

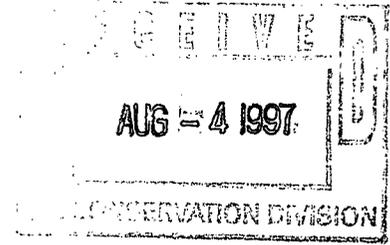


NSL 8/25/97

Mid-Continent Region  
Exploration/Production

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

August 1, 1997



Mr. Michael Stogner  
New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87504

Re: Application for Non-Standard Fruitland Coal Location for  
State Com AINo. 33E located at 1175 FNL & 1180 FWL,  
Sec. 32, T-27N, R-9W necessitated by recompletion

Dear Mr. Stogner:

This wellbore was originally drilled and completed by Mesa Petroleum in the Dakota formation at a standard Dakota location. When the Dakota was depleted, an Administrative Order NSL-3483 was issued February 13, 1995 for recompletion to the Angels Peak Gallup Pool (see EXHIBIT A) at a non-standard location for that pool. It is now proposed to plug back the well from the non-economic Gallup recompletion to the Fruitland Coal in order to extend the life and utility of this wellbore. EXHIBIT B is a copy of the new C-102 for the propose recompletion.

While the footage location (setbacks) is standard for the Basin Fruitland Coal Pool, this would be the first Fruitland Coal completion in the west half of section 32. Since the Fruitland Pool Rules require the first completion in the west half of a section to be located in the southwest quarter, by virtue of this first west half completion being in the northwest quarter, it is a non-standard Fruitland Coal location.

Prior to plugging this well it is recommended that it be tested for additional hydrocarbon recovery from the Fruitland Coal formation. Therefore, a non-standard Fruitland Coal location is requested for this proposed recompletion. The attached plat, EXHIBIT C, shows the location of the proposed recompletion, all Fruitland Coal wells in the area, and all offset operators. Burlington Resources is the only offset operator and has been notified of this application by certified mail. A copy of the certified mail receipt is attached as EXHIBIT D.

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

Very truly yours,

Jerry W. Hoover  
Sr. Conservation Coordinator

cc: Aztec OCD Distric Office

State of New Mexico  
**ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT**  
Santa Fe, New Mexico 87505



**OIL CONSERVATION DIVISION**

February 13, 1995



Conoco, Inc.  
10 Desta Drive - Suite 100 W  
Midland, Texas 79705-4500

Attention: Jerry W. Hoover

*Administrative Order NSL-3483*

Dear Mr. Hoover:

Reference is made to your application dated January 20, 1995 for an unorthodox Angles Peak-Gallup Associated Pool oil well location for your existing State Com "AI" Well No. 33E (API No. 30-045-24027) which was drilled in 1981 and completed in the Basin-Dakota Pool at a standard gas well location 1175 feet from the North line and 1180 feet from the West line (Unit D) of Section 32, Township 27 North, Range 9 West, NMPM, San Juan County, New Mexico.

It is our understanding that the Dakota interval will be properly plugged back and said well will be recompleted up-hole to the Undesignated Angles Peak-Gallup Associated Pool, which pursuant to the Special Rules and Regulations for the Angles Peak-Gallup Associated Pool, as promulgated by Division Order No. R-5353, as amended, is unorthodox. Further, the N/2 NW/4 of said Section 32 shall be dedicated to the well to form a standard 80-acre oil spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 2 of said Order No. R-5353, as amended, the above-described unorthodox oil well location is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay".

William J. LeMay  
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec  
New Mexico State Land Office - Santa Fe

VILLAGRA BUILDING - 408 Galleto

Forestry and Resources Conservation Division  
P.O. Box 1948 87504-1948  
827-5830

Park and Recreation Division  
P.O. Box 1147 87504-1147  
827-7465

2040 South Pacheco

Office of the Secretary  
827-5950

Administrative Services  
827-5925

Energy Conservation & Management  
827-5900

Mining and Minerals  
827-5970

Oil Conservation  
827-7131

**EXHIBIT A**

District I  
 PO Box 1988, Hobbs, NM 88241-1988  
 District II  
 PO Drawer DD, Artesia, NM 88211-0719  
 District III  
 1000 Rio Bravo 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-102  
 Revised February 10, 1994  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* APL Number 30 405 24027		* Pool Code	* Pool Name Fruitland Coal
* Property Code	* Property Name State Com AI		* Well Number 33E
* OGRID No. 005073	* Operator Name CONOCO, INC.		* Elevation 6502' GR

<sup>10</sup> 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

<sup>11</sup> Bottom Hole Location If Different From Surface

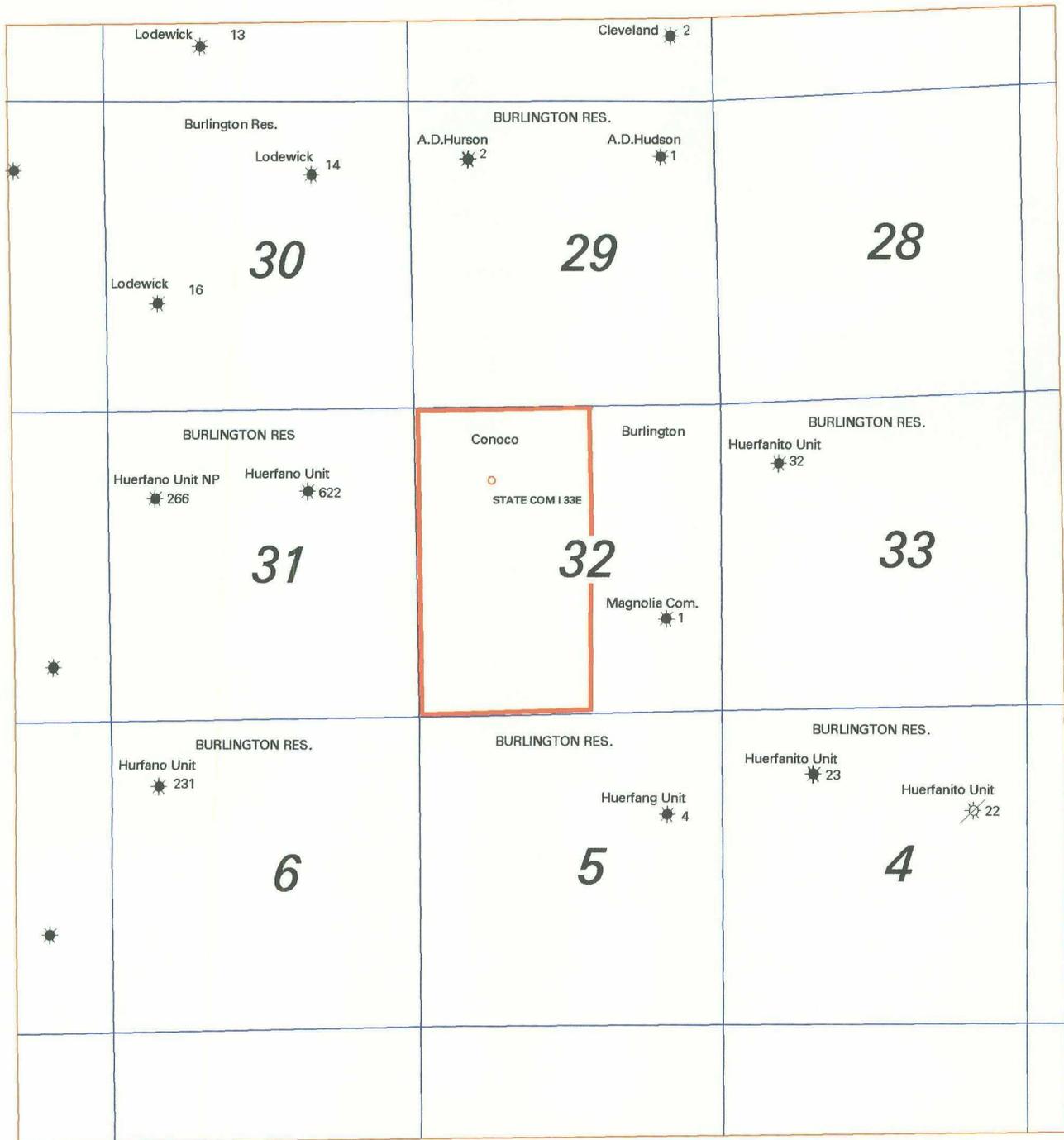
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedication Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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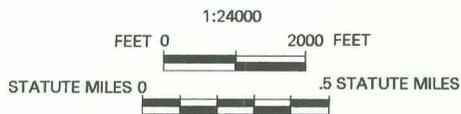
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<sup>17</sup> OPERATOR CERTIFICATION		
	<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>		
			Signature
			Printed Name Ann E. Ritchie
			Title Regulator Agent
			Date 7-14-97
			<sup>18</sup> SURVEYOR CERTIFICATION
			<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>
			Date of Survey
			Signature and Seal of Professional Surveyor:
			Certificate Number

EXHIBIT B



OFFSET OPERATORS ST COM I 33E



**CONOCO**

**FRUITLAND COAL WELLS**

T 27 N R 9 W

**SAN JUAN BASIN**

# EXHIBIT C

Z 740 467 290



**Receipt for  
Certified Mail**

No Insurance Coverage Provided

Burlington Resources  
P.O. Box 4289  
Farmington, NM 87499

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  8/1/97	

PS Form 3800, March 1993

EXHIBIT D