



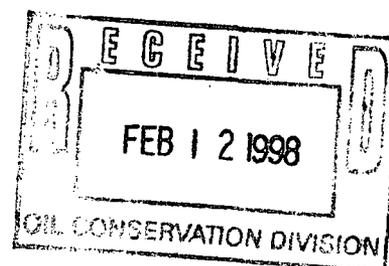
NSL 3/4/98

Mid-Continent Region
Exploration/Production

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

February 8, 1998

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



RE: Application For Non-Standard location
For San Juan 28-7 # 214M to Avoid Drastic Relief in
Topography & Archaeological Sites

Dear Mr. Stogner,

This proposed Mesaverde/Dakota well has been staked at a non-standard location of 870' FSL & 270' FEL, Section 4, T27N, R7W, Rio Arriba County as shown by the attached C-102. Blanco Mesaverde and Basin Dakota pool rules require a standard location to be located no closer than 790' from the east section line. This staked location is only 270' from the east section line. Please note that this spacing unit is in the interior of the San Juan 28-7 of which Conoco is the operator. There are no other offset operators that would be affected by this unorthodox Mesaverde/Dakota location.

Figure 2A is a topo map showing the steepness of the surrounding terrain and evidence that a road to access this well site would cause extensive environmental surface damage. Please find attached a letter from the BLM stating why they feel that a non-standard location is necessary. Attached is a statement from the Neale C. Edward Survey Company also stating the reasons for our request of a non-standard location.

The proposed well will be completed and tested separately on the Mesaverde and Dakota formations and eventually downhole commingled following adequate testing and approval for commingling.



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A non-standard location order is requested based on the reasons given in the following attachments. If there are further questions concerning this application please call me at (915) 686-5798.

Sincerely,

A handwritten signature in cursive script that reads "Kay Maddox".

Kay Maddox
Regulatory Agent

cc: Oil Conservation Division - Aztec
William J LeMay, Director - OCD, Santa Fe



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

IN REPLY REFER TO:
SF-078570(07600)
3162.3-1

JAN 27 1988

Conoco Incorporated
Attn: Mike Mankin
10 Desta Drive, Suite 430E
Midland, TX 79705

Dear Mr. Mankin:

This is in reference to the placement of the proposed San Juan 28-7 Unit number 214M Mesaverde/Dakota well, located 870' FSL, 270' FEL, Sec. 4, T. 27 N., R. 7 W., lease number SF 078570. After attempting to find a suitable location within the windows established by the New Mexico Oil Conservation Commission, we suggest you submit for a nonstandard location. A suitable orthodox location was not found because of major topographical constraints and archeological concerns in the area. Considerable environmental surface damage would occur with the construction of a pad and access road in the steep terrain along the canyon rim. In addition, the rim area was rich in archeological sites making it difficult to squeeze in a well pad that would be large enough for safe operations during drilling. For these reasons a nonstandard location further away from the canyon rim would be more suitable. There the pad and access road could be built on more level terrain. Construction would require less dirt work, create less resource damage, and would be easier to maintain. By placing the pad further away from the rim of the canyon, important cultural resources would also be protected.

In the past it has been discussed that nonstandard locations would probably be proposed more frequently as the more desirable locations are developed. It is our desire to find the best possible locations for new wells and access roads being proposed with minimal environmental impacts. Therefore, we will be glad to support your nonstandard proposal for the San Juan 28-7 Unit number 214M well to the NMOCC.

If there is any way we can be of further assistance, please contact Jackie Neckels of the Environmental Compliance Staff at (505) 599-6323.

Sincerely

Senior Technical Advisor
Environmental Compliance

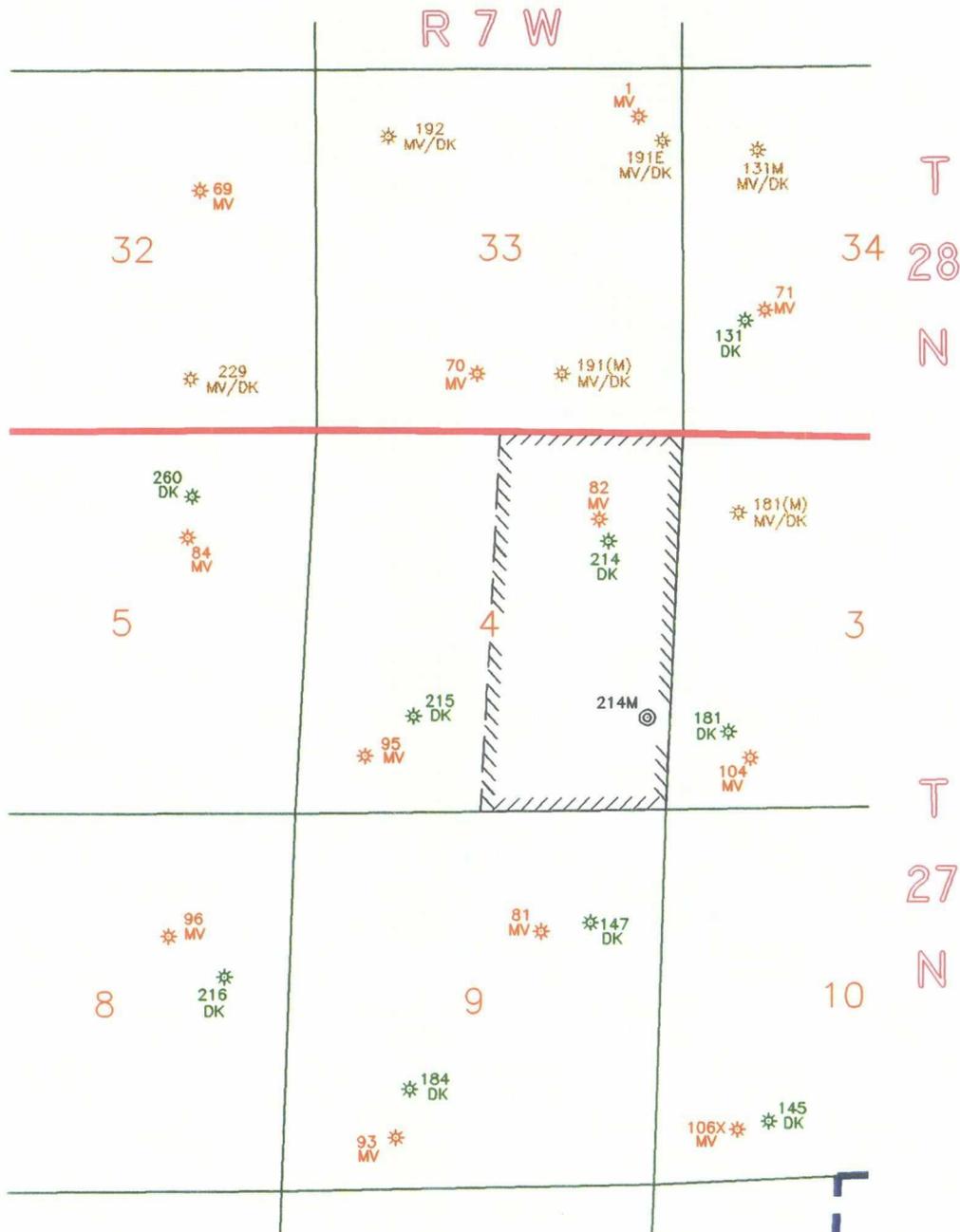
NOVEMBER 15, 1997

CONOCO, INC.
SAN JUAN 28-7 UNIT #214M
870' FSL, 270' FEL,
SEC.4, T27N, R7W, NMPM
RIO ARRIBA COUNTY, NM

TO WHOM IT MAY CONCERN @ CONOCO, INC.:

REASONS FOR NON-STANDARD LOCATION:

THE PRIMARY REASON FOR THE NON-STANDARD STAKING OF THE SAN JUAN 28-7¹ UNIT #214M IS THE DRASTIC RELIEF IN THE TOPOGRAPHY WHICH EXISTS IN THIS AREA. THE DRASTIC RELIEF IN TOPOGRAPHY LENDS ITSELF TO BOTH POOR SITE FOR LOCATION & STEEP ACCESS WHICH IS DIFFICULT TO ADEQUATELY MAINTAIN. FURTHERMORE, SIGNIFICANT AMOUNTS OF ARCHEOLOGY WERE DISCOVERED IN THE AREA OF THIS PERSPECTIVE WELL LOCATION. FOR THESE REASONS, THE LOCATION STAKED AT 870' FSL 270' FEL WILL HOPEFULLY BE ACCEPTABLE.



**SAN JUAN 28-7 UNIT
RIO ARRIBA CO., N.M.**

<p>NOTES</p> <p>CONOCO OPERATES ALL MESAVERDE AND DAKOTA WELLS WITHIN THE 28-7 UNIT.</p> <p>MAP SHOWS ONLY MESAVERDE AND DAKOTA WELLS</p>	DATE: 02/06/98		EPNGNA MIDLAND DIVISION		
	DRAWN BY: GLG		CONOCO 28-7 UNIT MESAVERDE & DAKOTA PRODUCERS San Juan 28-7 Unit #214M Non-Standard Location		
	CHECKED BY:				
	APPROVED BY:		STATE ^{API}	COUNTY	DRAWING
	SCALE: 1" = 2640'		039 \ 30		28-7_214
STATE PLANE COORDINATES REFERRED TO NAD27 - N.M. WEST STATE PLANE COORDINATES ZONE - 3003		CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705			

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

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

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

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

AMENDED REPORT

District IV
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code	*Pool Name
		72319/71599	Blanco Mesaverde/Basin Dakota
*Property Code	*Property Name		*Well Number
016608	SAN JUAN 28-7 UNIT		214M
*GRID No.	*Operator Name		*Elevation
005073	CONOCO, INC.		6707'

¹⁰ Surface Location

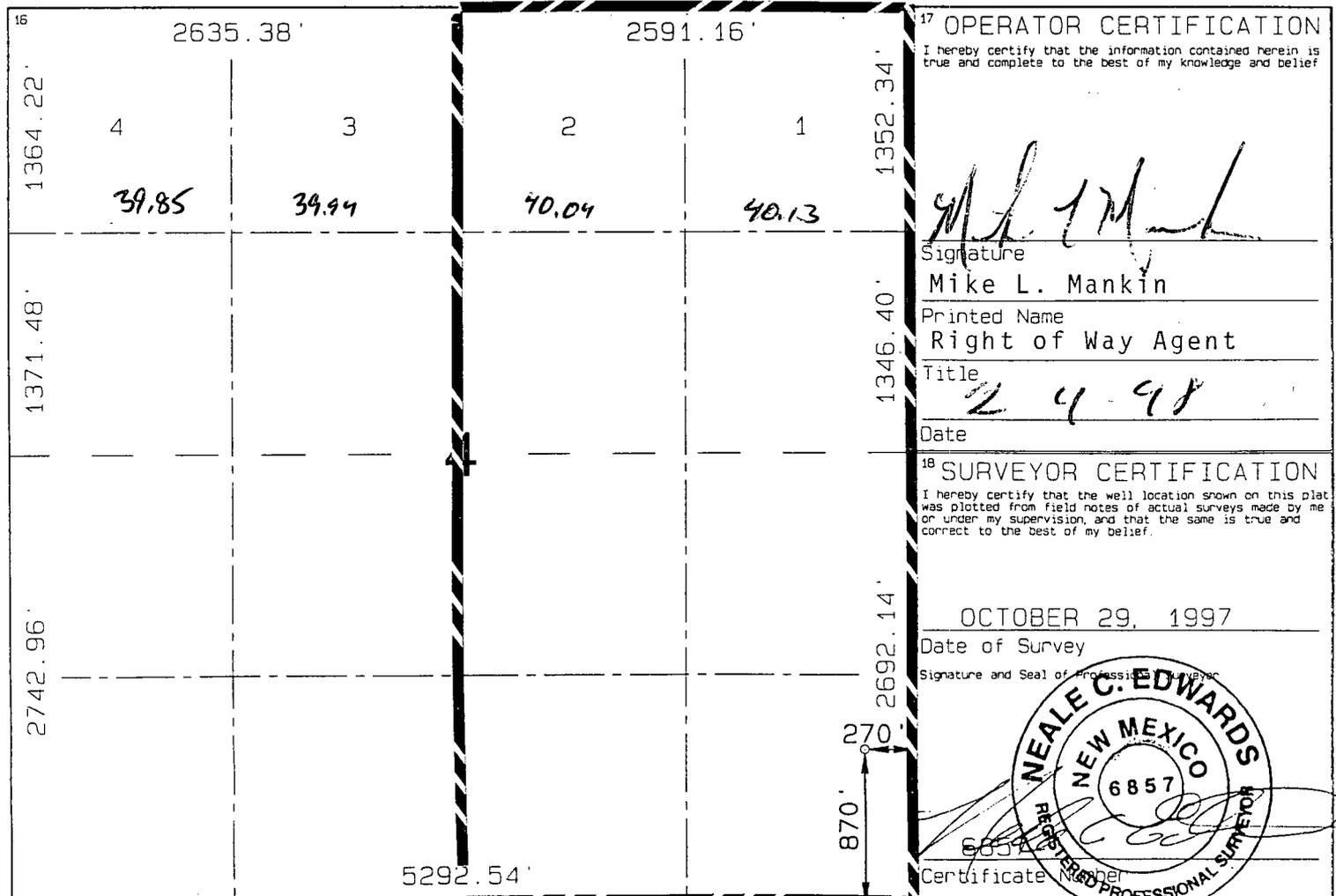
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	4	27N	7W		870	South	270	East	RIO ARRIBA

¹¹ 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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
E/320	Y	U	Non-Standard Location (Applied for)

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



¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Mike L. Mankin
Signature
Mike L. Mankin
Printed Name
Right of Way Agent
Title
2-9-98
Date

¹⁸ 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 belief.

OCTOBER 29, 1997
Date of Survey

Signature and Seal of Professional Surveyor
Neale C. Edwards
NEALE C. EDWARDS
NEW MEXICO
6857
REGISTERED PROFESSIONAL SURVEYOR

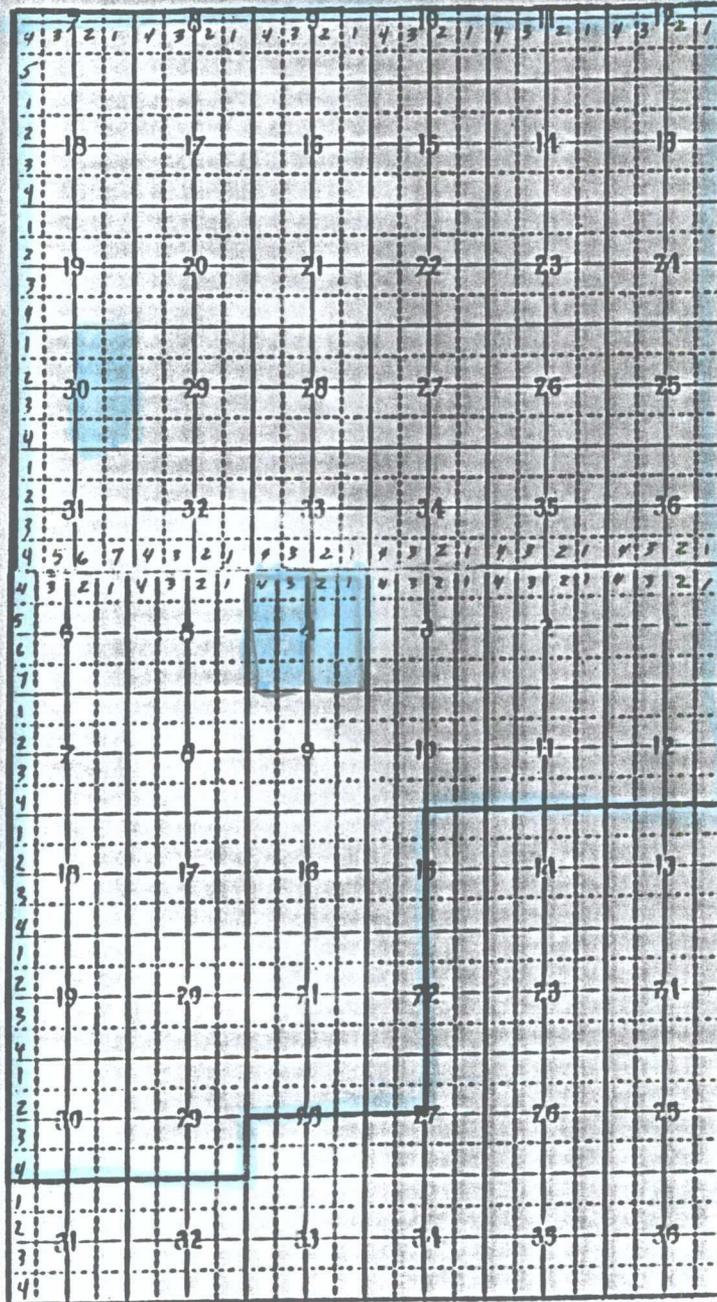
6857
Certificate Number

SAN JUAN 28-7

RIO ARRIBA COUNTY
NEW MEXICO

No. 14-08-001-459

EFFECTIVE 1-29-53



28 N

27 N

7 W