

BURLINGTON RESOURCES

SAN JUAN DIVISION

Sent Federal Express

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Atlantic A #7B
2045'FSL, 520'FWL Section 29, T-31-N, R-10-W, San Juan County
30-045-not assigned

Dear Mr. Stogner:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for the Mesa Verde pool. This application for the referenced location is for geological reasons as referenced in the attached geological explanation and maps and at the request of the Bureau of Land Management due to the presence of archaeology.

Production from the Mesa Verde pool is to be included in a 333.10 acre gas spacing and proration unit for the south half (S/2) in Section 29 and is to be dedicated to the Atlantic A #7 (30-045-10272) located at 1600'FSL, 1750'FWL of Section 29 and the Atlantic A #7A (30-045-22730) located at 1840'FSL, 1620'FWL of Section 29.

The following attachments are for your review:

- Application for Permit to Drill.
- Completed C-102 at referenced location.
- Offset operators/owners plat
- 7.5 minute topographic map
- Geologic maps and explanation

Three copies of this application are being submitted to offset operators by certified mail with a request that they furnish you with a Waiver of Objection, keep one copy for their files and return one copy to this office. We appreciate your earliest consideration of this application.

We appreciate your earliest consideration of this application.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: NMOCD - Aztec District Office
Bureau of Land Management

WAIVER

_____ hereby waives objection to Burlington Resources' application for a non-standard location for the Atlantic A #7B as proposed above.

By: _____ Date: _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number NM-0606 Unit Reporting Number	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator BURLINGTON RESOURCES Oil & Gas Company	7. Unit Agreement Name	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Atlantic A 9. Well Number 7B	
4. Location of Well 2045' FSL, 520' FWL Latitude 36° 52.1, Longitude 107° 54.7 <i>R-10987A</i>	10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 29, T-31-N, R-10-W API # 30-045-	
14. Distance in Miles from Nearest Town 4 miles to Aztec	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 520'	17. Acres Assigned to Well 333.10	
16. Acres in Lease	17. Acres Assigned to Well 333.10	
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 800'	20. Rotary or Cable Tools Rotary	
19. Proposed Depth 5315'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 5993' GR	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u><i>Deann Bradfield</i></u> Regulatory/Compliance Administrator	<u>2-15-99</u> Date	

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____ DATE _____

Archaeological Report to be submitted

Threatened and Endangered Species Report to be submitted

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

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 presentations as to any matter within its jurisdiction.

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

District II
PO Drawer 00, 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-1
Revised February 21, 1993
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-		² Pool Code 72319		³ Pool Name Blanco Mesaverde	
⁴ Property Code 6800		⁵ Property Name ATLANTIC A			⁶ Well Number 78
⁷ OGRID No. 14538		⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY			⁹ Elevation 5993'

¹⁰ Surface Location

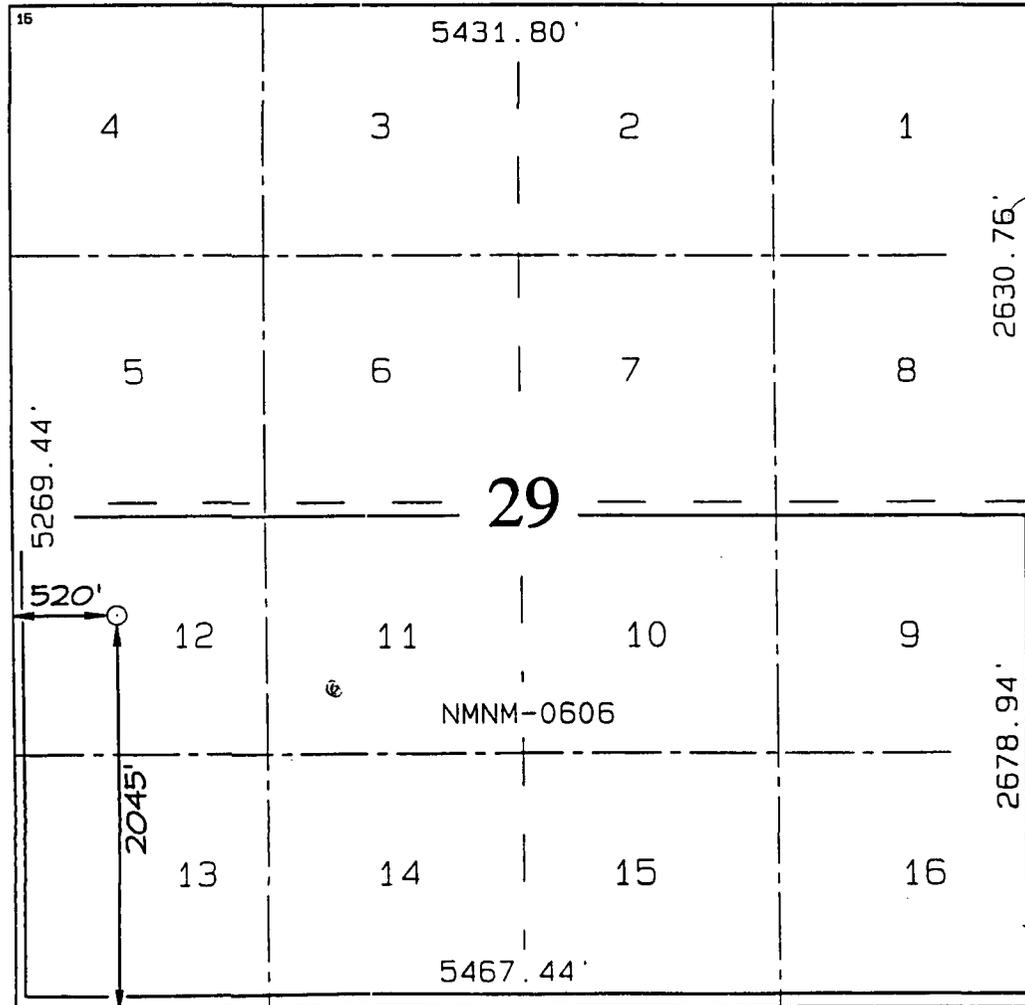
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	29	31N	10W		2045	SOUTH	520	WEST	SAN JUAN

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 S/333.10	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



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

Peggy Bradfield
Signature
Peggy Bradfield
Printed Name
Regulatory Administrator
Title
2-15-99
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.

JANUARY 21, 1999
Date of Survey
Signature and Seal of Professional Surveyor

Certificate No. 6857

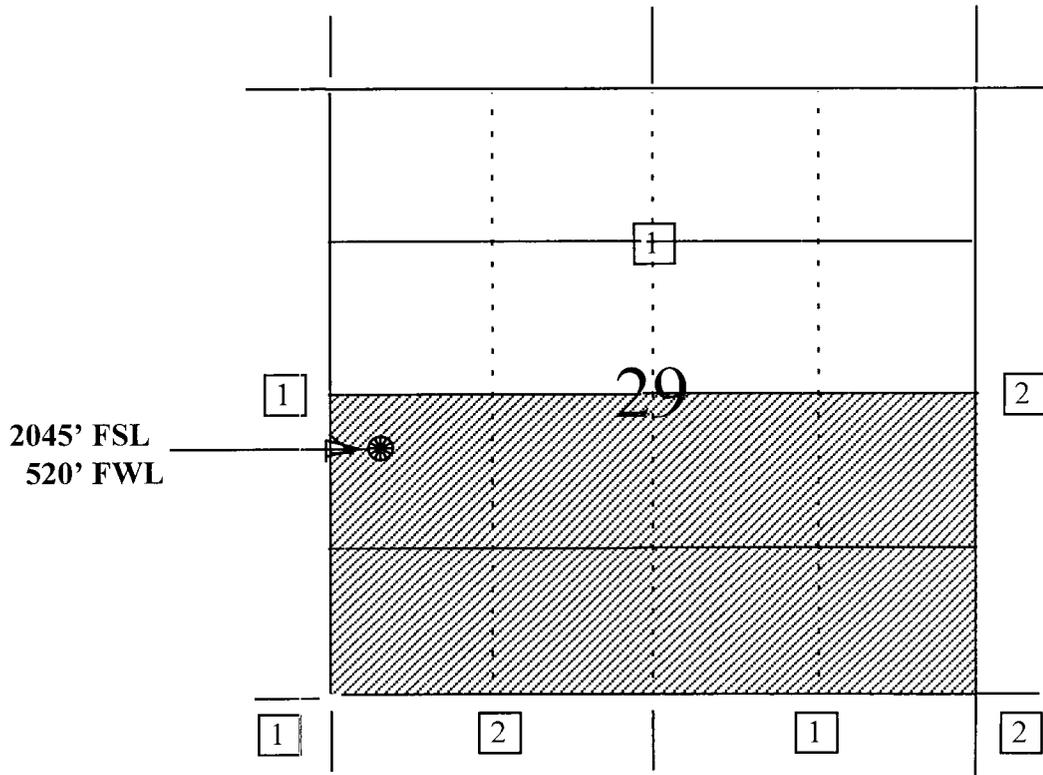
BURLINGTON RESOURCES OIL AND GAS COMPANY

Atlantic A #7B

**OFFSET OPERATOR \ OWNER PLAT
Nonstandard Location**

Mesaverde Formation Well

Township 31 North, Range 10 West



- 1) Burlington Resources
- 2) Amoco Production Company
San Juan Operation Center
200 Amoco Court
Farmington, NM 87401

Re: Atlantic A #7B
2045'FSL, 520'FWL Section 29, T-31-N, R-10-W, San Juan County
30-045-not assigned

I hereby certify that the following offset operators/owners have been mailed notification of our application for non-standard location to drill the referenced well.

Amoco Production Company
San Juan Operation Center
200 Amoco Court
Farmington, NM 87401



Peggy Bradfield
Burlington Resources
Regulatory/Compliance Administrator

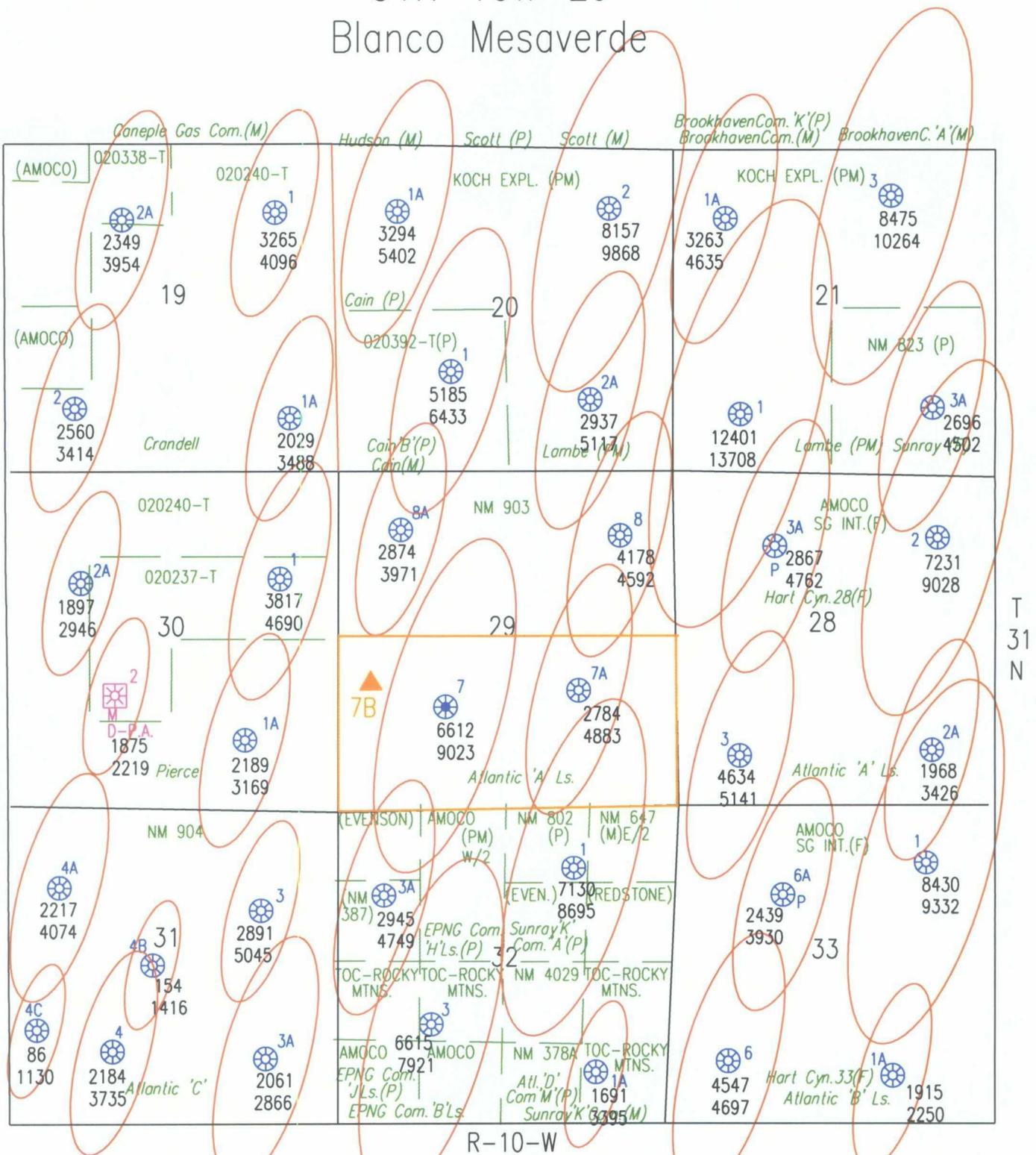
Proposed Atlantic A Well Number 7B
2045' FSL & 520' FWL
Section 29, T31N, R10W
San Juan County, New Mexico
Blanco Mesaverde Pool
Estimated TD 5315'

The location of the proposed test was selected to optimize recovery from the Mesaverde Group. The primary control on productivity in the Mesaverde is the density of natural fractures. Fracture orientation ranges from due north to north 30 degrees east. Gas drainage areas are elliptical in shape with the long axis parallel to the direction of fracture orientation. A drainage ellipse map of the project vicinity indicates that undeveloped gas reserves remain to be exploited in the W/2SW/4 of Section 29, T31N, R10W. The drainage ellipse map is based upon data derived from a larger study of the entire Blanco Mesaverde Pool (estimated ultimate recovery calculated for all wells in the Blanco Mesaverde Pool, original gas in place values calculated for entire Blanco Mesaverde Pool, etc.). Gross recoverable reserves of 1.333 BCFG are projected from the Mesaverde producing interval for the proposed test. As an aside, the proposed Atlantic A #7B will be located just ½ mile to the northeast of a successful pilot area for infill drilling in the Mesaverde. Due to topographic and archeological restrictions, it is not possible to exploit the remaining gas reserves in the Mesaverde in W/2SW/4 of Section 29, T31N, R10W from a standard surface location.

Atlantic A #7B

31N-10W-29

Blanco Mesaverde



CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

05/17/99 09:20:22
OGOMES -TPNX
PAGE NO: 1

Sec : 29 Twp : 31N Rng : 10W Section Type : NORMAL

4 41.08 Federal owned A	3 41.07 Federal owned	2 41.08 Federal owned	1 41.06 Federal owned A
5 41.15 Federal owned A A	6 41.14 Federal owned	7 41.19 Federal owned A A	8 41.17 Federal owned

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

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

05/17/99 09:20:27
OGOMES -TPNX
PAGE NO: 2

Sec : 29 Twp : 31N Rng : 10W Section Type : NORMAL

12 41.32 Federal owned A	11 41.50 Federal owned A A	10 41.72 Federal owned A	9 41.90 Federal owned
13 41.39 <u>82.71</u> Federal owned A	14 41.57 <u>83.07</u> Federal owned	15 41.76 <u>83.48</u> Federal owned A A	16 41.94 <u>83.84</u> Federal owned

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

82.71
83.07
165.78
83.48
249.26
83.84
333.10

CMD : ONGARD 05/17/99 09:21:16
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPNX

API Well No : 30 45 22730 Eff Date : 10-01-1978 WC Status : A
Pool Idn : 72319 BLANCO-MESAVERDE (PRORATED GAS)
OGRID Idn : 14538 BURLINGTON RESOURCES OIL & GAS CO
Prop Idn : 6801 ATLANTIC A LS

Well No : 007A
GL Elevation: 6039

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
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B.H. Locn	: 10	29	31N	10W	FTG 1840 F S	FTG 1620 F E	P

Lot Identifier:

Dedicated Acre: 333.10

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 05/17/99 09:20:39
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPNX

API Well No : 30 45 10272 Eff Date : 01-01-1900 WC Status : A
Pool Idn : 72319 BLANCO-MESAVERDE (PRORATED GAS)
OGRID Idn : 14538 BURLINGTON RESOURCES OIL & GAS CO
Prop Idn : 6800 ATLANTIC A

Well No : 007
GL Elevation: 6032

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
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B.H. Locn	: 11	29	31N	10W	FTG 1600 F S	FTG 1750 F W	P

Lot Identifier:

Dedicated Acre: 333.10

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC