

NSL-CONO. NW



Midland Division
Exploration Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

OIL CONSERVATION DIVISION
RECEIVED

'95 JAN 24 AM 8 51

January 20, 1995

*Copy sent to E. Burch
1/27/95*

Mr. William LeMay, Director
State of New Mexico
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87504

**RE: Application for an Unorthodox Well Location at
1175' FNL and 1180' FWL of Sec. 32, T-27N, R-9W
for Recompletion of Conoco's State Com AI No. 33E
to the Angels Peak Gallup Associated Pool**

Dear Mr. Lemay:

This well was originally drilled and completed in the Dakota formation. The Dakota is depleted at this location and the well is currently shut-in. Within the 320-acre spacing unit established for the Dakota this location was drilled at an orthodox location.

However, the Angels Peak Gallup spacing is 80 acres and a recompletion to this pool with the N/2 NW/4 of Section 32 dedicated to the well makes this location unorthodox with respect to the Southern boundary of the unit.

EXHIBIT A is a copy of the original C-102 showing the orthodox location of the Dakota completion. EXHIBIT B is a new C-102 for the proposed Gallup recompletion. EXHIBIT C is a map showing (a) the proposed well, (b) its spacing unit, and (c) the offset operators.

This unorthodox location does not encroach upon any other operator than Conoco, who operates the tract offsetting the Southern boundary of the proposed 80-acre Gallup unit. As can be seen on EXHIBIT C, which shows all Gallup wells in this area, this recompletion is an attempt to step out to the Northeast of established Gallup production. Such a step out needs to be tested through the use of an existing wellbore rather than drilling.

Approval of this application will not significantly impair correlative rights and will promote the prevention of waste by testing the presence of economic Gallup production in Section 32.

As shown on EXHIBIT C the only identified offset operators other than Conoco are Meridian and Southland (handled by Meridian). Certified notices of this application were sent to these parties and copies of these mailings are also attached as EXHIBIT D.

If there are any questions concerning this application please contact me at (915) 686-6548.

Very truly yours,

A handwritten signature in cursive script that reads "Jerry Hoover". The signature is written in black ink and has a long, sweeping horizontal line extending to the right.

Jerry W. Hoover
Sr. Conservation Coordinator

CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2048
SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-78

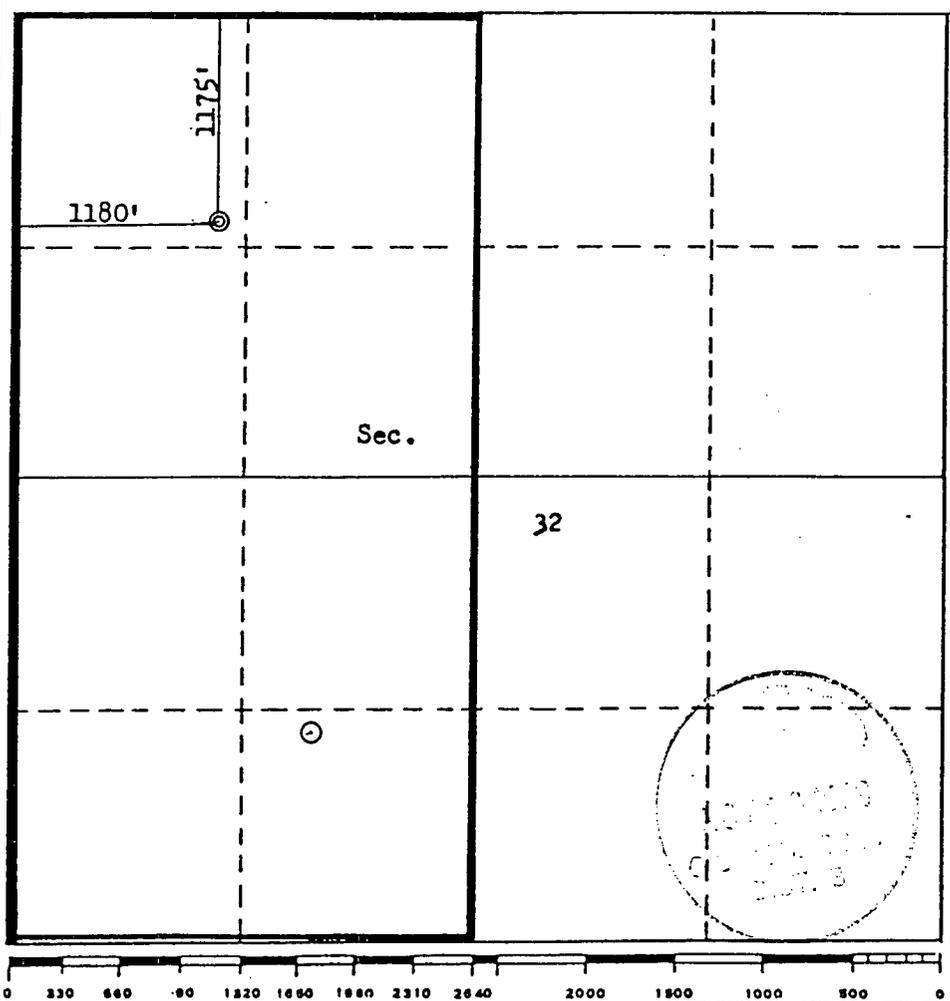
All distances must be from the outer boundaries of the Section.

Operator MESA PETROLEUM COMPANY			Lease STATE COM A I		Well No. 33-E
Unit Letter D	Section 32	Township 27N	Range 9W	County San Juan	
Actual Footage Location of Well: 1175 feet from the North line and 1180 feet from the West line					
Ground Level Elev. 6502	Producing Formation Dakota		Pool Basin Dakota	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 COMMUNITIZED

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.

John Alexander
Name
JOHN ALEXANDER

Position
AGENT

Company
MESA PETROLEUM CO.

Date
November 27, 1979

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
November 27, 1979

Registered Professional Engineer and/or Land Surveyor
Fred B. Kerr, Jr.
Certification No. **3950**

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

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

Form C-103
 Revised February 21, 1993
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION-PLAT

1 API Number 30-045-24027		2 Pool Code 2170		3 Pool Name Angels Peak Gallup	
4 Property Code 003261		5 Property Name State Com AI			6 Well Number 33E
7 OGRID No. 005073		8 Operator Name CONOCO INC.			9 Elevation 6502'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
D	32	27N	9W		1175	North	1180	West	San Juan

11 Bottom Hole Location If Different From Surface

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

12 Dedicated Acres 80	13 Joint or Infill	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

	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Jerry W. Hoover</i> Signature Jerry W. Hoover Printed Name Sr. Conservation Coordinator Title 1/20/95 Date</p>

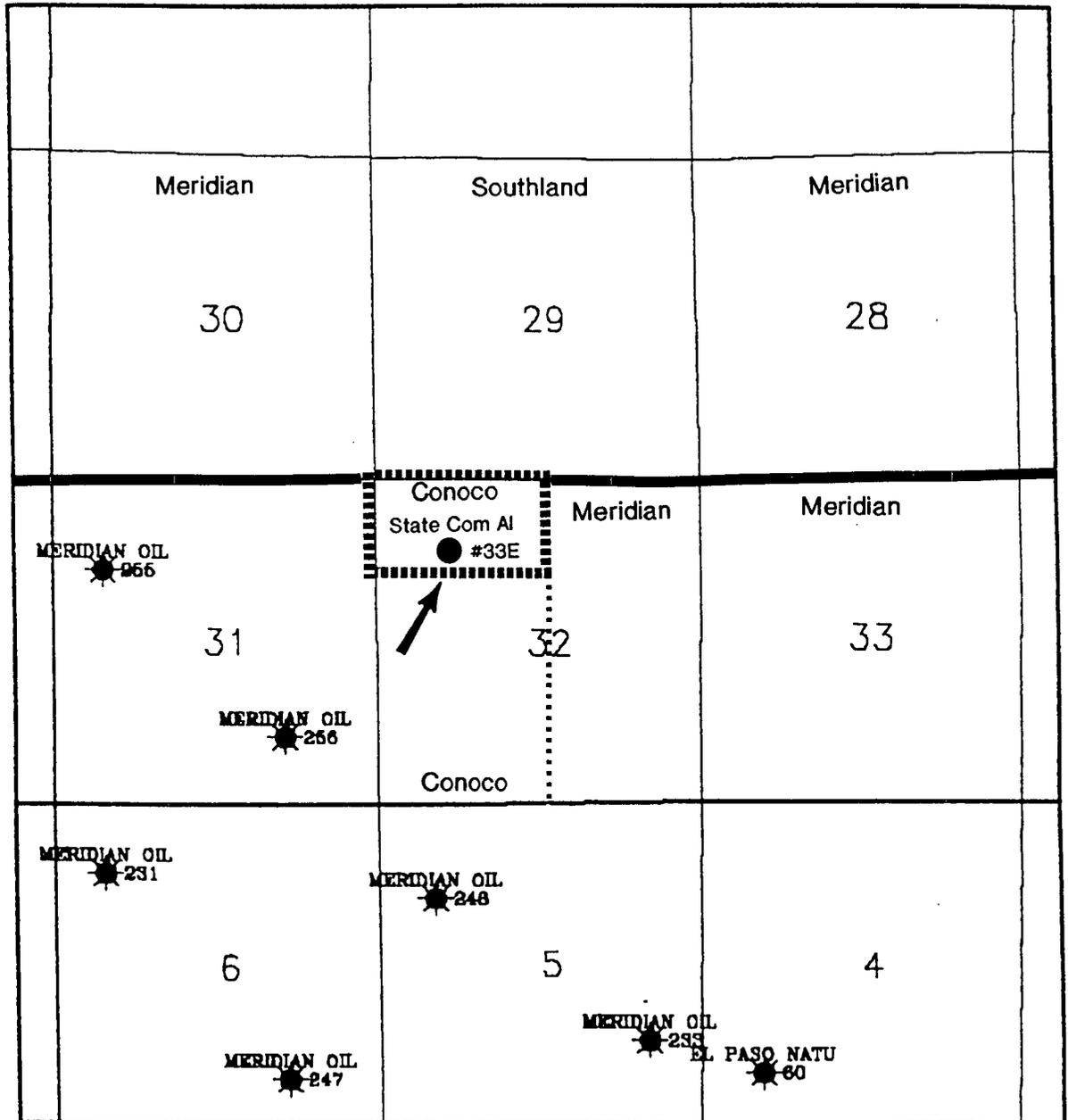
Standard
640-acre
Section

EXHIBIT B

R9W

T27N

T26N



GALLUP WELLS

EXHIBIT C

Z 111 016 375



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
Meridian Oil	
Street and No.	
P.O. Box 4289	
P.O., State and ZIP Code	
Farmington, NM 87409	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
1/20/95	

PS Form 3800, March 1993

Z 111 016 374



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
Southland Royalty % Meridian	
Street and No.	
P.O. Box 4289	
P.O., State and ZIP Code	
Farmington, NM 87409	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
1/20/95	

PS Form 3800, March 1993

NSL-3483

1 pg.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

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

Form C-101
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, **PLUGBACK**, OR ADD A ZONE

Operator Name and Address: CONOCO INC. 10 DESTA DRIVE STE 100W MIDLAND, TEXAS 79705		OGRID Number 005073
Property Code 003261		API Number 30 - 0
Property Name State Com AI		Well No. 33E

7 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	32	27N	9W		1175	North	1180	West	San Juan

8 Proposed 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
Proposed Pool 1 Angels Peak Gallup					Proposed Pool 2				

Work Type Code P	Well Type Code O	Cable/Rotary	Lease Type Code S	Ground Level Elevation 6502'
Multiple No	Proposed Depth PBD @ 6600'	Formation Gallup	Contractor	Spud Date NA

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
CASING PROGRAM		UNCHANGED			

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OIL CON. DIV.

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Plug back to recomplete from the Dakota to the Angels Peak Gallup Pool as follows:

- Set a CIBP at 6600' above the Dakota perforations & spot 35' cement on top.
- Perforate the Gallup at 5861-66', 5944-48', 5966-78', 6120-38' w/1 jsfp.
- Acidize with 1000 gallons 15% HCL.
- Fracture stimulate wellbore.
- Put on production.

A new C-102 for the Gallup completion is attached.
Application for resulting unorthodox location in the Gallup has been filed with NMOCD.

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

Signature: *Jerry W. Hoover*
Printed name: Jerry W. Hoover
Title: Sr. Conservation Coordinator
Date: 2/13/95
Phone: (915) 686-6548

OIL CONSERVATION DIVISION
Approved by: *Eric L. Brack*
Title:
Approval Date:
Expiration Date:
Conditions of Approval: *HOLD C-102 FOR 11/56*
Attached

Mike Stogner

From: Ernie Busch
To: Mike Stogner
Subject: CONOCO INC (NSL)
Date: Mon, Feb 6, 1995 2:30PM
Priority: High

STATE COM AI #33E
1175' FNL; 1180' FWL
D-32-27N-09W
RECOMMEND: APPROVAL

Appl. Received 1-24-95

Release Date 2-13-95

Mike Stogner

From: Ernie Busch
To: Mike Stogner
Subject: CONOCO INC (NSL)
Date: Thu, Feb 16, 1995 8:15AM
Priority: High

NSL-3483

STATE COM AI #33E
1175' FNL; 1180' FWL
D-32-27N-09W
RECOMMEND: APPROVAL