



National Cooperative Refinery Association

OIL CONSERVATION DIVISION
1775 SHERMAN STREET, SUITE 3001 • DENVER, COLORADO 80203 • 303/861-4883
RECEIVED

'91 OCT 15 AM 9 00

Exploration
and Production
Division

October 15, 1991

Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87504

RE: UNORTHODOX LOCATION APPLICATION
NCRA State 32 #1
1615' FSL & 1375' FWL
Section 32, T24N, R6W
Rio Arriba County, New Mexico

Gentlemen:

National Cooperative Refinery Association requests administrative approval for an unorthodox location for the subject well. NCRA is utilizing an unorthodox location due to topographic limitations.

Attachments included in this application are:

1. Completed C-102
2. Land plat
3. Topographic map
4. Affidavit of notice

Attachment 1 is the completed C-102 showing the well location and proration unit.

Attachment 2 is a land plat showing offset wells and their operators.

Attachment 3 is a topographic map showing the proposed location and the proration unit. National Cooperative Refinery Association's original location was in the center of the SE/SW of Section 32. A road to the original location would have been very expensive to build due to the steep and rocky terrain. Because of the difficulty in building the road to location, NCRA requests an unorthodox location for the subject well. There are no wells located in Section 32 so an existing well pad cannot be utilized.

Attachment 4 is an affidavit stating that notice of an unorthodox location was sent to offset operators. Certified Receipts for these notices that were sent are also included on Attachment 4.

Oil Conservation Division
October 15, 1991
Page Two

National Cooperative Refinery Association is planning to spud this well by November 15, 1991. If you have any questions concerning this application, please call me at (303) 861-4883.

Sincerely,

A handwritten signature in cursive script that reads "Morris Bell".

Morris Bell, P.E.
District Engineer

MJB/clc
Attachments

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

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

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator NATIONAL COOPERATIVE REFINERY ASSN.		Lease N.C.R.A. STATE 32		Well No. 1-32
Unit Letter K	Section 32	Township 24 N	Range 6 W	County Rio Arriba
Actual Footage Location of Well: 1615 feet from the South line and 1375 feet from the West line				
Ground level Elev. 7055	Producing Formation Gallup-Dakota	Pool Counselors EXT	Dedicated Acreage 320 7/10 Acres	

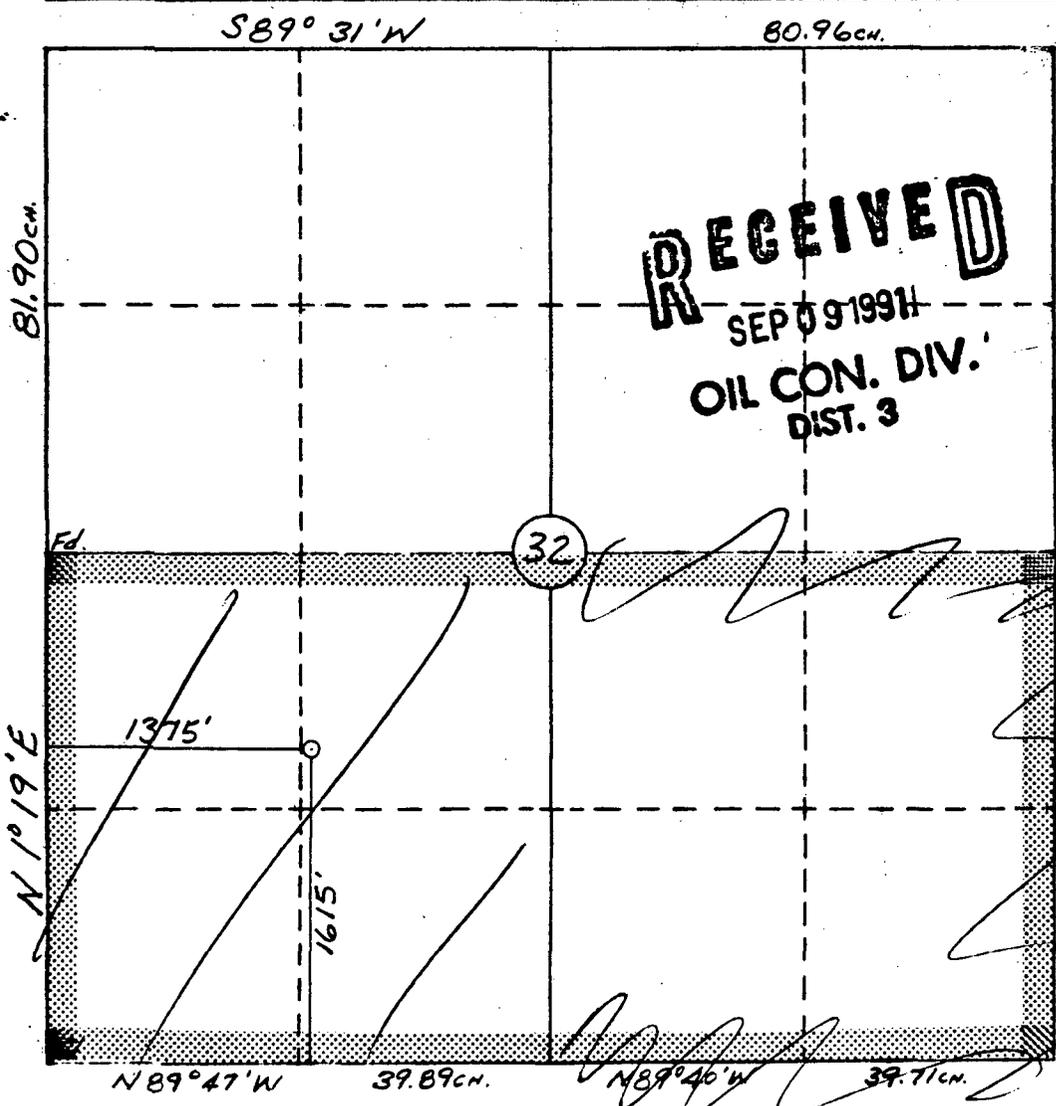
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Morris J. Bell
Signature

Morris J. Bell
Printed Name

District Engineer
Position

National Co-op Refinery
Company Association

September 4, 1991
Date

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 knowledge and belief.

8-26-91
Date Surveyed

William E. Mahnke II
Signature

Professional Surveyor
Title

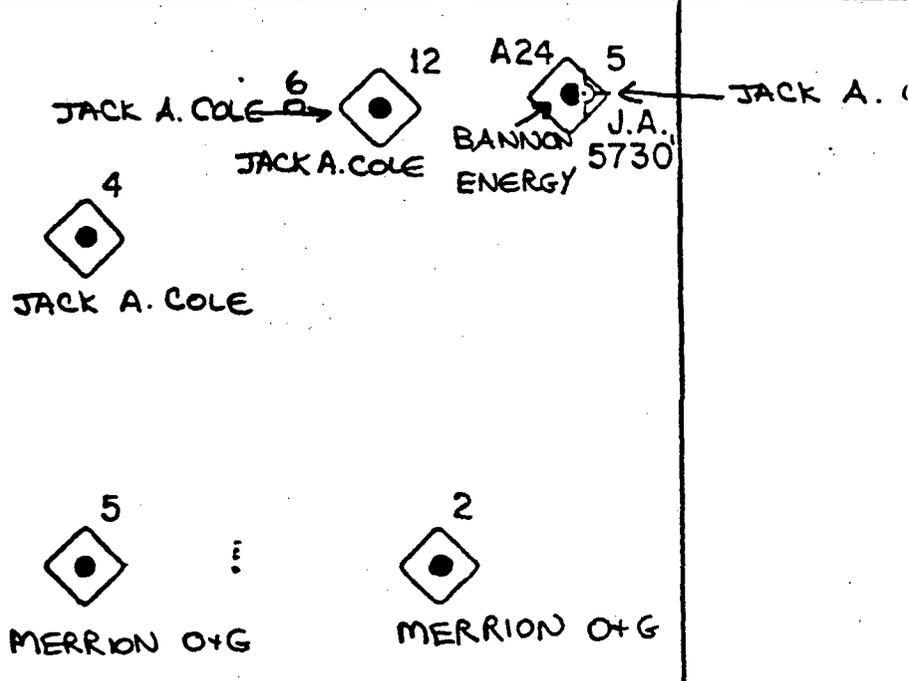
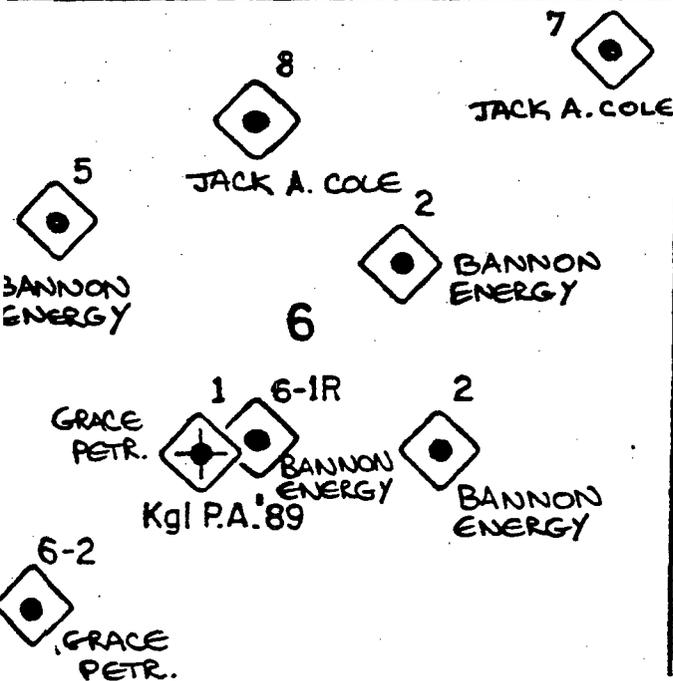
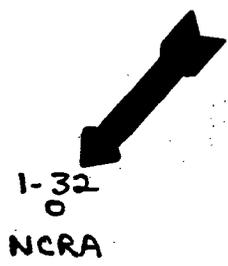
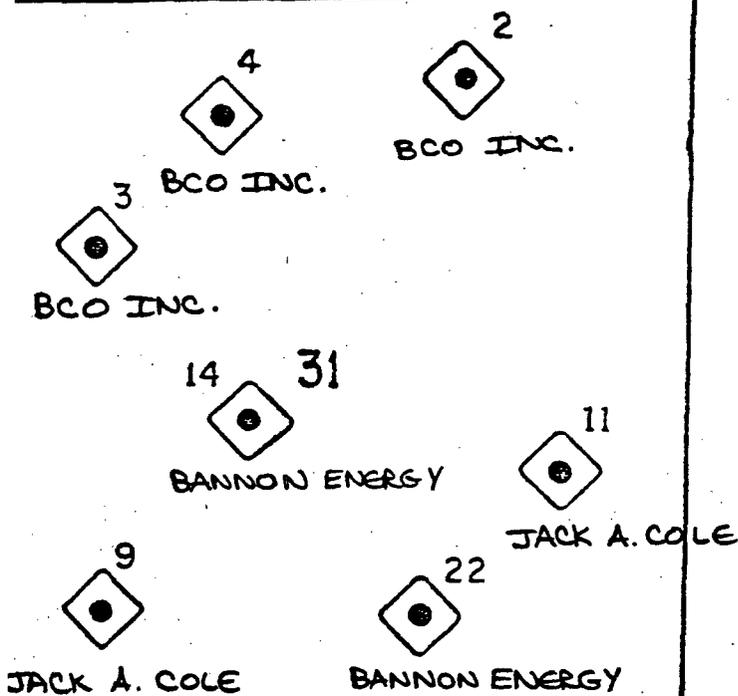
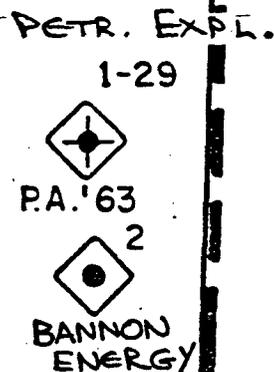
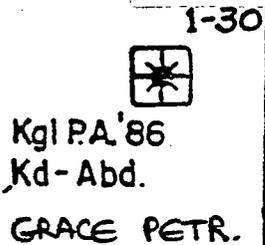
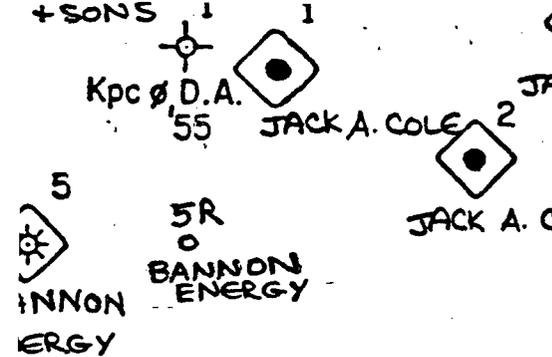
WILLIAM E. MAHNKE II
#8466
REGISTERED PROFESSIONAL SURVEYOR
NEW MEXICO

Certificate No. 8466

Structured 640 ac.
Section

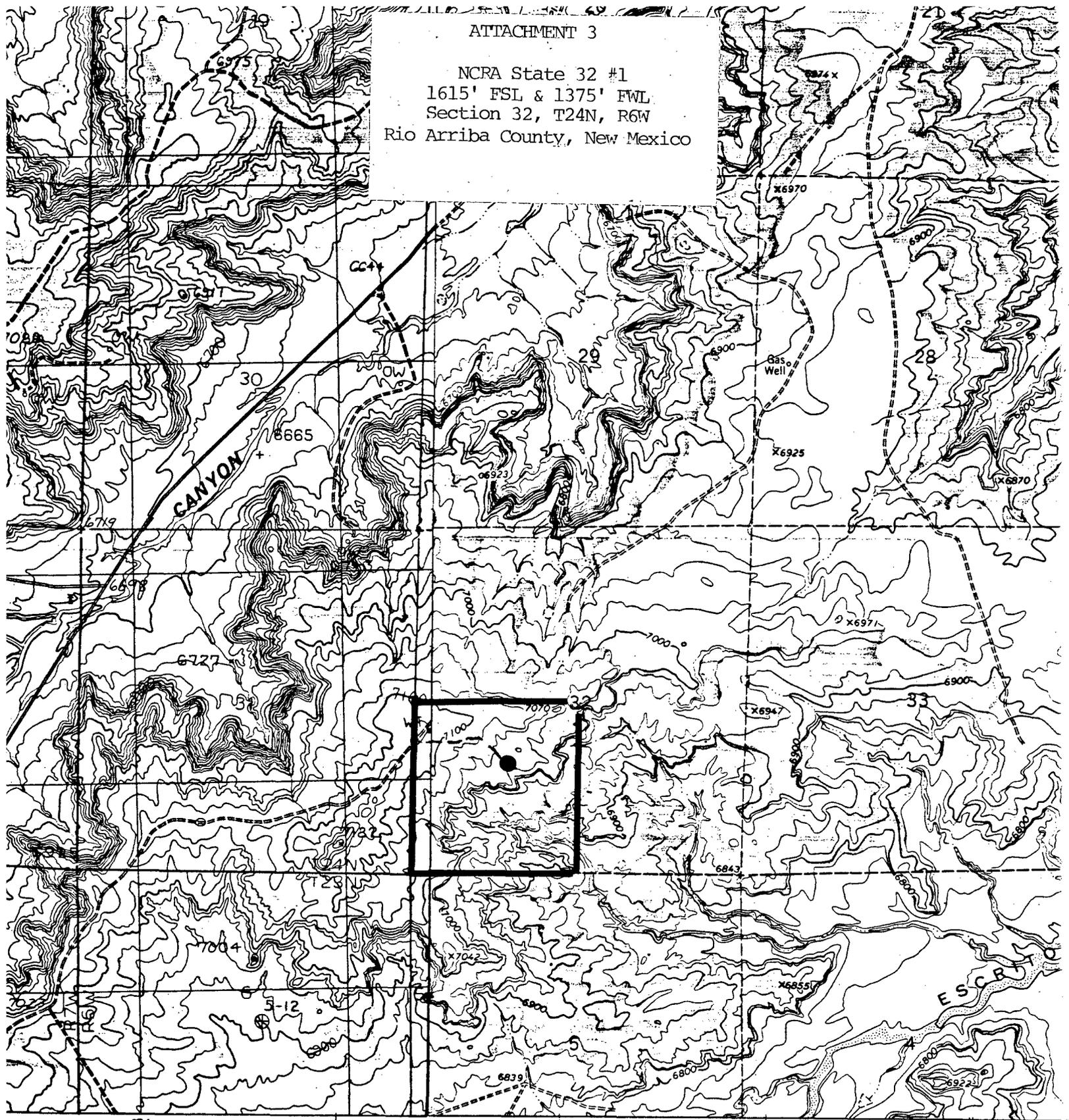
ATTACHMENT 2

NCRA State 32 #1
1615' FSL & 1375' FWL
Section 32, T24N, R6W
Rio Arriba County, New Mexico



ATTACHMENT 3

NCRA State 32 #1
 1615' FSL & 1375' FWL
 Section 32, T24N, R6W
 Rio Arriba County, New Mexico



274 275000E 107°30' 276 277 140 000 FEET || 278
 INTERIOR-GEOLOGICAL SURVEY, RESTON, VIRGINIA- COUNSELORS (IN. MEX.)

ROAD LEGEND

- Improved Road
- Unimproved Road
- Trail
- Interstate Route ◻ U.S. Route ○ State Route

ted, and published by the Geological Survey
 S and USC&GS
 photogrammetric methods from aerial
 ten 1955, 1958, and 1962. Field checked 1963
 ction. 1927 North American datum
 id based on New Mexico coordinate system, central zone
 iversal Transverse Mercator grid ticks,
 in blue
 within the San Juan Basin gas field



CROW MESA EAST, NEW MEXICO

UTM GRID AND 1963 M/
 DECLINATION AT CENT

ATTACHMENT 4

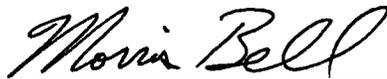
NCRA State 32 #1
1615' FSL & 1375' FWL
Section 32, T24N, R6W
Rio Arriba County, New Mexico

I hereby certify that on October 1, 1991, I sent an Unorthodox Location Waiver for the NCRA State 32 #1 to the following operators:

BCO, Inc.
135 Grant Avenue
Santa Fe, New Mexico 87501

Cole Production Company
Post Office Box 191
Farmington, New Mexico 87499

Bannon Energy
3934 FM 1960 W
Suite 240
Houston, Texas 77068



Morris J. Bell, P.E.
District Engineer
NATIONAL COOPERATIVE REFINERY ASSOCIATION

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address (Extra charge) **NCRA State 32 #1** 2. Restricted Delivery (Extra charge)

3. Article Addressed to: Bannon Energy 3934 FM 1960 W Suite 240 Houston, Texas 77068	4. Article Number P 378 066 228 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
5. Signature - Addressee X <i>[Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery 10/2/91	

PS Form 3811, Apr. 1989 *U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address (Extra charge) **NCRA State 32 #1** 2. Restricted Delivery (Extra charge)

3. Article Addressed to: Cole Production Company Post Office Box 191 Farmington, New Mexico 87499	4. Article Number P 378 066 227 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>[Signature]</i>	
7. Date of Delivery 10-05-91	

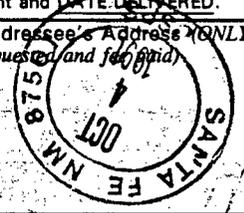
PS Form 3811, Apr. 1989 *U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address (Extra charge) **NCRA State 32 #1** 2. Restricted Delivery (Extra charge)

3. Article Addressed to: BCO, Inc. 135 Grant Avenue Santa Fe, New Mexico 87501	4. Article Number P 378 066 226 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>[Signature]</i>	
7. Date of Delivery	

PS Form 3811, Apr. 1989 *U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT



Submit to Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

DISTRICT I CONSERVATION DIVISION
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Roswell, NM 88203

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

API NO. (assigned by OCD on New Wells) <u>30-039-25099</u>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-1207

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Lease Name or Unit Agreement Name NCRA State <u>32</u>			
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		8. Well No. <u>1-22</u>			
2. Name of Operator National Cooperative Refinery Association		9. Pool name or Wildcat Counselors- <u>GAL/DK EXT</u>			
3. Address of Operator 1775 Sherman Street, Suite 3001, Denver, CO 80203					
4. Well Location Unit Letter <u>K</u> : <u>1375</u> Feet From The <u>West</u> Line and <u>1615</u> Feet From The <u>South</u> Line Section <u>32</u> Township <u>24N</u> Range <u>6W</u> NMPM Rio Arriba County					
10. Proposed Depth <u>6700'</u>		11. Formation <u>Gallup-Dakota</u>	12. Rotary or C.T. <u>Rotary</u>		
13. Elevations (Show whether DF, RT, GR, etc.) <u>7055 GR</u>	14. Kind & Status Plug. Bond <u>Blanket</u>	15. Drilling Contractor <u>Unknown at time</u>	16. Approx. Date Work will start <u>10/15/91</u>		
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
<u>12-1/4"</u>	<u>8-5/8"</u>	<u>24#</u>	<u>250'</u>		<u>Surface</u>
<u>7-7/8"</u>	<u>4-1/2"</u>	<u>11.6#</u>	<u>6700'</u>		<u>Surface</u>

NCRA plans to drill a vertical wellbore to 6700' and evaluate the Dakota and Gallup formations.

A 12-1/4" hole will be drilled to 250'. Surface casing will be run and cemented to surface. A 3000 psi BOP will be installed and a 7-7/8" hole will be to 6700' with a fresh water mud system. NCRA will log the well. Production casing will be run and cemented to surface. Two 30' cores are planned at approximately 5800'.

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SEP 09 1991
OIL CON. DIV

APPROVAL EXPIRES 3-10-92
UNLESS DRILLING IS COMMENCED.
SPUD NOTICE MUST BE SUBMITTED
WITHIN 10 DAYS.

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE Morris J. Bell TITLE District Engineer DATE 9/4/91
MORRIS J. BELL, P. E.
TYPE OR PRINT NAME TELEPHONE NO.

(This space for State Use)
APPROVED BY Eric Busch TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE SEP 10 1991

CONDITIONS OF APPROVAL, IF ANY: Provide this office with core analyses
Hold C-104 FOR NSL



National Cooperative Refinery Association

1775 SHERMAN STREET SUITE 3000 • DENVER, COLORADO 80203 • 303/861-4883
OIL CONSERVATION DIVISION
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Exploration
and Production
Division

September 26, 1991

Cole Production Company
Post Office Box 191
Farmington, New Mexico 87499

RE: UNORTHODOX LOCATION WAIVER
NCRA State 32 #1
1615' FSL & 1375' FWL,
Section 32-T24N-R6W
Rio Arriba County, New Mexico

Gentlemen:

National Cooperative Refinery Association is planning to drill the subject well on an unorthodox location. If you have no objection to the proposed location, please sign and mail this waiver to the New Mexico Oil Conservation Division in the enclosed envelope provided.

Sincerely,

Morris Bell, P.E.
District Engineer

MJB/clc

I have no objection to the proposed location.

By:

Title:



National Cooperative Refinery Association

1775 SHERMAN STREET, SUITE 3000 • DENVER, COLORADO 80203 • 303/861-4883

OIL CONSERVATION DIVISION
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'91 OCT 7 AM 9 01

September 26, 1991



Bannon Energy
3934 FM 1960 W
Suite 240
Houston, Texas 77068

RE: UNORTHODOX LOCATION WAIVER
NCRA State 32 #1
1615' FSL & 1375' FWL,
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Rio Arriba County, New Mexico

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Sincerely,

Morris Bell, P.E.
District Engineer

MJB/clc

I have no objection to the proposed location.

By:
Title: J.R. V.R. Bannon Energy



National Cooperative Refinery Association

OIL CONSERVATION DIVISION
1775 SHERMAN STREET, SUITE 3001 • DENVER, COLORADO 80203 • 303/861-4883

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'91 OCT 3 AM 8 39

Exploration
and Production
Division

September 26, 1991

BCO, Inc.
135 Grant Avenue
Santa Fe, New Mexico 87501

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Sincerely,

Morris Bell, P.E.
District Engineer

MJB/clc

I have no objection to the proposed location.

By:

Title:

President



National Cooperative Refinery Association

1775 SHERMAN STREET, SUITE 3001 • DENVER, COLORADO 80203 • 303/861-4883

'91 NOV 12 AM 9 02

Exploration
and Production
Division

September 30, 1991

CERTIFIED MAIL #P 378 066 228
RETURN RECEIPT REQUESTED



Bannon Energy
3934 FM 1960 W. - Suite 240
Houston, Texas 77068

RE: UNORTHODOX LOCATION WAIVER
NCRA State 32 #1
1615' FSL & 1375' FWL,
Section 32-T24N-R6W
Rio Arriba County, New Mexico

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Sincerely,

Morris Bell, P.E.
District Engineer

MJB/clc

I have no objection to the proposed location.

By: *W. J. ...*
Title: VP Production

NSL-3069



National Cooperative Refinery Association

OIL CONSERVATION DIVISION
1775 SHERMAN STREET, SUITE 3001 • DENVER, COLORADO 80203 • 303/861-4883
RECEIVED

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Exploration
and Production
Division

September 30, 1991

CERTIFIED MAIL #P 378 066 227
RETURN RECEIPT REQUESTED

Cole Production Company
Post Office Box 191
Farmington, New Mexico 87499

RE: UNORTHODOX LOCATION WAIVER
NCRA State 32 #1
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Morris Bell, P.E.
District Engineer

MJB/clc

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By: 

Title: _____