

NSL

4/20/99



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

RECEIVED

MAR 31 1999

March 29, 1999

State of New Mexico
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Oil Conservation Division

Attn: Mr. Michael Stogner

**RE: REQUEST FOR ADMINISTRATIVE APPROVAL OF UNORTHODOX WELL LOCATION
SAN JUAN 30-5 UNIT #112 WELL
S/2 SECTION 12-30N-5W
RIO ARRIBA COUNTY, NEW MEXICO
PHILLIPS CONTRACT C40454**

Dear Mr. Stogner:

Phillips Petroleum Company (Phillips) as Operator of the captioned well, respectfully requests administrative approval of an unorthodox well location for said well.

Phillips proposes to drill the San Juan 30-5 Unit #112 well at a location of 1190" FSL & 1730" FEL of Section 12-30N-5W, Rio Arriba County, New Mexico. This well will be located in the Basin Dakota and Blanco Mesaverde Pools and will have the S/2 of Section 12 designated as the drillblock. This location is necessary due to topographical and archeological considerations, the prevention of unnecessary resource damage and is at the request of the Carson National Forest. For your benefit in reviewing this request, we are providing the following:

1. A letter from the Jicarilla Ranger District, Carson National Forest
2. An APD packet for the subject well (Form C-102 included)
3. A topographical plat of the area
4. A nine section plat exhibiting offset operators

This drillblock is located within the confines of the San Juan 30-5 Unit. The offset operators have been furnished with 3 copies of this correspondence by certified mail and are requested to furnish your office with a Waiver of Objection, keep one copy for their records and return one copy to our office.

Thank you for your consideration of this request and should you need additional information or clarification, please do not hesitate to contact the undersigned.

Very Truly Yours,

S. Scott Prather, CPL
Senior Landman, San Juan Area
(505) 599-3410

cc: J.L. Mathis @ C40464
Ernie Busch - OCD, Aztec

WAIVER

_____ hereby waives objection to Phillips Petroleum Company's application for a non-standard location for the San Juan 30-5 Unit #112 well as proposed above.

BY: _____ DATE: _____

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN TRIPPLICATE*
(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF-080537
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Phillips Petroleum Company		7. UNIT AGREEMENT NAME SAN JUAN 30-5 UNIT
3. ADDRESS AND TELEPHONE NO. 5525 Highway 64, NBU 3004, Farmington, NM 87401		8. FARM OR LEASE NAME, WELL NO. SAN JUAN 30-5 UNIT #112
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At surface UNIT O, 1190' FSL & 1730' FEL At proposed prod. zone SAME AS ABOVE		9. API WELL NO.
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*		10. FIELD AND POOL, OR WILDCAT BLANCO MESAVERDE AND BASIN DAKOTA
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SECTION 12-T30N-R5W
17. NO. OF ACRES ASSIGNED TO THIS WELL	18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	12. COUNTY OR PARISH RIO ARRIBA
19. PROPOSED DEPTH 8350'	20. ROTARY OR CABLE TOOLS ROTARY	13. STATE NM
21. ELEVATIONS (Show whether DF, RT, GR, etc.)		22. APPROX. DATE WORK WILL START* 1st QUARTER 1999

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

PRELIMINARY
DRAFT

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED _____ TITLE _____ DATE _____

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

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.

NOTICE OF STAKING (Not to be used in place of Application for Permit to Drill Form 3160-3)		6. Lease Number SF-080537	
1. Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other (Specify)		7. If Indian, Allottee or Tribe Name	
2. Name of Operator PHILLIPS PETROLEUM COMPANY		8. Unit Agreement Name San Juan 30-5 Unit	
3. Name of Specific Contact Person Richard Allred 505-599-3403		9. Farm or Lease Name	
4. Address & Phone No. of Operator or Agent 5525 Hwy. 64, NBU 3004, Farmington, NM 87401		10. Well No. #112	
5. Surface Location of Well Unit O, 1190' FSL & 1730' FEL Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) Topographical or other acceptable map showing location, access road, and lease boundaries		11. Field or Wildcat Name Blanco Mesaverde & Basin Dakota	
		12. Sec., T., R., M., or Blk and Survey or Area Section 12, T30N, R5W	
15. Formation Objective (s) Basin Dakota	16. Estimated Well Depth +/- 8350'	13. County, Parish or Borough Rio Arriba	14. State N.M.

17. Additional Information (as appropriate; must include surface owner's name, address, and telephone number).

Carson National Forest

18. Signed Patsy Clugston Title Regulatory Assistant Date 03/19/99

Note: Upon receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

Operators must consider the following prior to the onsite:

- a) H2S Potential
- b) Cultural Resources (Archaeology)
- c) Federal Right of Way or Special Use Permit

District I
 170 Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-1C
 Revised October 18, 1995
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name SAN JUAN 30-5			6 Well Number 112
7 OGRID No.		8 Operator Name PHILLIPS PETROLEUM COMPANY			9 Elevation 6671'

10 Surface Location

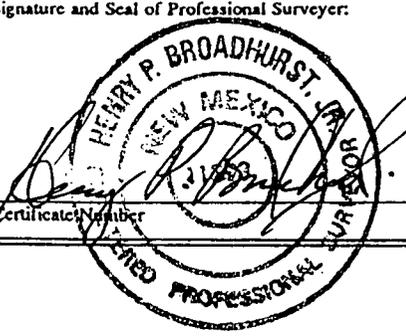
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	12	30N	5W		1190'	SOUTH	1730'	EAST	RIO ARRIBA

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.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR /
 NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16 N89°58'W 2640.00' 5280.00' Section 12 N00°03'E 2640.00' N89°53'W	1320.00'	470.58'	17 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 _____ Title _____ Date _____
		1	
		5280.00'	
		3 North	
	1730'	477.84'	18 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> 03/03/99 Date of Survey Signature and Seal of Professional Surveyor: 
1190'	4		

T30N, R5W		T30N, R4W			
2		1		6	
11 PHILLIPS PETROLEUM COMPANY		12 SCHALK DEVELOPMENT CO.		7 ENERGEN RESOURCES CORP.	
		#112			
14 PHILLIPS PETROLEUM COMPANY		13 PHILLIPS PETROLEUM COMPANY		18 ENERGEN RESOURCES CORP.	

OWNERSHIP PLAT
 OF
 NINE SPACING UNITS
 SURROUNDING
 S/2 SECTION 12-30N-5W
 RIO ARRIBA COUNTY, NEW MEXICO

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

04/01/99 09:48:12
OGOMES -TPVI
PAGE NO: 2

Sec : 12 Twp : 30N Rng : 05W Section Type : NORMAL

L 40.00 Federal owned U	K 40.00 Federal owned U A	J 40.00 Federal owned U	3 14.40 Federal owned U
M 40.00 Federal owned U	N 40.00 Federal owned U	O 40.00 Federal owned U	4 14.45 Federal owned U

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

24
28.85

268.85

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

04/01/99 09:48:07
OGOMES -TPVI
PAGE NO: 1

Sec : 12 Twp : 30N Rng : 05W Section Type : NORMAL

D 40.00 Federal owned	C 40.00 Federal owned A A	B 40.00 Federal owned A	1 14.29 Federal owned U A
E 40.00 Federal owned	F 40.00 Federal owned	G 40.00 Federal owned U	2 14.34 Federal owned U

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12