

DATE IN 11/17/00	SUSPENSE 12/7/00	ENGINEER MS	LOGGED BY KW	TYPE NSL
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ABOVE THIS LINE FOR DIVISION USE ONLY

32248281

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

- NSL NSP DD SD

NOV 17 2000

Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

- DHC CTB PLC PC OLS OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

- WFX PMX SWD IPI EOR PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] Working, Royalty or Overriding Royalty Interest Owners

[B] Offset Operators, Leaseholders or Surface Owner

[C] Application is One Which Requires Published Legal Notice

[D] Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Kay Maddox
Print or Type Name

Kay Maddox
Signature

Regulatory Agent
Title

11/9/ 2000
Date

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285

TELEFAX (505) 982-2047

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

November 18, 2000

HAND DELIVERED

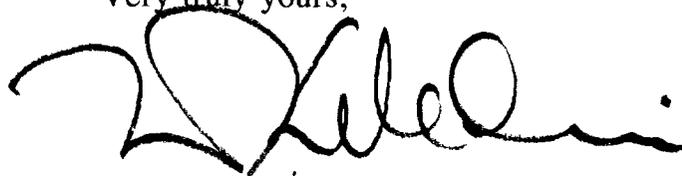
Mr. Michael E. Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

**Re: SEMU Well No. 154
Administrative Application of Conoco Inc.
for an unorthodox well location
1760' FSL & 2310' FEL (Unit J)
Section 30, T20S, R38E
North Hardy-Strawn Pool,
Lea County, New Mexico**

Dear Mr. Stogner:

On behalf of Conoco Inc., please find enclosed its application for an unorthodox well Location for the referenced well. In accordance with your request at the hearing held yesterday in Case 12532 and Case 12182, I will incorporate the approval of this application into our proposed order to be submitted to you by December 1, 2000.

Very truly yours,



W. Thomas Kellahin

cfx: Conoco Inc.
Attn: Kay Maddox



Mid-Continent Region
Exploration/Production

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

November 9, 2000

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

Application for Nonstandard location North Hardy Strawn Pool

SEMU # 154 – New Drill
Section 30, T-20-S, R-38-E, J
1760 FSL & 2310 FEL
Lea County, NM

Dear Mr. Stogner,

Conoco respectfully requests your approval of this administrative application for a nonstandard location order for the above listed well.

The North Hardy Strawn pool rules state that a standard location is 660' from the outer boundary of the 160-acre proration unit. The SEMU # 154 staked location is only 330' from the west line of the 160-acre proration unit. Please reference attached C-102 plat.

The Strawn play in this area is based on a 3-D seismic interpretation that has meticulously defined the thickest porosity zones. The location of new drilling prospects is based on the proximity to thick porosity zones coordinated with structure. Data collected from surrounding wells proves that dolomitic stratigraphy is necessary for productive Strawn wells in the North Hardy Strawn pool. Conoco feels that the placement of the above listed well will not compromise the validity of the scientific data interpretation. This location was chosen as an eastern extension of the productive Strawn established in the SEMU #134 and D. M. Warren #137 wells located in T20S R38E Section 30 within the North Hardy Strawn Pool. A seismic line from the 3D survey is included as Exhibit 1, which extends west-east through the SEMU 134 and SEMU 150 wells and the proposed location. The Abo reflector is interpreted as the blue line at about 1000 milliseconds. The Top Strawn and Top Devonian are the red and green picks at about 1060 and 1100 milliseconds. As the interpretation indicates the Top Strawn would be encountered deeper in the SEMU 150 than in the SEMU 134 and also illustrates that the Strawn thins to a point of being nearly absent at the eastern end of the seismic line. The well logs show the Strawn was encountered 82 feet lower in the SEMU 150 than the SEMU 134. The high interpreted at the Top Strawn to the east of the SEMU 150 is the target of the proposed SEMU 154. This location was chosen as the highest point that can be reached on this structural feature and still remain standard for possible shallow recompletion potential. If the location were moved further east, structural position would be lost and a thinner section of Strawn would be encountered.

The data submitted substantiates Conoco's belief that a standard location for this well would result in a poor or unsuccessful Strawn well completion. Conoco believes that the proposed unorthodox location is strategically staked where the good porosity development of the Strawn reservoir lies on trend with structure.

Please note that Conoco will only be encroaching interior to their lease, there is no notification to an offset operator required. Upon completion and determination of commerciality the Strawn

Southeast Monument Unit participating area will be extended to include this well's 160-acre proration unit.

Conoco respectfully requests that a nonstandard location order be granted for the SEMU # 154. If any additional information is required please call me at (915) 686-5798.

Sincerely,


Kay Maddox
Regulatory Agent – Conoco

Cc: Oil Conservation Division – Hobbs, NM

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

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

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 96893	Pool Name North Hardy STRAWN
Property Code	Property Name SEMU	Well Number 154
OGRID No.	Operator Name CONOCO INC.	Elevation 3515'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	30	20 S	38 E		1760	SOUTH	2310	EAST	LEA

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

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No. Nonstandard location Order applied for
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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

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kay Maddox</i> Signature</p> <p>KAY MADDOX Printed Name</p> <p>Regulatory Agent Title</p> <p>October 31, 2000 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>October 18, 2000 Date Surveyed</p> <p>JONES Signature & Seal of Professional Surveyor</p> <p>7977 W.O. No. 0580</p> <p>Certificate No. GgkLND Jones 7977</p> <p>BASIN SURVEYS</p>

J.A.H.

COMPANY: Conoco, Inc.

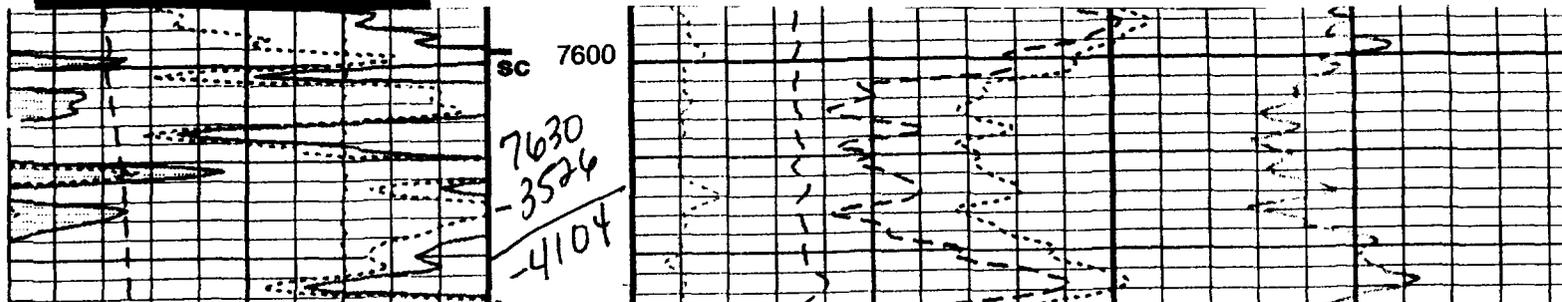
WELL: SEMU No. 150

FIELD: North Hardy

COUNTY: Lea

STATE: New Mexico

COUNTY: Lea Field: North Hardy Location: 1980' FSL & 1980' FWL Well: SEMU No. 150 Company: Conoco, Inc.	Schlumberger		PLATFORM EXPRESS Three Detector Density Compensated Neutron /			
	1980' FSL & 1980' FWL Section 30, Township 20S, Range 38E				Elev.: K.B. 3526 G.L. 3515 D.F. 3525	
	Permanent Datum:		Ground Level		Elev.: 3515 ft	
	Log Measured From:		Kelly Bushing		11.0 ft above Perm.	
Drilling Measured From:		Kelly Bushing				
API Serial No. 30-025-35115		SECTION 30		TOWNSHIP 20S		
Logging Date		2-SEP-2000				
Run Number		ONE				
Depth Driller		7870 ft				
Schlumberger Depth		7871 ft				
Bottom Log Interval		7853 ft				
Top Log Interval		1524 ft				
Casing Driller Size @ Depth		8.625 in @		1527 ft @		
Casing Schlumberger		1524 ft				
Bit Size		7.875 in				
Type Fluid In Hole		SATURATED BRINE				
MUD	Density	Viscosity	10 lbm/gal	29 s		
	Fluid Loss	PH	10 cm3	10		
Source Of Sample		CIRCULATION PIT				
RM @ Measured Temperature		0.054 ohm.m @	74 degF	@		
RMF @ Measured Temperature		0.041 ohm.m @	74 degF	@		
RMC @ Measured Temperature		@		@		
Source RMF	RMC	CALCULATED				
RM @ MRT	RMF @ MRT	0.038 @ 111	0.028 @ 111	@		
Maximum Recorded Temperatures		111 degF	111	111		
Circulation Stopped		Time	1-SEP-2000	14:00		
Logger On Bottom		Time	2-SEP-2000	3:00		
Unit Number	Location	3125	Hobbs, NM			
Recorded By		Will Yount				
Witnessed By		Todd Wilson				



COMPANY: CONOCO, INC.

WELL: SEMU No. 134

FIELD: South Cass Strawn

COUNTY: Lea

STATE: New Mexico

Schlumberger
Platform Express
Three Detector Litho-Dens
Compensated Neutron / N_q

1650' FSL & 450' FWL
 Sec. 30, T-20S, R-38E
 Elev.: K.B. 3522 ft
 G.L. 3511 ft
 D.F. 3521 ft

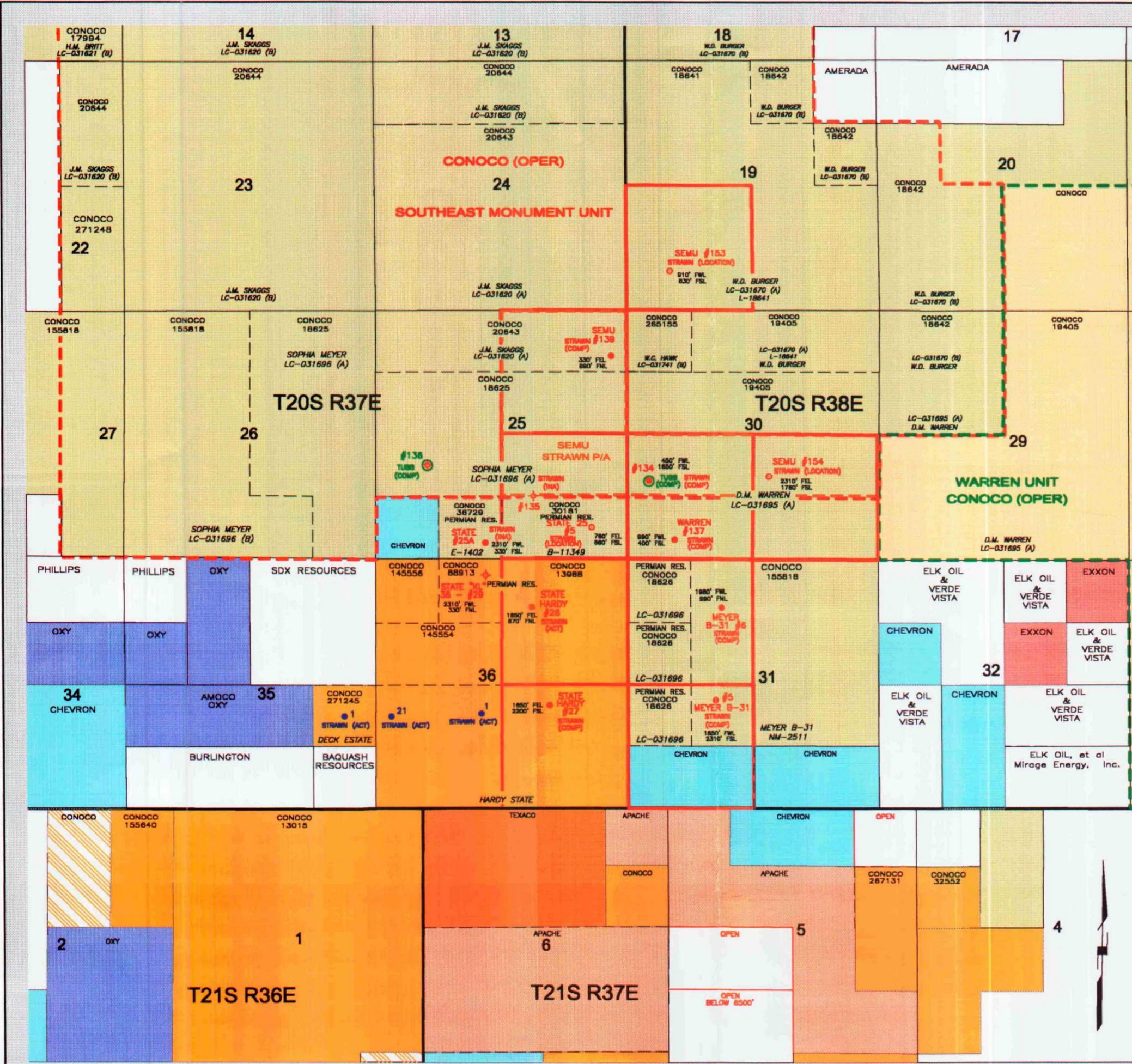
Permanent Datum: Ground Level Elev.: 3511 ft
 Log Measured From: Kelly Bushing 11.0 ft above Perm. Datum
 Drilling Measured From: Kelly Bushing

API Serial No. 30-025-34382
 SECTION 30
 TOWNSHIP 20S
 RANGE 38E

COUNTRY: Lea	Logging Date	7-AUG-1999
Field: South Cass Strawn	Run Number	One
Location: 1650' FSL & 450' FWL	Depth Driller	7850 ft
Well: SEMU No. 134	Schlumberger Depth	7824 ft
Company: Conoco, Inc.	Bottom Log Interval	7806 ft
LOCATION	Top Log Interval	200 ft
	Casing Driller Size @ Depth	8.625 in @ 1383 ft
	Casing Schlumberger	1379 ft
	Bit Size	7.875 in
	Type Fluid In Hole	Brine Water
	Density	10 lbm/gal 32 s
	Viscosity	18 cm ³ 10
	Fluid Loss	Mud Pit
	PH	
	Source Of Sample	
	RM @ Measured Temperature	0.042 ohm.m @ 91 degF
	RMF @ Measured Temperature	0.042 ohm.m @ 91 degF
	RMC @ Measured Temperature	@
	Source RMF	Calculated
	RM @ MRT	0.036 @ 107 @ 107 @
	RMF @ MRT	0.036 @ 107 @ 107 @
	Maximum Recorded Temperatures	107 degF
	Circulation Stopped	Time 7-AUG-1999 7:30
	Logger On Bottom	Time 7-AUG-1999 22:15
	Unit Number	3049 Roswell, N.M.
	Location	C. Scheideman
	Recorded By	Joe Miller
	Witnessed By	

**LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE**

**LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE**



LEGEND

- SOUTHEAST MONUMENT UNIT
CONOCO - OPERATOR
- SOUTHEAST MONUMENT UNIT
STRAWN P/A
- WARREN UNIT
CONOCO - OPERATOR
- CONOCO 50%
ARCO 25%
CHEVRON 25%
- CONOCO - 100%
LEASEHOLD
- CONOCO
WARREN UNIT
- APACHE
- CHEVRON
- CONOCO - OXY TRADE
HP 10/20/2000
- EXXON
- OTHER
- OPEN
- OXY
- TEXACO
- STRAWN WELL / LOCATION - North Herby Strawn Pool
- STRAWN WELL / LOCATION - South Coas Pool

DATE: 11/10/2000
 DRAWN BY: glg
 CHECKED BY:
 APPROVED BY:
 SCALE: 1" = 2000'
 STATE PLANE COORDINATES REFERRED TO
 NAD27 - NEW MEXICO EAST
 STATE PLANE COORDINATES
 ZONE - 3001

CONOCO EXPLORATION PRODUCTION AMERICAS

STRAWN DEVELOPMENT
 LEA COUNTY
 NEW MEXICO

STATE	API COUNTY	WELL	DRAWING
30	025	-	2000STRN

CONOCO INC. OFFICE
 10 DESTA DRIVE WEST
 MIDLAND, TEXAS 79705

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

01/26/01 12:36:59
OGOMES -TPF1
PAGE NO: 1

Sec : 30 Twp : 20S Rng : 38E Section Type : NORMAL

1 40.38 Federal owned A	C 40.00 Federal owned A	B 40.00 Federal owned A	A 40.00 Federal owned
2 40.32 Federal owned A A	F 40.00 Federal owned A	G 40.00 Federal owned	H 40.00 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

01/26/01 12:37:02
OGOMES -TPF1
PAGE NO: 2

Sec : 30 Twp : 20S Rng : 38E Section Type : NORMAL

3 40.28 Federal owned A	K 40.00 Federal owned A	J 40.00 Federal owned	I 40.00 Federal owned
4 40.22 Federal owned A	N 40.00 Federal owned	O 40.00 Federal owned	P 40.00 Federal owned

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