



NSL

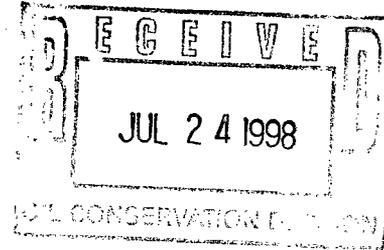
8/13/98

Mid-Continent Region
Exploration/Production

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

July 21, 1998

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



RE: Revise Order for Non-Standard Location /or
Request New NSL Order
San Juan Unit 28-7 #98M
API # N/A
Old Location: 2005' FNL & 2170' FWL, F
New Location: 2380' FNL & 2055' FWL, F
Section 29, T-27-N, R-7-W
Rio Arriba County, New Mexico

Dear Mr. Stogner,

Conoco, Inc. previously requested a non-standard location order for the drilling of its San Juan 28-7 Unit well # 98M. You granted their request with order # NSL 4061. (Attached) Numerous arch sites in the BLM's Crow Canyon Area of Critical Environmental Concern, and topographic constraints were cited as the primary reasons for requesting an NSL. (See attached original application)

During the process of performing the detailed archaeological survey for the originally staked ("old") location, additional arch artifacts were discovered thereby rendering this location unsuitable for drilling. A new location for the 98M has been staked at 2380' FNL & 2055' FWL of Section 29, T-27-N, R-7-W. Note that this location is (still) non-standard towards the interior of the 28-7 Unit, and does not encroach on an exterior Unit boundary.

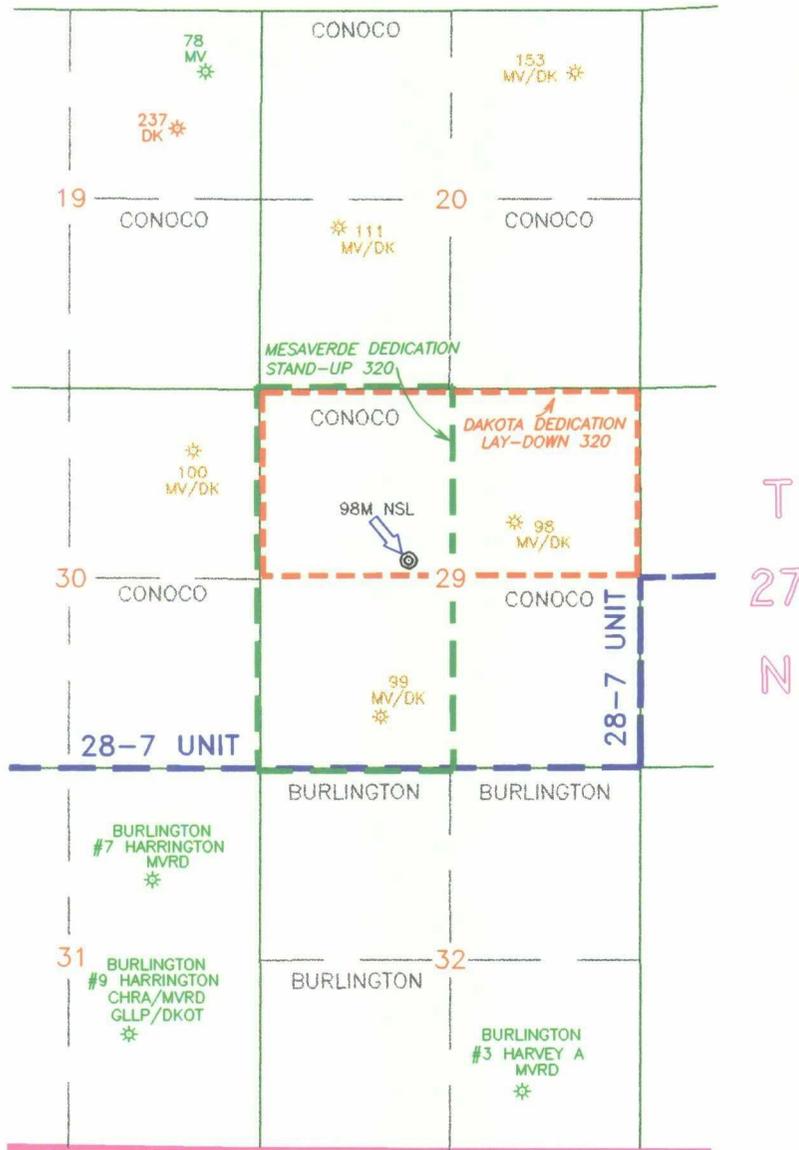
In view of the above Conoco respectfully requests that Administrative Order NSL #4061 either be modified to reflect the new location or, if necessary, a new Non-Standard Location Order be issued for this new location. If there are any further questions regarding this request please call me at (915) 686-5798.

Sincerely,

Kay Maddox
Kay Maddox
Regulatory Agent

Cc: Oil Conservation Division – Aztec

R 7 W



98M NSL MOVED FROM: 2,005' FNL & 2,170' FWL
 TO: 2,380' FNL & 2,055' FWL

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

<p>NOTES</p> <p>LOCATION IS NON-STANDARD TOWARDS AN INTERIOR UNIT LINE. CONOCO OPERATES ALL WELLS IN THE 28-7 UNIT. NUMEROUS ARCH SITES IN THE BLM'S CROW CANYON A.C.E.C. AND TOPOGRAPHIC CONSTRAINTS NECESSITATE A NON-STANDARD LOCATION.</p>	<p>DATE: 07/20/98</p>		<p>conoco EPNGNA MIDLAND DIVISION</p>									
	<p>DRAWN BY: GLG</p>		<p>CONOCO 28-7 UNIT MESAVERDE & DAKOTA PRODUCERS San Juan 28-7 Unit #98M Non-Standard Location</p>									
	<p>CHECKED BY:</p>											
	<p>APPROVED BY:</p>		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 25%;">STATE</th> <th style="width: 25%;">COUNTY</th> <th style="width: 25%;">WELL</th> <th style="width: 25%;">DRAWING</th> </tr> <tr> <td>30</td> <td>- 039</td> <td>-</td> <td>28-7_98M</td> </tr> </table>		STATE	COUNTY	WELL	DRAWING	30	- 039	-	28-7_98M
	STATE	COUNTY	WELL	DRAWING								
30	- 039	-	28-7_98M									
<p>SCALE: 1" = 2640'</p>		<p>CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705</p>										
<p>STATE PLANE COORDINATES REFERRED TO NAD27 - N.M. WEST STATE PLANE COORDINATES ZONE - 3003</p>												

P 684 788 269

July 21, 1998

San Juan 28-7 Unit Well # 98M
Sec 29, T-27-N, R-7-W, F
Rio Arriba, New Mexico

RE: Non-Standard Location Request

OFFSET OPERATOR:

Burlington Resources
PO Box 4289
Farmington, NM 87499



Certified Mail Receipt

No Insurance Coverage Provided

Do not use for International Mail

(See Reverse)

Sender <i>Burlington Resources</i>	
Street No. <i>PO Box 4289</i>	
P.O. State & ZIP Code <i>Farmington, NM 87499</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, June 1990

A copy of the Non-Standard Request for the new location was sent to the above listed party on this the 21st day of July, 1998



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

June 22, 1998

Conoco, Inc.
10 Desta Drive - Suite 100W
Midland, Texas 79705-4500
Attention: Kay Maddox

Administrative Order NSL-4061

Dear Ms. Maddox:

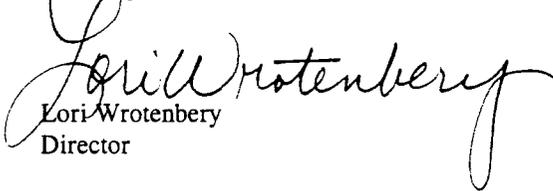
Reference is made to your application dated May 28, 1998 for an exception to the well location requirements provided within the "Special Rules and Regulations for the Blanco-Mesaverde Pool/Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987, for Conoco, Inc.'s proposed San Juan "28-7" Unit Well No. 98-M to be drilled at an unorthodox "infill" gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools 2005 feet from the North line and 2170 feet from the West line (Unit F) of Section 29, Township 27 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

Gas production from the Blanco-Mesaverde Pool is to be included in an existing standard 320-acre stand-up gas spacing and proration unit comprising the W/2 of Section 29 which is currently dedicated to Conoco Inc.'s San Juan "28-7" Unit Well No. 99 (API No. 30-039-21729), located at a standard gas well location 795 feet from the South line and 1635 feet from the West line (Unit N) of Section 29. Gas production from the Basin-Dakota Pool is to be included in an existing standard 320-acre lay-down gas spacing and proration unit comprising the N/2 of Section 29, which is currently dedicated to Conoco Inc.'s San Juan "28-7" Unit Well No. 98 (API No. 30-039-06902), located at a standard gas well location 1800 feet from the North and East lines (Unit G) of said Section 29.

The application has been duly filed under the provisions of Rules 104.F and 605.B of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox Basin-Dakota/Blanco-Mesaverde "infill" gas well location for the San Juan "28-7" Unit Well No. 98-M is hereby approved. All of the aforementioned wells and both GPU's will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
W. Thomas Kellahin, Counsel - Santa Fe
Jimmy D. Carlile, Conoco, Inc. - Midland, Texas

010
100

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0139
Expires: March 31, 1993

5. Lease Designation and Serial No.
NM 03560

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
San Juan 28-7

8. Well Name and No.
98M

9. API Well No.

10. Field and Pool, or Exploratory Area
Blanco MV/Basin Dakota

11. County or Parish, State
Rio Arriba, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
**CONOCO INC
CONOCO INC.**

3. Address and Telephone No.
10 DESTA DR. STE. 430E, MIDLAND, TX. 79705-4500

4. Location of Well (Footage, Sec., T. R. M. or Survey Description)
**Sec. 29, T-27-N, R-7-W
2380' FNL & 2055' FWL**

IN CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Repon	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>well location change</u>
	<input type="checkbox"/> Change of Plans
	<input checked="" type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracrunng
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completions/Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Due to the identification of an archeological site, the location has been moved slightly as indicated on the attached C-102 and accompanying plats.

The location remains non-standard and NSL has been applied for.

New location

14. I hereby certify that the foregoing is true and correct

Signed *Jo Ann Johnson* Title Property Analyst Date 7/16/98

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval if any:

BLM(6), SHEAR, PONCA, COST ASST, FILE ROOM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

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 00, 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 (laydown)
*Property Code	*Property Name		*Well Number
16608	SAN JUAN 28-7 UNIT		98M
*OGRID No.	*Operator Name		*Elevation
005073	CONOCO INC.		6596'

¹⁰ Surface Location

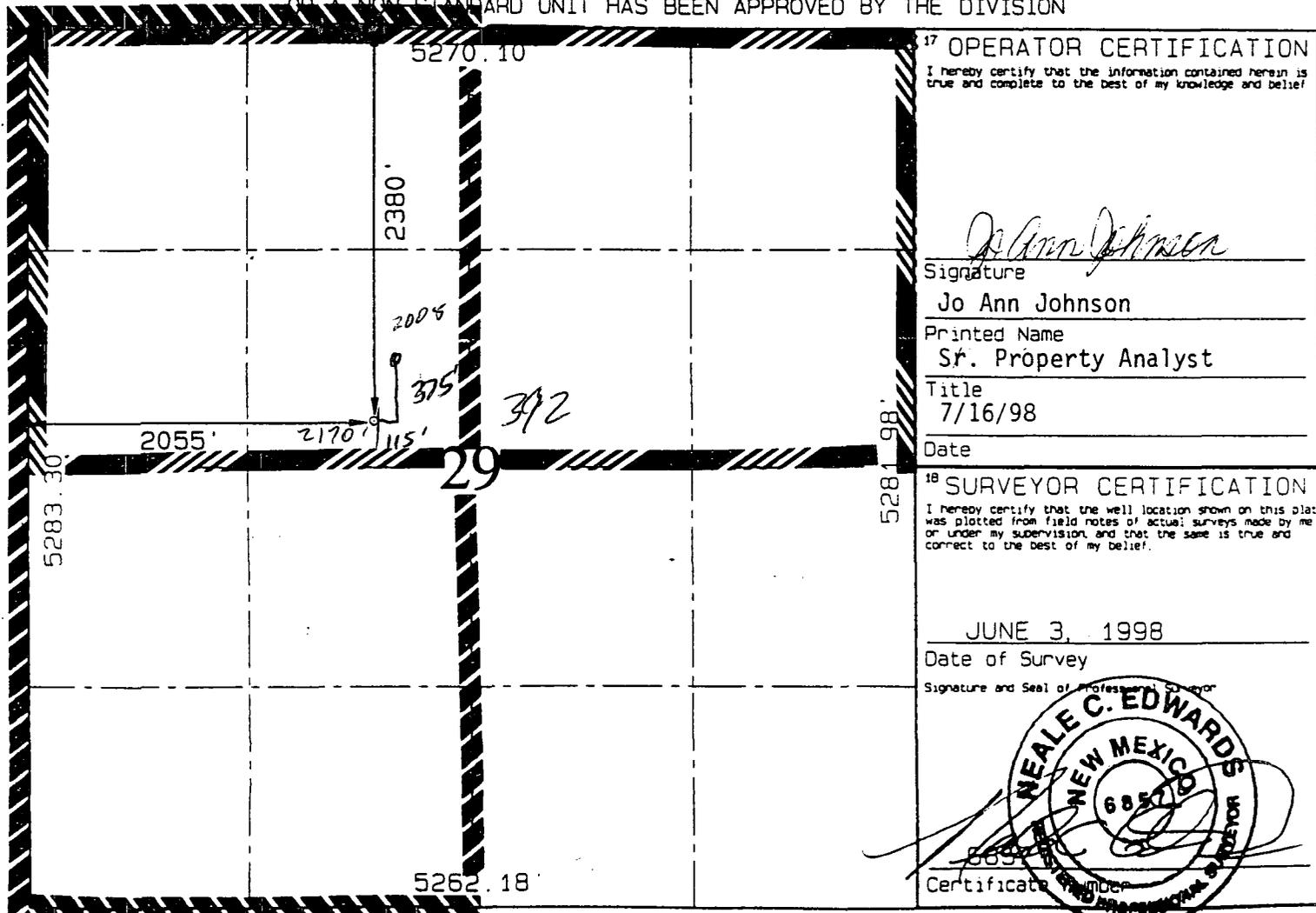
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	29	27N	7W		2380	NORTH	2055	WEST	RIO ARRIBA

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.
320			Non standard location has been 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.

Jo Ann Johnson
 Signature
 Jo Ann Johnson
 Printed Name
 Sr. Property Analyst
 Title
 7/16/98
 Date

¹⁸ SURVEYOR CERTIFICATION

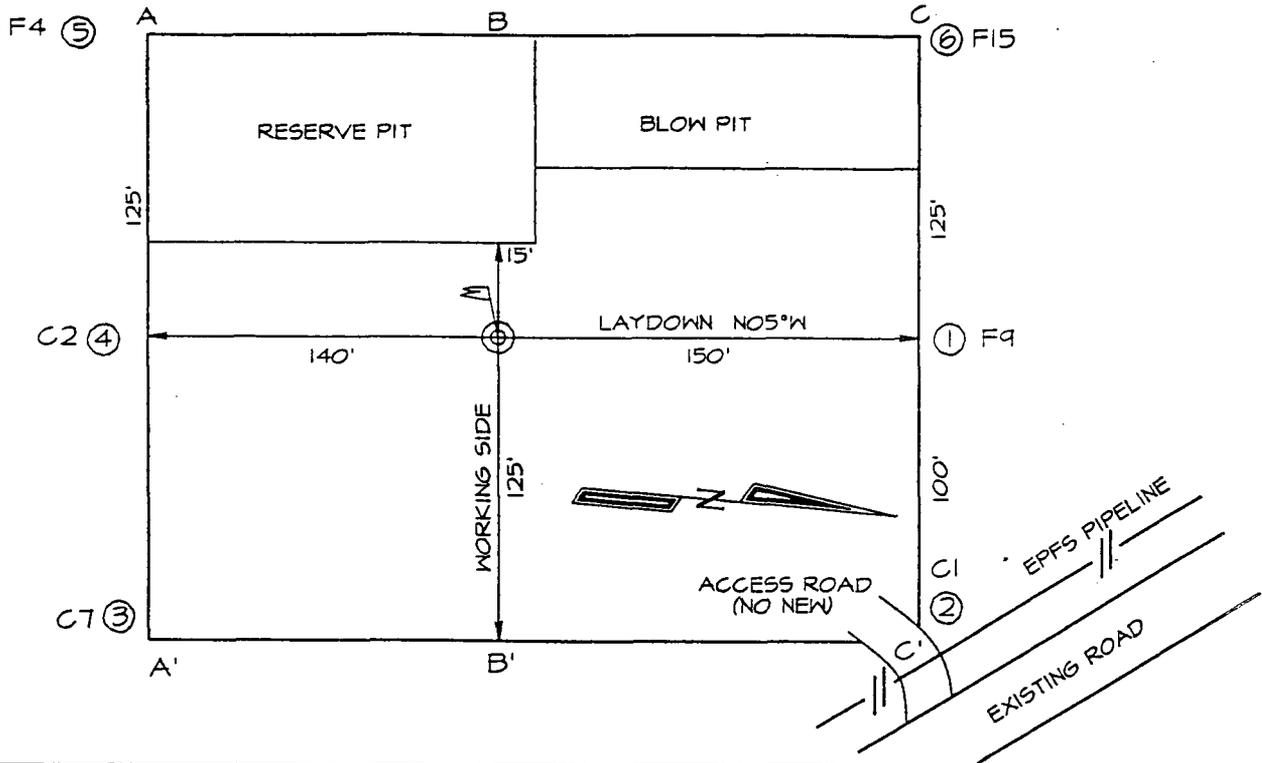
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JUNE 3, 1998
 Date of Survey
 Signature and Seal of Professional Surveyor

 Certificate Number

CONOCO, INC.
SAN JUAN 28-7 UNIT #98M, 2380' FNL, 2055' FWL
SECTION 29, T27N, R7W, NMPM
RIO ARriba COUNTY, NEW MEXICO
GROUND ELEVATION: 6596'

LATITUDE: 36°32'38"
LONGITUDE: 107°35'58"

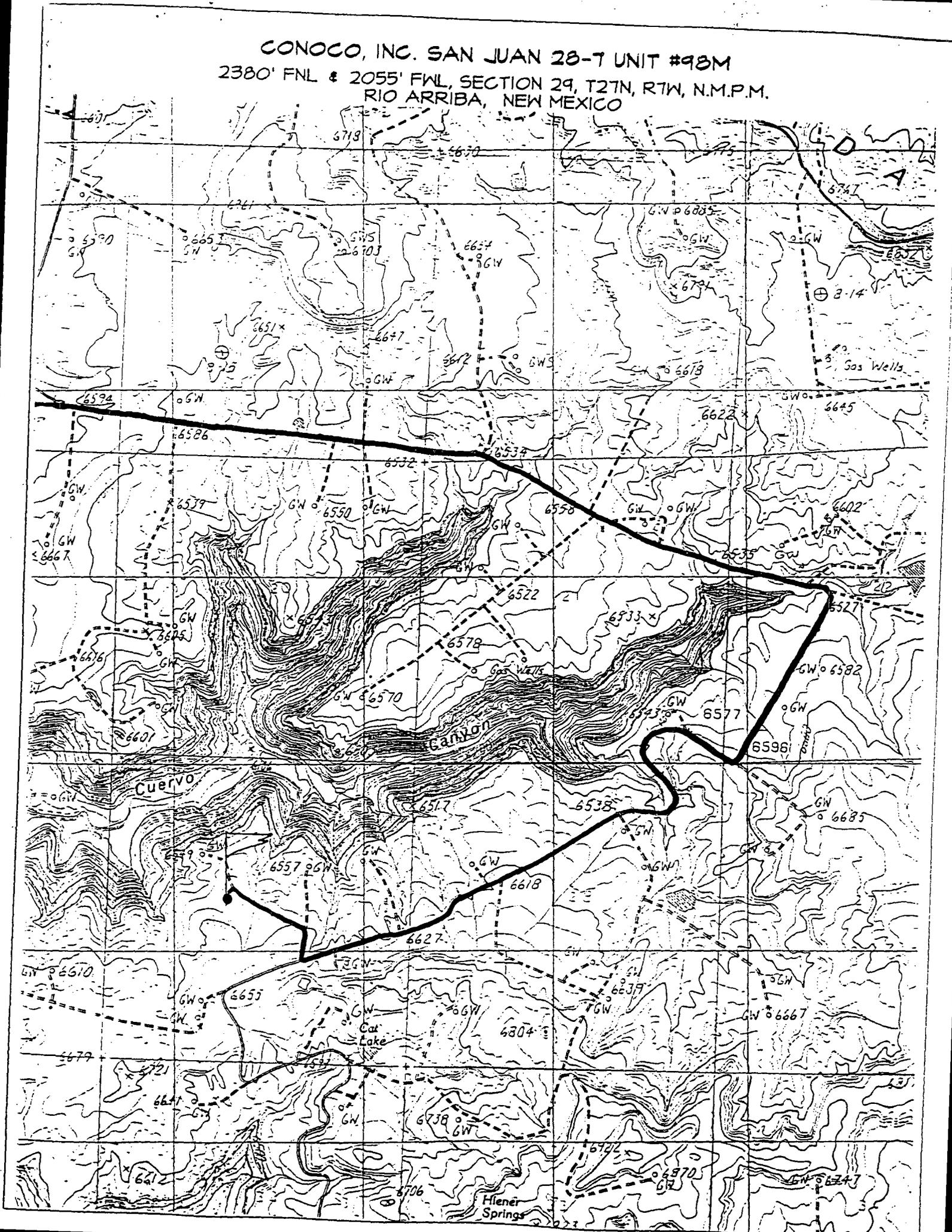


A-A'						
6606'						
6596'	[Profile Line]					
6586'						

B-B'						
6606'						
6596'	[Profile Line]					
6586'						

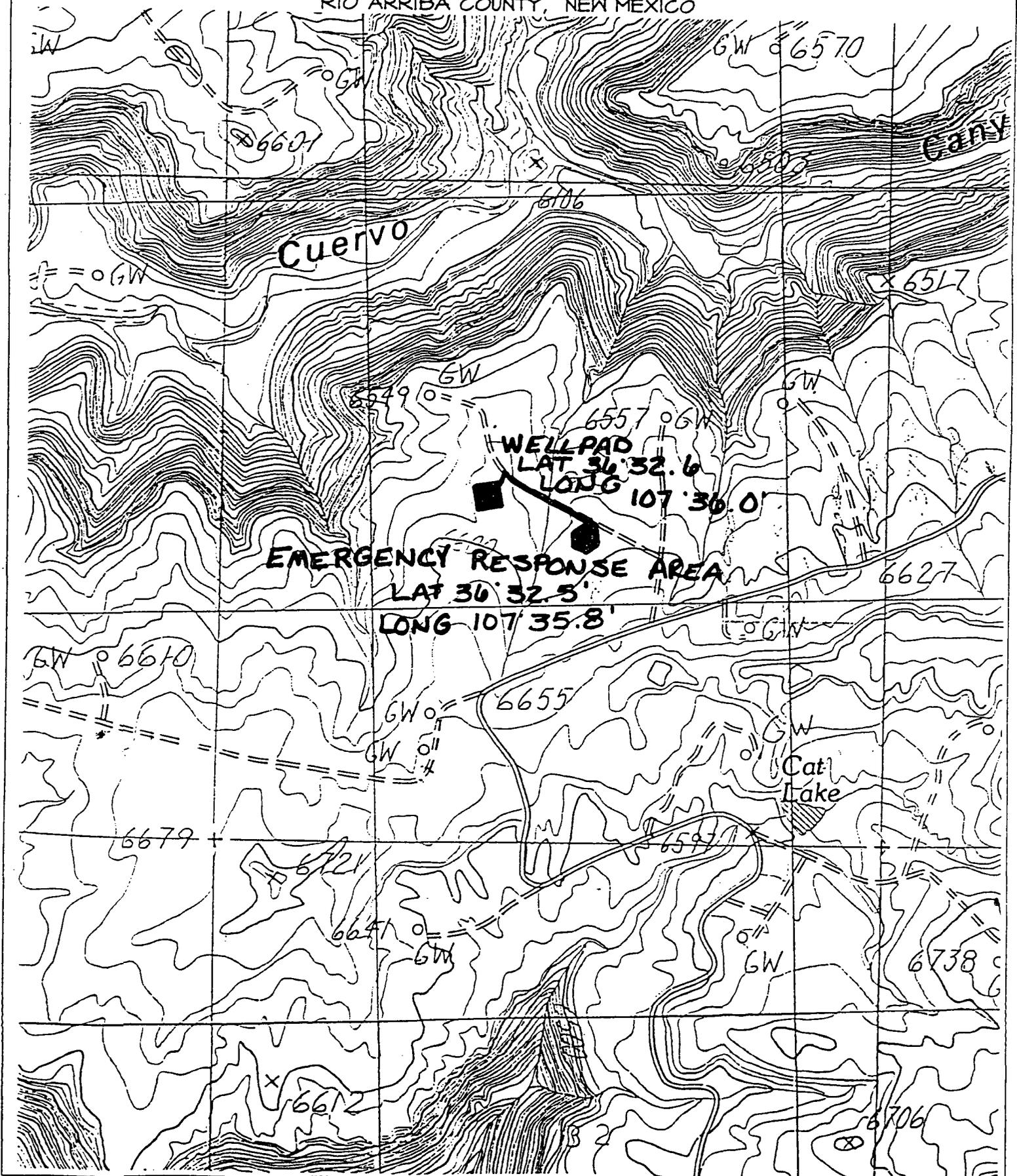
C-C'						
6606'						
6596'	[Profile Line]					
6586'						

CONOCO, INC. SAN JUAN 28-7 UNIT #98M
2380' FNL & 2055' FWL, SECTION 29, T27N, R7W, N.M.P.M.
RIO ARRIBA, NEW MEXICO



EMERGENCY RESPONSE AREA

CONOCO, INC. SAN JUAN 28-7 UNIT #98M
2380' FNL & 2055' FWL, SECTION 29, T27N, R7W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO



Directions from Blanco, NM Post Office to Conoco San Juan 28-7 Unit #98M

2380' ENL & 2055' FWL, Section 29, T27N, R7W, Rio Arriba County, NM.

Travel Easterly on US Hwy 64 for 1.3 miles across the San Juan River to County Road 4450;

Go right (Southerly) on County Road 4450 for 3.7 miles to major road intersection;

Go left (Southeasterly) for 5.0 miles to fork in road;

Go right (Southeasterly) across Carrizo Wash for 4.4 miles to fork in road;

Go right (Southerly) for 3.3 miles up Gould Pass to fork in road;

Go left which is straight (Southeasterly) for 0.5 miles to fork in road;

Go right (Southerly) for 1.4 miles to fork in road;

Go left (Southeasterly) for 2.8 miles to fork in road;

Go right (Southwesterly) for 0.7 miles to fork in road;

Go left (Northwesterly) for 1.3 miles to fork in road;

Go right (Northerly) for 0.1 miles to fork in road;

Go left (Northwesterly) for 0.3 miles to staked location on left hand side of road.

JUNE 3, 1998

CONOCO, INC.
SAN JUAN 28-7 UNIT #98M
2380' FNL, 2055' FWL,
SEC. 29, 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 28-7 UNIT #98M 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 2380' FNL & 2055' FWL WILL HOPEFULLY BE ACCEPTABLE.