

Principal Investigator  
Dr. John L. Montgomery

January 17, 1989

MANAGEMENT SUMMARY

On January 17, 1989, the Agency for Conservation Archaeology conducted a cultural resources survey for BHP Petroleum Company, Inc. on land with private surface and mineral rights administered by the Bureau of Land Management. The area was surveyed for a well pad and access road and encompasses a total of approximately 3.97 acres. The proposed project area is located in Section 8, T11S, R27E, NMPM, Chaves County, New Mexico. No cultural resources were located during this survey. A previously recorded cultural resource site (NM-06-3097) is located immediately west of the proposed project area. However, no surface manifestations of the site were observed on the present location. Based on field observation, it is believed that there is little possibility for buried cultural resources at this location. Due to the absence of significant cultural resources within the proposed project area, clearance is recommended for the proposed well pad and access road.

## ACA F89-131.1

### Introduction

A cultural resources survey was completed recently by the Agency for Conservation Archaeology (ACA) at Eastern New Mexico University (ENMU) for BHP Petroleum Company, Inc., on land with private surface and mineral rights administered by the Bureau of Land Management (BLM) in Chaves County, New Mexico. The reconnoitered area will be disturbed by the construction of a well pad and an access road. The project was administered by Mr. Jerry Long for BHP Petroleum Company, Inc., and Dr. John L. Montgomery, Director of ACA. This report was prepared by the Portales office of ACA.

The fieldwork was conducted on January 16, 1989, by Kathleen Bowman and James Bowman. Good field and weather conditions prevailed throughout the course of this reconnaissance. The survey was done between 12:50 pm and 1:30 pm under clear skies with temperatures in the upper 50s (F). This survey was conducted under Federal Antiquities Permit number 11-2920-88-L. A search of the National Register of Historic Places (NRHP) has been made, and no properties within this area are listed. Examination of the Bureau of Land Management Roswell Resource Area's site files showed a previously recorded lithic procurement site (NM-06-3097) in this area. An extension of this same lithic procurement site (NM-06-3098) is located 0.5 mi (0.9 km) west (Sam Ball, personal communication December 6, 1988).

### Survey Techniques

Visual inspection of the proposed project area was accomplished by walking it in a series of parallel transects. Each transect was covered in a tightly spaced zigzag pattern. The distance between transects was approximately 25 ft (8 m). Dirt from insect and rodent burrows was examined for cultural materials that may have been brought up from below the surface. These methods maximized the opportunity of observing any cultural resources on the surface within or near the proposed area of disturbance.

### No. 1 Conoco "8" Federal and Access Road

#### Location

The proposed project area is located near Comanche Spring, approximately 20 mi (32 km) east of Roswell, New Mexico. The proposed well pad covers approximately 3.67 acres and measures 400 x 400 ft (122 x 122 m). The proposed access road covers approximately 0.3 acres and measures 100 x 130 ft (30 x 40 m). They are situated as follows:

*Well Pad (330 FNL 990 FEL)*

NW1/4 NE1/4, SEC. 08, T11S, R27E, NMPM, Chaves County, NM (Private Surface/Federal Minerals)

## ACA F89-131.1

### *Access Road*

NW1/4 NE1/4, SEC. 08, T11S, R27E, NMPM, Chaves County, NM (Private Surface/Federal Minerals)

Plat: Figure 1

Map Reference: USGS Comanche Spring, N.Mex. Quadrangle, 7.5 minute series, 1950 photorevised 1975 (Figure 2)

### UTMs:

Well center: Zone 13; N 3694130, E 569460  
Access Road: Zone 13; N 3694220, E 569480 (northern end)  
Zone 13; N 3694180, E 569480 (southern end)

### Topographic Situation

The proposed well pad and access road are situated in a relatively flat area between two low rises, approximately 3.0 mi (4.8 km) east of Comanche Draw. Elevation in the project area varies from 3680 to 3690 ft (1122 to 1125 m) above mean sea level (amsl).

### Water Resources

Few sources of permanent and/or seasonal water exist in this area of New Mexico. Seasonal water may have been obtained at Comanche Spring or Comanche Draw, approximately 3.0 mi (4.8 km) west of the project area. Several other intermittent drainages exist within a 10 mi (16 km) radius of the project area. It is assumed that any of these could have provided seasonal water to the prehistoric occupants of the area. The Pecos River, approximately 16 mi (26 km) to the west of the project area, is the closest source of permanent water.

### Land Resources

The well pad and access road are in an area where sediments are predominantly light brown clay loam. Taxonomically they are classified as part of the Palcorthids-Haplargids association, which comprise some of the light-colored soils of the Warm Desertic Region. Soils of this association are generally shallow and underlain by caliche. Natural lithic inclusions observed in the project area consist of few to common pebble-sized pieces of caliche, chert, chalcedony, petrified wood, and sandstone.

### Biotic Resources

The ACA archaeologists observed a moderately dense floral assemblage at this location. The estimated coverage of vegetation in the area is approximately 60% to 75%, consisting primarily of grasses. Species

AGENCY FOR CONSERVATION ARCHAEOLOGY  
WELL LOCATION SCHEMATIC

Company: BHP Petroleum      Lease: Conoco 8 Federal      Well No.: 1

330 feet from the North line, 990 feet from the East line

Section: 8      Township: 11S      Range: 27E

County: Chaves      State: New Mexico

Ownership: Private Surface/Federal Minerals

Scale: One Inch = 1000 Feet

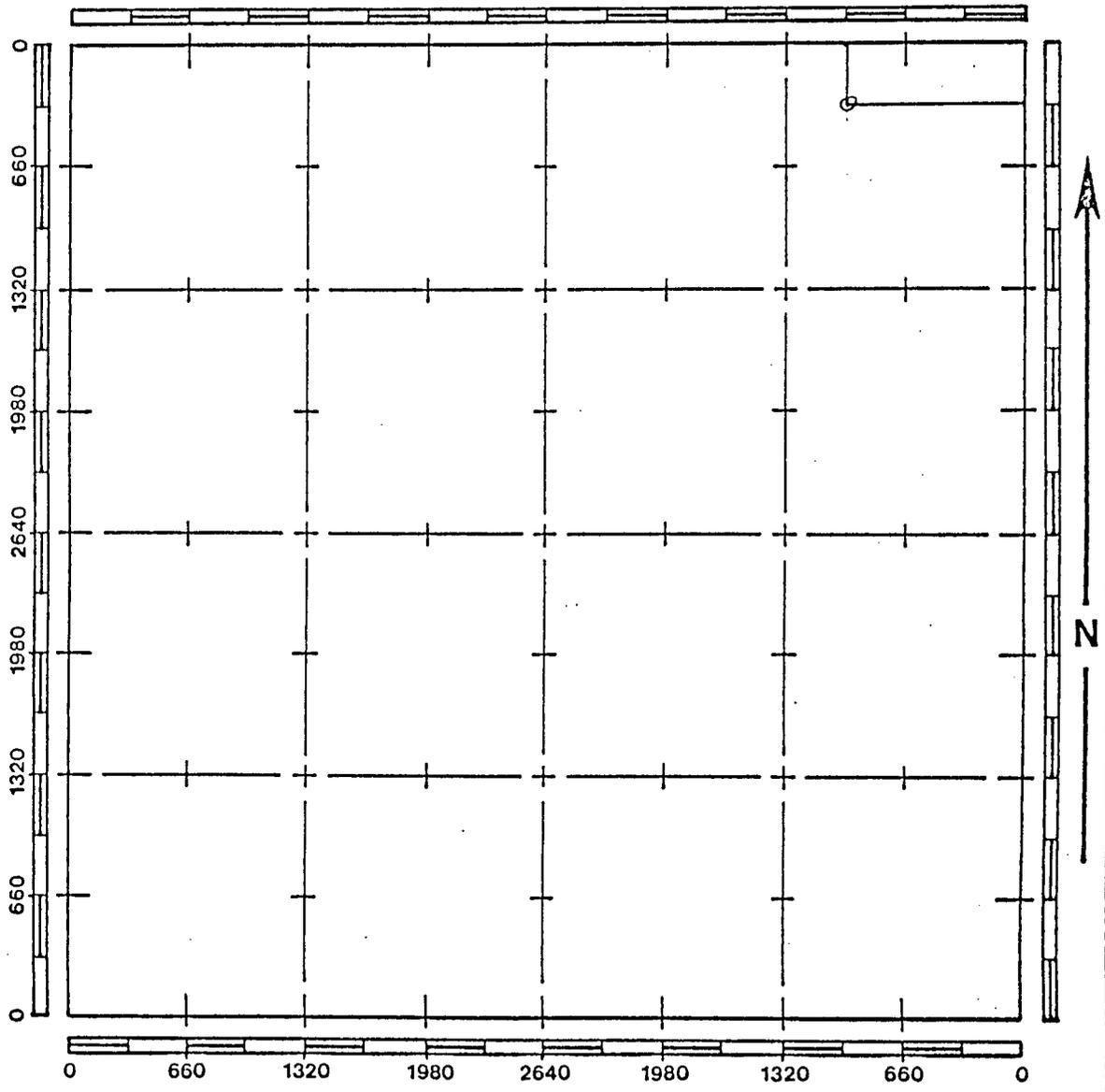


Figure 1. Plat.

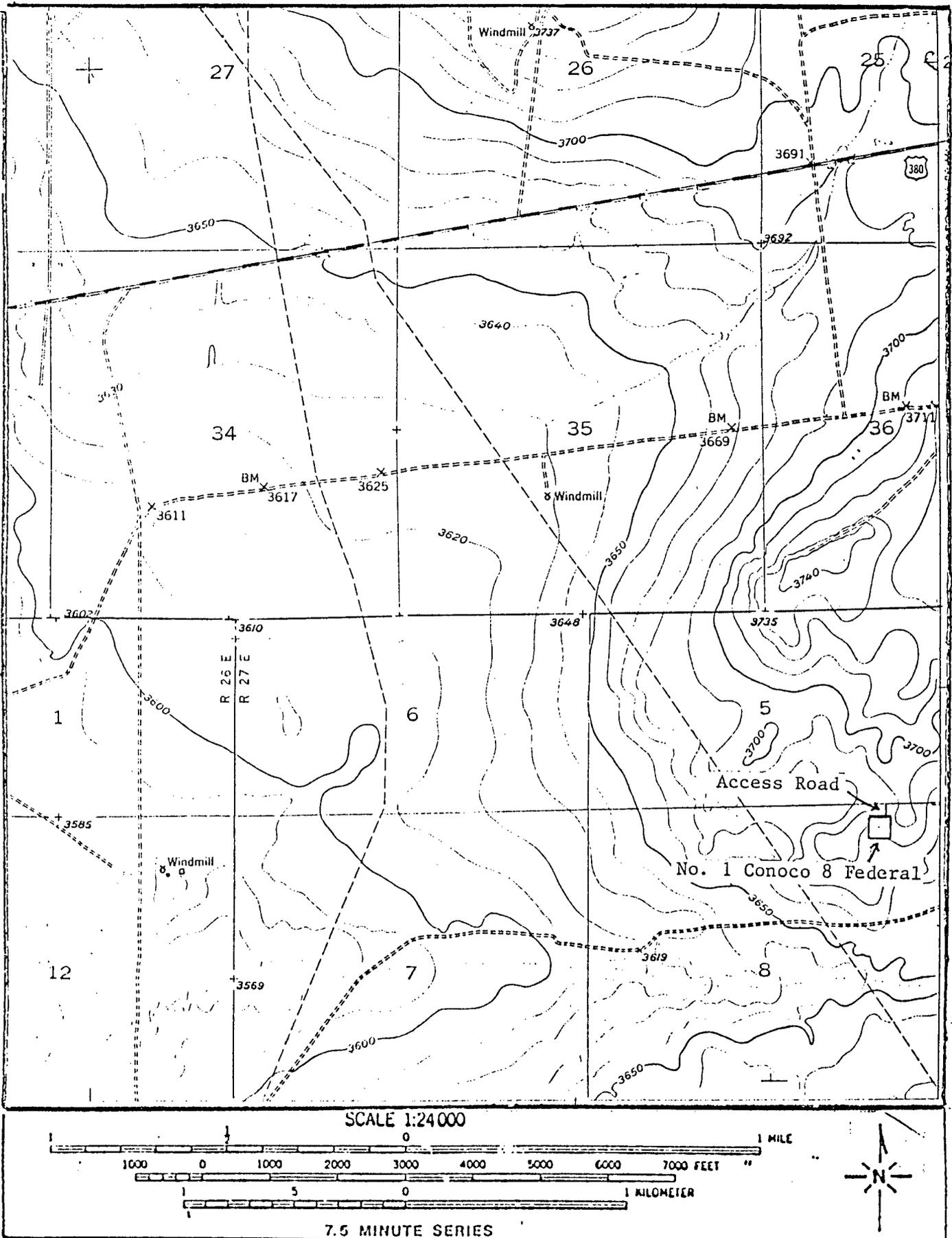


Figure 2. Location of proposed well pad and access road in Section 8, T11S, R27E, NMPM, Chaves County, New Mexico.

Map Reference: USGS Comanche Spring, N.Mex. Quadrangle, 1950 photorevised 1975

## ACA F89-131.1

observed include poverty threecawn (*Aristida scoparis*), bush muhly (*Muhlenbergia porteri*), yucca (*Yucca glauca*), javelina bush (*Condalia ericoides*), creosote bush (*Larrea tridentata*), mesquite (*Prosopis juliflora*), broom snakeweed (*Gutierrezia sarothrae*), purple pricklypear (*Opuntia macrocentra*), tree cholla (*Opuntia imbricata*), Christmas cactus (*Opuntia leptocaulis*), wavyleaf thistle (*Cirsium undulatum*), desert holly (*Perezia nana*), and various other unidentified grasses and forbs.

### Previous Disturbances

The proposed project area has been disturbed previously by erosion induced by water runoff, and livestock grazing.

### Cultural Resources

The ACA archaeologists did not find any cultural resources during this survey. A total of 1.3 person-hours were spent examining this location for cultural resources. A previously recorded site (NM-06-3097) is located immediately west of the project area (Dickenson 1988). This site's overall artifact density is very low. No surface manifestations of this cultural resource sites were observed on the project area. The gradual slope of the area, plus the lack of vegetational and pedological differences between the low rises and flat areas implies that both areas are being eroded. In addition, surface characteristics (i.e., distribution of pebbles) appear to be the same on both areas. Based on these field observations of the general area, the ACA archaeologists feel that there is little possibility for buried cultural resources on the proposed well pad and access road.

### Recommendations

Due to the absence of significant cultural resources in the project area, clearance is recommended. Construction should be allowed to proceed as currently planned.

### **General Recommendations**

In the unlikely event that substantial cultural materials are uncovered during construction, the BLM Archaeologist for the Roswell Resource Area should be consulted immediately. This report contains professional opinions about cultural resources in the project area. It should not be considered permission to proceed with construction, but should be submitted to the proper review agencies for comments prior to the initiation of land-altering activities.

ACA F89-131.1

Reference Cited

Dickenson, Joanne

1988 *Cultural Resources Report for BHP Petroleum Company, Inc.: No. 1 Conoco "8" Federal and Access Road (Original Location)*. ACA Report F89-128.1. Agency for Conservation Archacology, Eastern New Mexico University, Portales.

January 26, 1989

Offset Operators  
Conoco "8" Federal Com. No. 1



Re: Unorthodox Well Location  
Conoco "8" Federal Com. No. 1  
330' FNL and 990' FEL Section 8  
Township 11 South, Range 27 East  
Chaves County, New Mexico  
Ervin Ranch Prospect

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ladies and Gentlemen:

Please be advised that due to extensive archaeological site problems in the N/2 Section 8, T-11-S, R-27-E, Chaves County, New Mexico, BHP Petroleum Company Inc. is requesting administrative approval from the Oil Conservation Commission to locate its proposed Conoco "8" Federal Com. No. 1 well, a 6,700' Ordovician test, at a nonstandard location of 330' FNL and 990' FEL Section 8. After having staked and surveyed seven locations in the N/2 Section 8 it has been determined that this proposed well location is not within the previously recorded cultural resource site (NM-06-3097) which covers the majority of the N/2 Section 8.

The Bureau of Land Management Area Office in Roswell, New Mexico, has approved the proposed well site based upon archaeological reasons.

For your information, I am enclosing a copy of our surveyor's plat on which the proposed location is spotted. The only companies that are directly affected by this nonstandard location are BHP Petroleum Company Inc. and Samedan Oil Corporation being both the north and east offset operators.

BHP respectfully requests that your company approve our nonstandard well location by signing two copies of the attached letter and sending one copy to the Oil Conservation Division and one copy to BHP in the enclosed envelopes. Should you have any questions concerning our proposed location, please call me at (915) 688-1800.

Very truly yours,

A handwritten signature in black ink that reads "Randall L. Davis". The signature is written in a cursive style with a prominent initial "R".

Randall L. Davis  
Regional Land Manager

RLD/gc

OFFSET OPERATORS AND ADDRESSES  
CONOCO "8" FEDERAL COM. NO. 1  
330' FNL & 990' FEL Sec. 8  
T-11-S, R-27-E  
CHAVES COUNTY, NEW MEXICO

BHP Petroleum Company  
6 Desta Drive, Suite 3200  
Midland, TX 79705  
Attn: Mr. Lee McLean

Union Texas Exploration Corp.  
P. O. Box 2120  
Houston, TX 77252-2120  
Attn: Ms. Lael Henning

Samedan Oil Corporation  
10 Desta Drive, Suite 240E  
Midland, TX 79705  
Attn: Mr. Jack Anderson

Sperry Exploration Inc.  
100 W. Marcy  
Santa Fe, NM 87501

Conoco, Inc.  
P. O. Box 460  
Hobbs, NM 88240  
Attn: Mr. Jerry Hardin

Inexco Oil Company  
2950 North Loop West  
Suite 1200  
Houston, TX 77092

Unicon Producing Company  
P. O. Box 2120  
Houston, TX 77252-2120  
Attn: Ms. Lael Henning

Marathon Oil Company  
P. O. Box 552  
Midland, TX 79702  
Attn: Mr. Steve Daniels

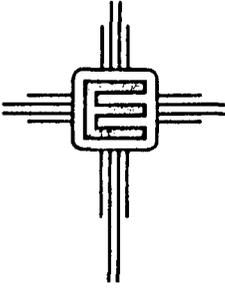
Southern Union Exploration Company  
1800 Renaissance Tower  
1201 Elm Street  
Dallas, TX 75270-2090  
Attn: Mr. R. Craig Nielson

Liberty Petroleum  
P. O. Box 740516  
Dallas, TX 75374-0516  
Attn: Mr. Ronald D. Staggs

Mr. G. D. Williamson  
P. O. Box 2206  
Roswell, NM 88201

RECEIVED  
LAND DEPT.

JAN 11 1989



EASTERN NEW MEXICO UNIVERSITY

Portales 88130

Agency for Conservation Archaeology

January 9, 1989

Mr. Randall Davis  
BHP Petroleum  
6 Desta Drive  
Suite 3200  
Midland, TX 79705

Dear Mr. Davis:

Enclosed please find a copy of a map illustrating the eastern boundary of cultural resource site NM-06-3097. The area shown on the map is located in Section 8, T11S, R26E, NMPM, Chaves County, New Mexico. This map was drawn by Sam Ball, Roswell Resource Area, Bureau of Land Management. As we discussed on the telephone, the best area to move the well location to is on the northeast side of Section 8. I have marked this area on the map.

If you have any further questions please call me or Dr. John Montgomery at (505) 562-2254.

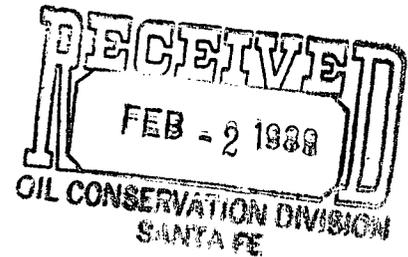
Sincerely,

Joanne Dickenson, ACA

Enclosure

January 26, 1989

State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501



Re: BHP Petroleum Company Inc.  
Conoco "8" Federal Com. No. 1  
Application for Permit to Drill  
A Non-Standard Location  
330' FNL & 990' FEL  
Section 8, T-11-S, R-27-E  
Chaves County, New Mexico

Gentlemen:

The undersigned has been advised of the application by BHP Petroleum Company Inc. for administrative approval for the captioned well. All pertinent information has been received and we hereby advise that we have no objections to this location. We hereby waive objection and notice of hearing in this matter.

Sincerely,

By: \_\_\_\_\_

Title: \_\_\_\_\_

Operator/Company: \_\_\_\_\_

*G. D. Williamson*  
*G. D. Williamson*

RLD/gc

OLD COPY

OFFSET OPERATORS AND ADDRESSES  
CONOCO "8" FEDERAL COM. NO. 1  
330' FNL & 990' FEL Sec. 8  
T-11-S, R-27-E  
CHAVES COUNTY, NEW MEXICO

BHP Petroleum Company  
6 Desta Drive, Suite 3200  
Midland, TX 79705  
Attn: Mr. Lee McLean

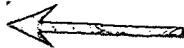
Samedan Oil Corporation  
10 Desta Drive, Suite 240E  
Midland, TX 79705  
Attn: Mr. Jack Anderson

Conoco, Inc.  
P. O. Box 460  
Hobbs, NM 88240  
Attn: Mr. Jerry Hardin

Unicon Producing Company  
P. O. Box 2120  
Houston, TX 77252-2120  
Attn: Ms. Lael Henning

Southern Union Exploration Company  
1800 Renaissance Tower  
1201 Elm Street  
Dallas, TX 75270-2090  
Attn: Mr. R. Craig Nielson

Mr. G. D. Williamson  
P. O. Box 2206  
Roswell, NM 88201



Union Texas Exploration Corp.  
P. O. Box 2120  
Houston, TX 77252-2120  
Attn: Ms. Lael Henning

Sperry Exploration Inc.  
100 W. Marcy  
Santa Fe, NM 87501

Inexco Oil Company  
2950 North Loop West  
Suite 1200  
Houston, TX 77092

Marathon Oil Company  
P. O. Box 552  
Midland, TX 79702  
Attn: Mr. Steve Daniels

Liberty Petroleum  
P. O. Box 740516  
Dallas, TX 75374-0516  
Attn: Mr. Ronald D. Staggs

January 26, 1989



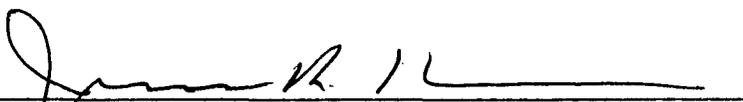
State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: BHP Petroleum Company Inc.  
Conoco "8" Federal Com. No. 1  
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A Non-Standard Location  
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Chaves County, New Mexico

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Sincerely,

By: 

Title: PRESIDENT

Operator/Company: SPECTRA EXPLORATION Inc

RLD/gc

OCD copy

OFFSET OPERATORS AND ADDRESSES  
CONOCO "8" FEDERAL COM. NO. 1  
330' FNL & 990' FEL Sec. 8  
T-11-S, R-27-E  
CHAVES COUNTY, NEW MEXICO

BHP Petroleum Company  
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Mr. G. D. Williamson  
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Roswell, NM 88201

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Houston, TX 77252-2120  
Attn: Ms. Lael Henning

Sperry Exploration Inc.  
100 W. Marcy  
Santa Fe, NM 87501

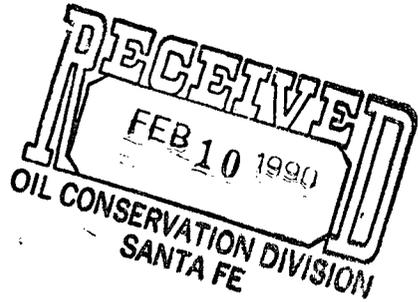


Inexco Oil Company  
2950 North Loop West  
Suite 1200  
Houston, TX 77092

Marathon Oil Company  
P. O. Box 552  
Midland, TX 79702  
Attn: Mr. Steve Daniels

Liberty Petroleum  
P. O. Box 740516  
Dallas, TX 75374-0516  
Attn: Mr. Ronald D. Staggs

January 26, 1989



State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: BHP Petroleum Company Inc.  
Conoco "8" Federal Com. No. 1  
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Chaves County, New Mexico

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Sincerely,

By: Ralph J. Costello

Title: Superior - J.F. Interest Properties

Operator/Company: Unicon Producing Company

RLD/gc

OCD COPY

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CONOCO "8" FEDERAL COM. NO. 1  
330' FNL & 990' FEL Sec. 8  
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Santa Fe, NM 87501

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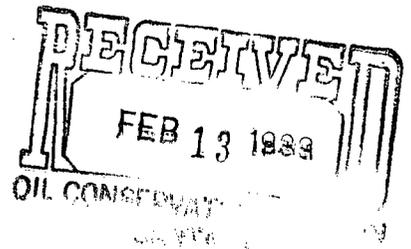
Liberty Petroleum  
P. O. Box 740516  
Dallas, TX 75374-0516  
Attn: Mr. Ronald D. Staggs



January 26, 1989

State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

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Chaves County, New Mexico



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Sincerely,

By: Ronald D. Stegge

Title: Manager, Explor & Prod.

Operator/Company: Liberty Petroleum Corp.

RLD/gc

oCD copy

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CONOCO "8" FEDERAL COM. NO. 1  
330' FNL & 990' FEL Sec. 8  
T-11-S, R-27-E  
CHAVES COUNTY, NEW MEXICO

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Conoco, Inc.  
P. O. Box 460  
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Houston, TX 77252-2120  
Attn: Ms. Lael Henning

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Attn: Mr. R. Craig Nielson

Mr. G. D. Williamson  
P. O. Box 2206  
Roswell, NM 88201

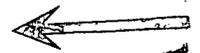
Union Texas Exploration Corp.  
P. O. Box 2120  
Houston, TX 77252-2120  
Attn: Ms. Lael Henning

Sperry Exploration Inc.  
100 W. Marcy  
Santa Fe, NM 87501

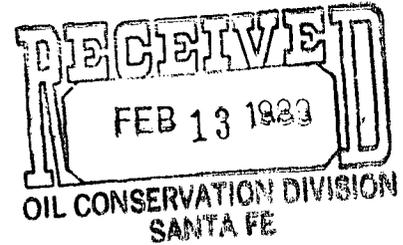
Inexco Oil Company  
2950 North Loop West  
Suite 1200  
Houston, TX 77092

Marathon Oil Company  
P. O. Box 552  
Midland, TX 79702  
Attn: Mr. Steve Daniels

Liberty Petroleum  
P. O. Box 740516  
Dallas, TX 75374-0516  
Attn: Mr. Ronald D. Staggs



January 26, 1989



State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: BHP Petroleum Company Inc.  
Conoco "8" Federal Com. No. 1  
Application for Permit to Drill  
A Non-Standard Location  
330' FNL & 990' FEL  
Section 8, T-11-S, R-27-E  
Chaves County, New Mexico

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Sincerely,

By: *Ralph J. Costello*

Title: *Supervisor of Interest Properties*

Operator/Company: Union Texas Exploration Corporation

RLD/gc

*OLD COPY*

OFFSET OPERATORS AND ADDRESSES  
CONOCO "8" FEDERAL COM. NO. 1  
330' FNL & 990' FEL Sec. 8  
T-11-S, R-27-E  
CHAVES COUNTY, NEW MEXICO

BHP Petroleum Company  
6 Desta Drive, Suite 3200  
Midland, TX 79705  
Attn: Mr. Lee McLean

Samedan Oil Corporation  
10 Desta Drive, Suite 240E  
Midland, TX 79705  
Attn: Mr. Jack Anderson

Conoco, Inc.  
P. O. Box 460  
Hobbs, NM 88240  
Attn: Mr. Jerry Hardin

Unicon Producing Company  
P. O. Box 2120  
Houston, TX 77252-2120  
Attn: Ms. Lael Henning

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Attn: Mr. R. Craig Nielson

Mr. G. D. Williamson  
P. O. Box 2206  
Roswell, NM 88201

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Attn: Ms. Lael Henning



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100 W. Marcy  
Santa Fe, NM 87501

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Attn: Mr. Steve Daniels

Liberty Petroleum  
P. O. Box 740516  
Dallas, TX 75374-0516  
Attn: Mr. Ronald D. Staggs

January 26, 1989

RECEIVED  
FEB 20 1989  
OIL CONSERVATION DIVISION  
SANTA FE

State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: BHP Petroleum Company Inc.  
Conoco "8" Federal Com. No. 1  
Application for Permit to Drill  
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Sincerely,

By:   
R. P. McCuistion  
Title: Vice President and Division General Manager

1
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3
4
5

Operator/Company: Samedan Oil Corporation

RLD/gc

OCD COPY

OFFSET OPERATORS AND ADDRESSES  
CONOCO "8" FEDERAL COM. NO. 1  
330' FNL & 990' FEL Sec. 8  
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CHAVES COUNTY, NEW MEXICO

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Santa Fe, NM 87501

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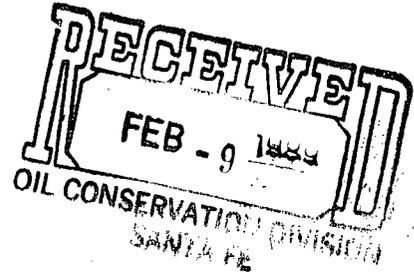
Marathon Oil Company  
P. O. Box 552  
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Attn: Mr. Steve Daniels

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1800 Renaissance Tower  
1201 Elm Street  
Dallas, TX 75270-2090  
Attn: Mr. R. Craig Nielson

Liberty Petroleum  
P. O. Box 740516  
Dallas, TX 75374-0516  
Attn: Mr. Ronald D. Staggs

Mr. G. D. Williamson  
P. O. Box 2206  
Roswell, NM 88201

January 26, 1989



State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: BHP Petroleum Company Inc.  
Conoco "8" Federal Com. No. 1  
Application for Permit to Drill  
A Non-Standard Location  
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Sincerely,

By: *R. Craig Nielsen* 2/7/89

Title: R. Craig Nielsen, Attorney in Fact

Operator/Company: SOUTHERN UNION EXPLORATION COMPANY

RLD/gc

SOUTHERN UNION COPY

OFFSET OPERATORS AND ADDRESSES  
CONOCO "8" FEDERAL COM. NO. 1  
330' FNL & 990' FEL Sec. 8  
T-11-S, R-27-E  
CHAVES COUNTY, NEW MEXICO

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Attn: Mr. Lee McLean

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Roswell, NM 88201

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100 W. Marcy  
Santa Fe, NM 87501

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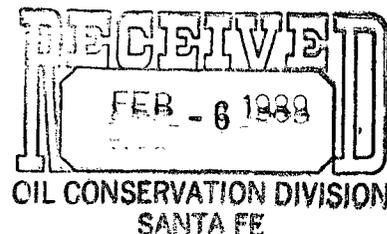


Production Department  
Hobbs Division  
North American Production

Conoco Inc.  
726 East Michigan  
P.O. Box 460  
Hobbs, NM 88241  
(505) 397-5800

February 3, 1989

Mr. David Catanach  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87503

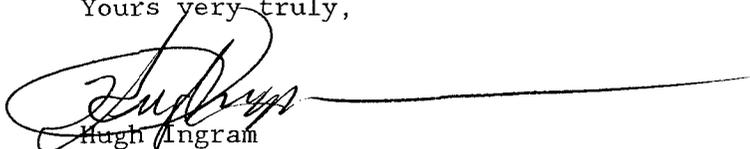


Dear Mr. Catanach:

Unorthodox Location, Conoco "8"  
Federal Com. No. 1, Chavez County,  
New Mexico, BHP Petroleum Company Inc.

Conoco Inc. has approved BHP's letter ballot for the subject well. One copy is attached for your file and one copy is being returned to BHP.

Yours very truly,

  
Hugh Ingram  
Conservation Coordinator

tm

cc:

BHP Petroleum Company, Inc.  
6 Desta Drive, Suite 3200  
Midland, Texas 79705-5510

January 26, 1989

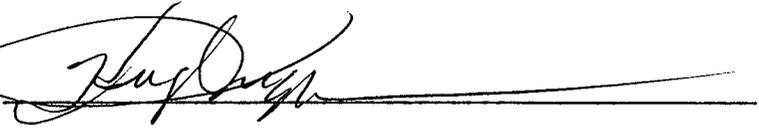
State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

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Conoco "8" Federal Com. No. 1  
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Chaves County, New Mexico

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Sincerely,

By: 

Title: Conservation Coordinator

Operator/Company: Conoco Inc.

RLD/gc

OCD copy

OFFSET OPERATORS AND ADDRESSES  
CONOCO "8" FEDERAL COM. NO. 1  
330' FNL & 990' FEL Sec. 8  
T-11-S, R-27-E  
CHAVES COUNTY, NEW MEXICO

BHP Petroleum Company  
6 Desta Drive, Suite 3200  
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Attn: Mr. Ronald D. Staggs

Mr. G. D. Williamson  
P. O. Box 2206  
Roswell, NM 88201



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

February 6, 1989

Kellahin, Kellahin & Aubrey  
P.O. Box 2265  
Santa Fe, NM 87504-2265

Attention: W. Thomas Kellahin

RE: Administrative Application of  
BHP Petroleum Company, Inc.  
for an Unorthodox Gas Well  
Location, N/2 Section 8,  
Township 11 South, Range 27  
East, Chaves County, New  
Mexico.

Dear Mr. Kellahin:

Per your application dated January 30, 1989, there was numerous mention of archeological site No. NM-06-3097. Please submit additional information on this particular site and also submit a plat showing its extent. The plat should also indicate other possible well sites, if any, that would be acceptable by the BLM.

Thank you for your cooperation.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael E. Stogner".

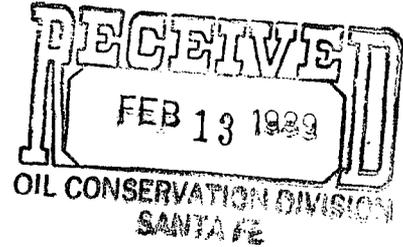
Michael E. Stogner  
Petroleum Engineer

MES/ag



P.O. Box 552  
Midland, Texas 79702  
Telephone 915/682-1626

February 10, 1989



BHP Petroleum Company Inc.  
6 Desta Drive, Suite 3200  
Midland, Texas 79705-5510

Attention: Mr. Randall L. Davis

Re: BHP Petroleum's Application for Unorthodox Well Location  
Our Lease NM-4217 - U.S. Lease NM-40255  
NM-4368-A - U.S. Lease NM-01128A  
N/2 Section 8, T-11-S, R-27-E,  
Our North Park Area  
Chaves County, New Mexico

---

Gentlemen:

Enclosed for your further handling please find one (1) Marathon executed Unorthodox Well Location Waiver Letter dated January 26, 1989, covering BHP's proposed Conoco "8" Federal Com No. 1 well to be located at a non-standard location of 330' FNL and 990' FEL of Section 8, T-11-S, R-27-E, Chaves County, New Mexico.

Should you require further information, please advise.

Very truly yours,

MARATHON OIL COMPANY

A handwritten signature in cursive script that reads 'Steve Daniels'.

Steve Daniels  
Landman

SMD;mmc'  
Encls.

xc: State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088  
(w/original executed Waiver Letter)

January 26, 1989

State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

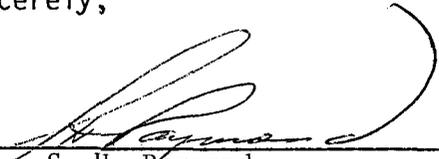
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A Non-Standard Location  
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Chaves County, New Mexico

Gentlemen:

The undersigned has been advised of the application by BHP Petroleum Company Inc. for administrative approval for the captioned well. All pertinent information has been received and we hereby advise that we have no objections to this location. We hereby waive objection and notice of hearing in this matter.

Sincerely,

By:

  
S. H. Raymond

Title: Attorney-in-Fact

Operator/Company: MARATHON OIL COMPANY

RLD/gc

*OCD Copy*

OFFSET OPERATORS AND ADDRESSES  
CONOCO "8" FEDERAL COM. NO. 1  
330' FNL & 990' FEL Sec: 8  
T-11-S, R-27-E  
CHAVES COUNTY, NEW MEXICO

BHP Petroleum Company  
6 Desta Drive, Suite 3200  
Midland, TX 79705  
Attn: Mr. Lee McLean

Samedan Oil Corporation  
10 Desta Drive, Suite 240E  
Midland, TX 79705  
Attn: Mr. Jack Anderson

Conoco, Inc.  
P. O. Box 460  
Hobbs, NM 88240  
Attn: Mr. Jerry Hardin

Unicon Producing Company  
P. O. Box 2120  
Houston, TX 77252-2120  
Attn: Ms. Lael Henning

Southern Union Exploration Company  
1800 Renaissance Tower  
1201 Elm Street  
Dallas, TX 75270-2090  
Attn: Mr. R. Craig Nielson

Mr. G. D. Williamson  
P. O. Box 2206  
Roswell, NM 88201

Union Texas Exploration Corp.  
P. O. Box 2120  
Houston, TX 77252-2120  
Attn: Ms. Lael Henning

Sperry Exploration Inc.  
100 W. Marcy  
Santa Fe, NM 87501

Inexco Oil Company  
2950 North Loop West  
Suite 1200  
Houston, TX 77092

Marathon Oil Company  
P. O. Box 552  
Midland, TX 79702  
Attn: Mr. Steve Daniels

Liberty Petroleum  
P. O. Box 740516  
Dallas, TX 75374-0516  
Attn: Mr. Ronald D. Staggs

