



NSL 4/13/98

Mid-Continent Region
Exploration/Production

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

March 17, 1998

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



RE: Application for Non-Standard Location
Jicarilla 22 #6
API # 30-039-20442

Dear Mr. Stogner,

The proposed recompletion of this well in the Mesaverde requires a non-standard location order. This well is located in Section 22, T-25-N, R-4-W, A, Rio Arriba County, New Mexico. The well is currently producing from the Lindrith West Gallup/Dakota pool. The Blanco Mesaverde pool rules require a standard location to be 790' from the Section line. This well is located 670' FEL & 830' FNL. We are requesting a non-standard location order be given for the Mesaverde.

As shown on the attached production plot for completions nearest to the Jicarilla 22 #6, estimated recoveries and initial production rates from wells completed in the Mesaverde formation are insufficient to justify drilling stand alone wells. Utilization of the Jicarilla 22 #6 will prevent economic waste by allowing access to the Mesaverde in an existing wellbore. Note that this location is standard as regards to the current Jicarilla 22 #6 completion in the Lindrith West Gallup/Dakota Pool. An application to downhole commingle production utilizing the subtraction allocation method has been filed.

The offset operator plat shows that M&W Petroleum is the only offset operator that could be affected by this non-standard location. Please find enclosed evidence that they have been notified.

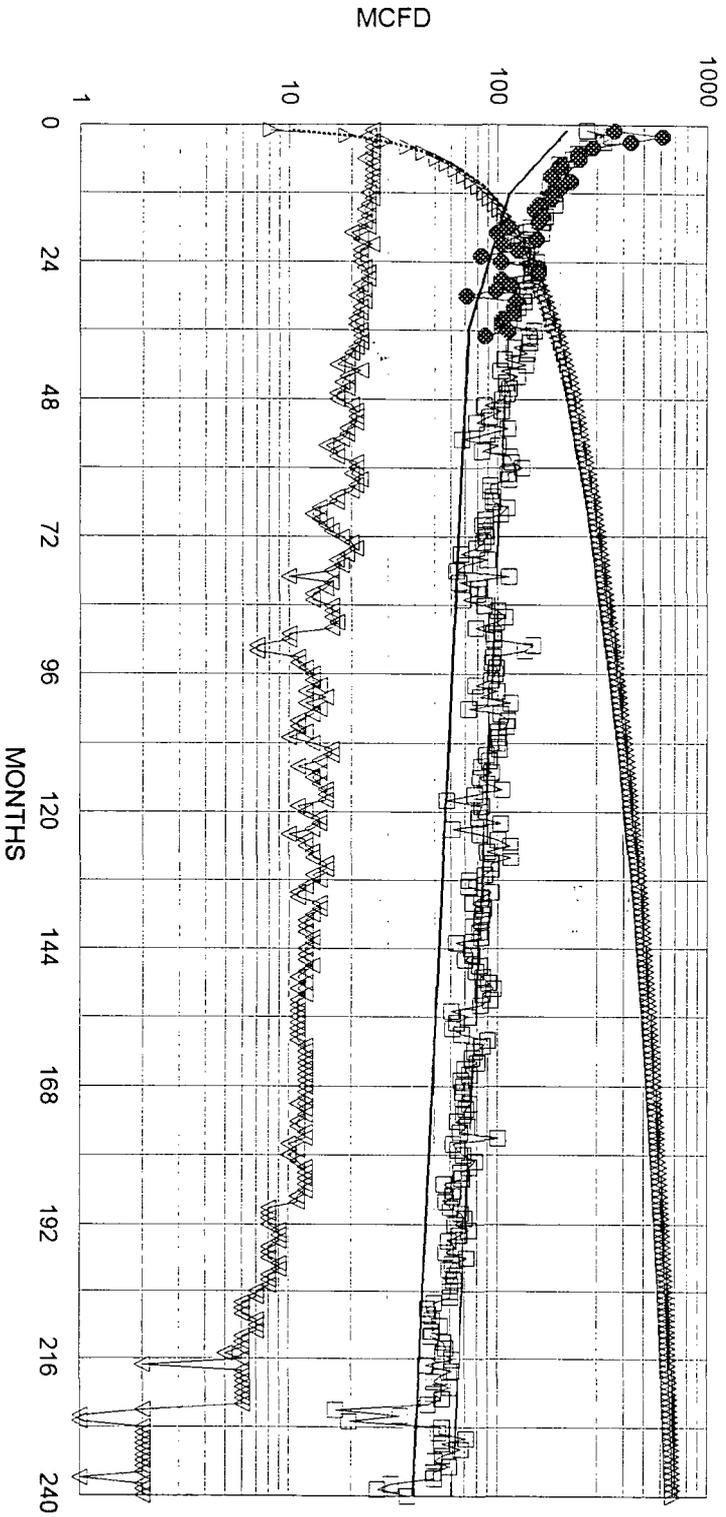
A non-standard location order is requested based on the reasons given in the preceding paragraph. If there are further questions concerning this application please call me at (915) 686-5798.

Sincerely,

Kay Maddox
Regulatory Agent/ Conoco, Inc.

KM/
cc: Oil Conservation Division - Aztec

**25N 4W NORMALIZED MESAVERDE PRODUCTION
25 WELLS SINCE 1975: AXI APACHE M.N.O AND OLD JICARILLA LEASES**



— FIT MCFD ▽ NORMALIZED MCFD ▽ NORM CUM MMCF ▽ WELLS ON PRODUCTIO
 - - FIT CUM MMCF — RISKED MCFD ◆ AXI M6A

NORMALIZED AVG:

1138 MMCF EUR
718 MMCF IN 20 YRS
20 MCFD E.L.
0.0084 bbl/mcf oil yield

RISKED AVG:

350 MCFD IP
50% DECLINE, 1ST 12 MONTHS
20% DECLINE, NEXT 24 MONTHS
3.5% FINAL DECLINE

RISKED AVG: 35% RISK

668 MMCF EUR
467 MMCF IN 20 YR
20 MCFD E.L.
0.0084 bbl/mcf oil yield

RISKED AVG: 35% RISK

228 MCFD IP
50.0% DECLINE, 1ST 12 MONTHS
20.0% DECLINE, NEXT 24 MONTHS
3.5% FINAL DECLINE

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-102

Revised February 21, 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

API Number 30-039-20442		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 003203		5 Property Name Jicarilla 22			6 Well Number #6
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 7112' GL

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
A	22	25N	4W		830	North	670	East	Rio Arriba

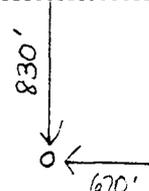
11 Bottom Hole Location If Different From Surface

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 320	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

16	17 OPERATOR CERTIFICATION		
	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.		
	 Signature: Kay Maddox		
	Printed Name: Regulatory Agent Title: Date:		
16	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.		
	Date of Survey: Signature and Seal of Professional Surveyor:		
	Certificate Number		



MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-10
Superseded O-11A
Effective 1-1-65

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

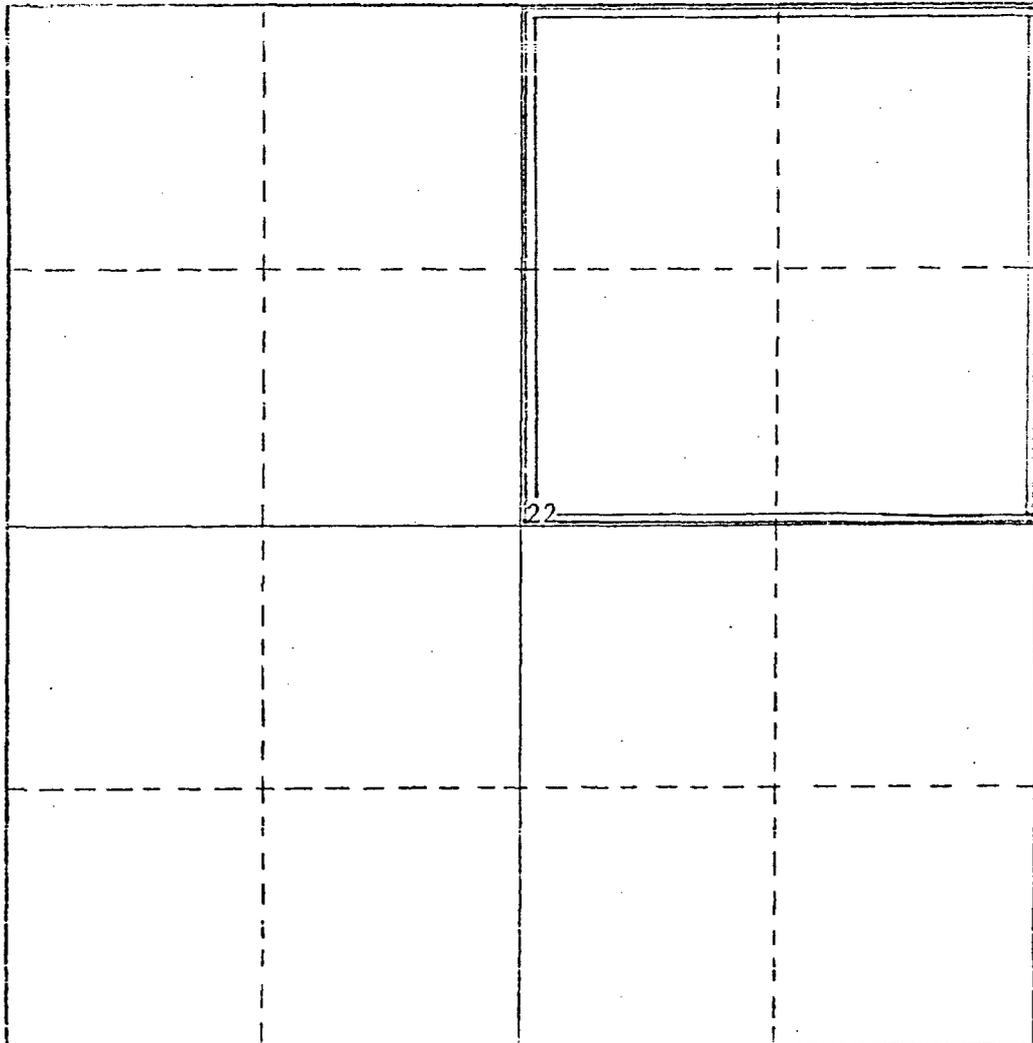
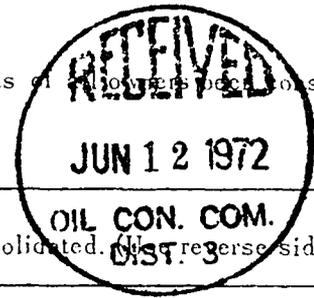
Operator Continental Oil Company			Lease Jicarilla 22		Well No. 6
Unit Letter A	Section 22	Township 25 North	Range 4 West	County Rio Arriba	
Actual Strategic Location of Well: 830 feet from the North line and 670 feet from the East line					
Ground Level Elev. 7112'	Producing Formation Gallup-Dakota		Pool West Lindrith Gallup-Dakota		Dedicated Acreage: 160 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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. (List 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.

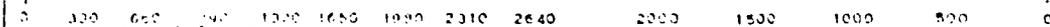
Name J. A. Whelan
 Position Administrative Supervisor
 Company CONTINENTAL OIL COMPANY
 Date June 8, 1972

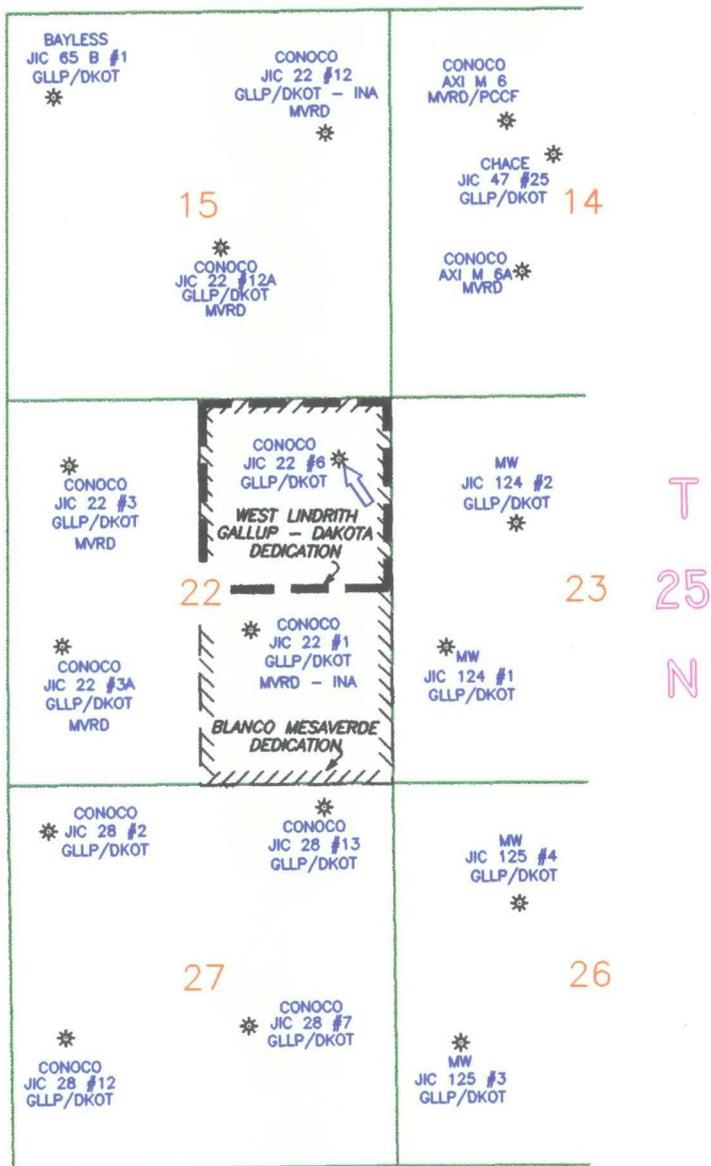
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.





R 4 W

<p>NOTES</p> <p>NOTE: JICARILLA 22 #6 LOCATION IS STANDARD FOR THE WEST LINDRITH GALLUP-DAKOTA POOL, BUT NON-STANDARD FOR A BLANCO MESAVERDE (POINT LOOKOUT) RECOMPLETION.</p>	<p>DATE: 3/04/98</p>		<p>conoco EPNGNA MIDLAND DIVISION</p>	
	<p>DRAWN BY: GLG</p>		<p>CONOCO JICARILLA 22 LEASE MESAVERDE & GALLUP/DAKOTA PRODUCERS JICARILLA 20 #6 BLANCO MESAVERDE NSL RIO ARRIBA COUNTY, NEW MEXICO</p>	
	<p>CHECKED BY:</p>		<p>STATE ^{API} COUNTY WELL DRAWING 30 \ 039 \ 20442 25-4_6</p>	
	<p>APPROVED BY:</p>		<p>CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705</p>	
	<p>SCALE: 1" = 2640'</p> <p>STATE PLANE COORDINATES REFERRED TO NAD27 - N.M. WEST STATE PLANE COORDINATES ZONE - 3003</p>			

Jicarilla 22 #6
API # 30-039-20442
Section 22, T-25-N, R-4-W
Rio Arriba County, NM

Offset Operators:

M & W Petroleum
200 Post Oak Blvd STE 100
Houston, TX 77056-4400

P 497 374 031

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to M & W Petroleum	
Street & Number 200 Post Oak Blvd STE 100	
Post Office, State, & ZIP Code Houston, TX 77056-4400	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995