

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

Case 12253

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

JUN 22

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.

Peggy Bradfield _____ Regulatory/Compliance Administrator _____
Print or Type Name Signature Title Date

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: McDaniel #1R
1150'FSL, 1235'FWL Section 17, T-29-N, R-11-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 Fulcher Kutz Pictured Cliffs pool. This application for the referenced location is because there is a housing subdivision which covers most of the legal windows, and a large sand wash which runs through the center of those windows. The proposed location also utilizes part of an existing pad for the McDaniel B #1 (30-045-08232) located at 1080'FSL, 1185'FWL in Section 17.

Production from the Pictured Cliffs pool is to be included in a 160 acre gas spacing and proration unit for the SWSW/4 of Section 17, the SESE/4 of Section 18, the NENE/4 of Section 19, and the NWNW/4 of Section 20 as established under Order R-666 (attached).

The following attachments are for your review:

- Application for Permit to Drill.
- Completed C-102 at referenced location.
- Offset operators/owners plat – Burlington is the offset operator
- 7.5 minute topographic map

We appreciate your earliest consideration of this application.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: NMOCD - Aztec District Office
Bureau of Land Management

District I
 PO 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

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-101
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address. Burlington Resources PO Box 4289, Farmington, NM 87499		² OGRID Number 14538
		³ API Number 30-045-
⁴ Property Code	⁵ Property Name McDaniel	⁶ Well No. #1R

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	17	29N	11W		1150'	South	1235'	West	San Juan

⁸ Proposed 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
⁹ Proposed Pool 1 Fulcher Kutz Pictured Cliffs - 77200					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code FEE	¹⁵ Ground Level Elevation 5558'GR
¹⁶ Multiple	¹⁷ Proposed Depth 1870'	¹⁸ Formation Pictured Cliffs	¹⁹ Contractor N/A	²⁰ Spud Date N/A

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
7 7/8"	5 1/2"	15.5#	120'	62 cu.ft.	Surface
4 3/4"	2 7/8"	6.5#	1870'	321 cu.ft.	Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

11" 2000-psi minimum double gate BOP

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Peggy Bradfield*

Printed name: Peggy Bradfield (vkh)

Title: Regulatory/Compliance Administrator

Date: 6-2-99

Phone: 505-326-9700

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:
 Attached

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-10
Revised February 21, 1999
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 77200		3 Pool Name Fulcher Kutz Pictured Cliffs	
4 Property Code		5 Property Name McDANIEL		6 Well Number 1R	
7 OGRID No. 14538		8 Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY		9 Elevation 5558'	

10 Surface Location

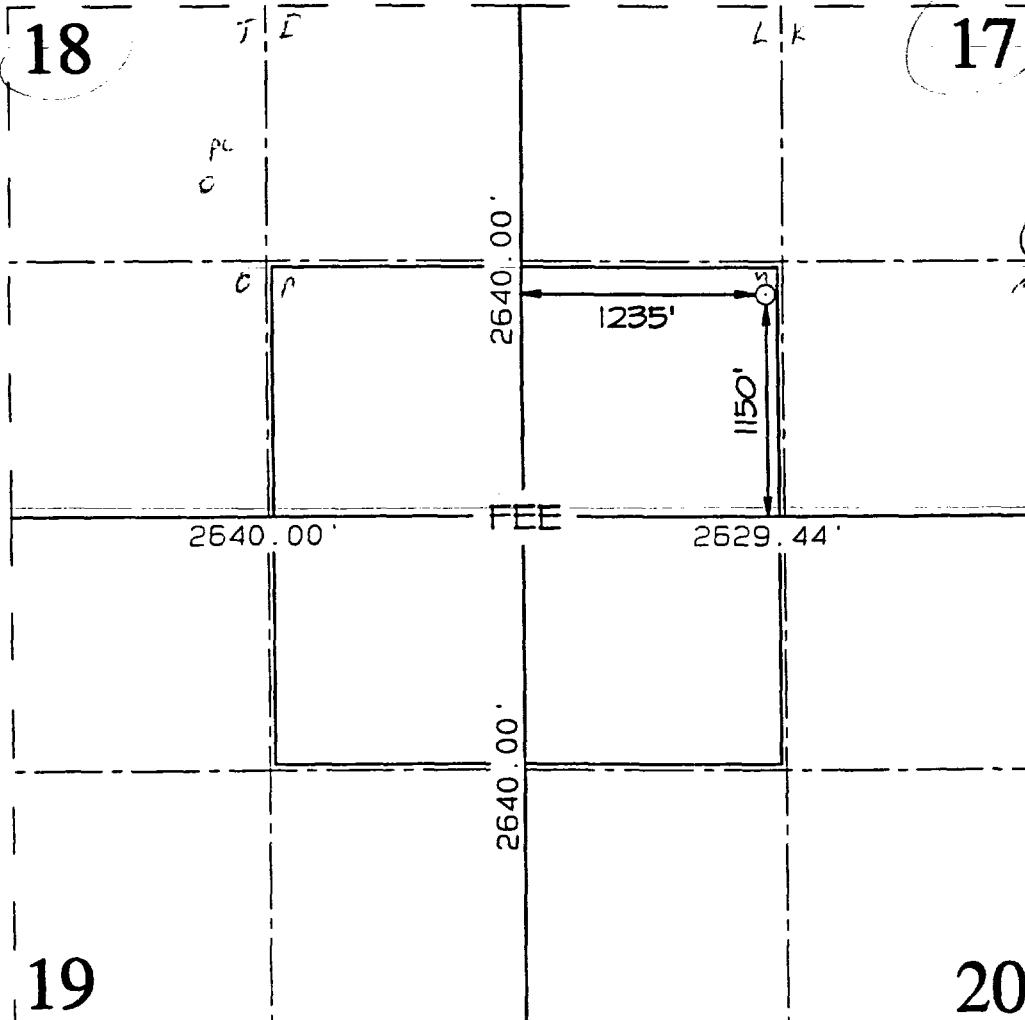
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	17	29N	11W		1150	SOUTH	1235	WEST	SAN JUAN

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 NE/160	13 Joint or Infill	14 Consolidation Code	15 Order No. R-6666
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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

5-25-99
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.

APRIL 9 1999
Date of Survey

Signature and Seal of Professional Surveyor

NEALE C. EDWARDS
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR
6857

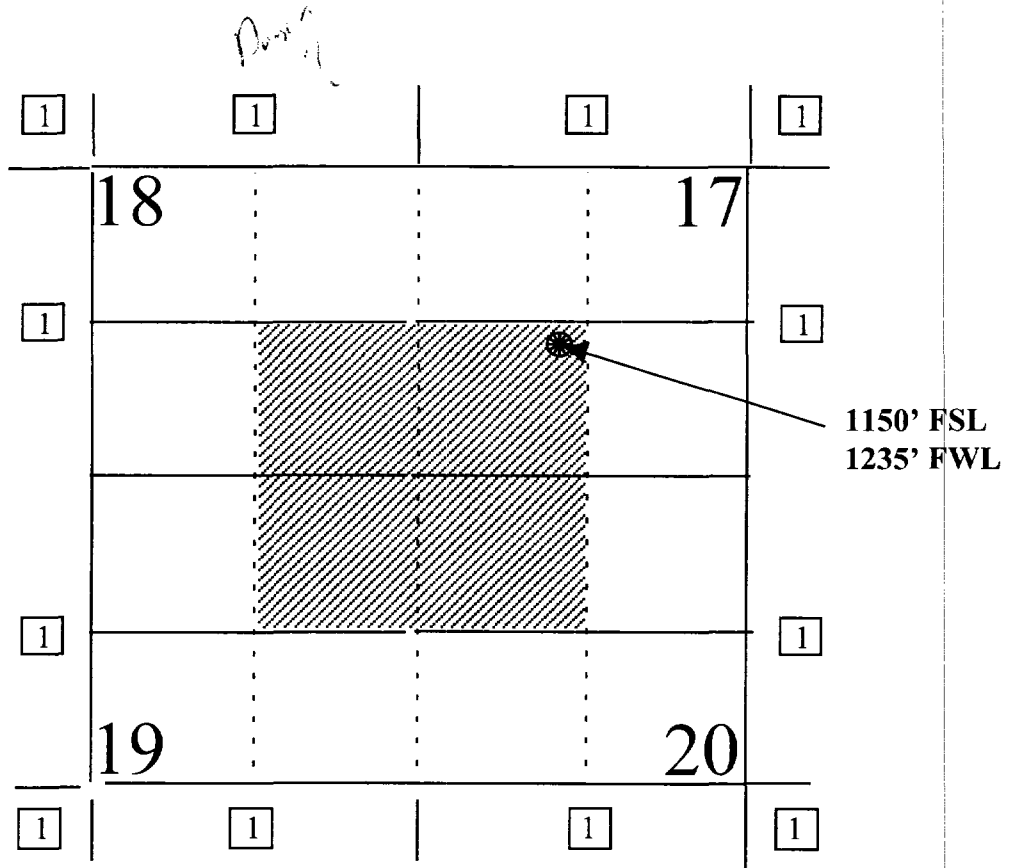
Certificate Number 6857

BURLINGTON RESOURCES OIL AND GAS COMPANY

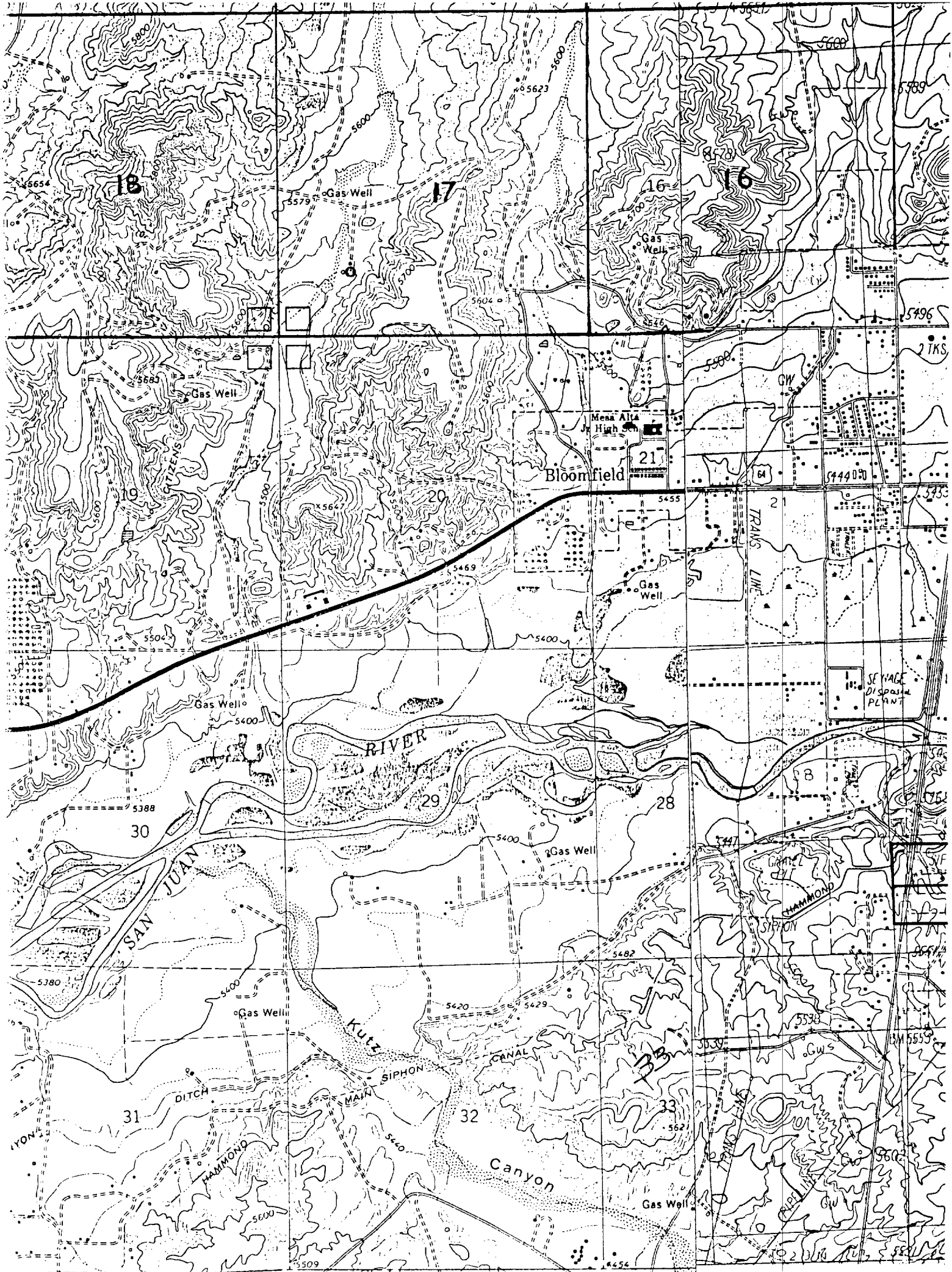
**McDaniel #1R
OFFSET OPERATOR / OWNER PLAT
Nonstandard Location**

Pictured Cliffs Formation Well

Township 29 North, Range 11 West



1) Burlington Resources



ILLEGIBLE

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

McDaniel #1R

CASE NO. 394
Order No. R-666

THE APPLICATION OF AZTEC OIL AND GAS
COMPANY FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT TO
RULE 6 (a) OF THE SPECIAL RULES AND
REGULATIONS FOR THE FULCHER KUTZ-
PICTURED CLIFFS GAS POOL OF ORDER NO.
R-565 IN ESTABLISHMENT OF A NON-STANDARD
GAS PRORATION UNIT OF 160 CONTIGUOUS ACRES
CONSISTING OF THE SW/4 SW/4 SECTION 17, SE/4
SE/4 SECTION 18, NE/4 NE/4 SECTION 19 AND NW/4
NW/4 SECTION 20, TOWNSHIP 29 NORTH, RANGE 11 WEST,
NMPM, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 18,
1955 and June 23, 1955, at Santa Fe, New Mexico, before the Oil Conservation
Commission, hereinafter referred to as the "Commission".

NOW, on this 27th day of July, 1955, the Commission, a
quorum being present, having considered the testimony adduced, and being
fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the
purpose thereof having been given as required by law, the Commission has
jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 6 (a) of the Special Rules
and Regulations for the Fulcher Kutz-Pictured Cliffs Gas Pool, of Order No.
R-565, the Commission has power and authority to permit the formation of a
gas proration unit consisting of other than a legal quarter section after notice
and hearing by the Commission.

(3) That applicant, Aztec Oil and Gas Company, is the owner of
an oil and gas lease in San Juan County, New Mexico the land consisting of
other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
SW/4 SW/4 Section 17, SE/4 SE/4 Section 18,
NE/4 NE/4 Section 19 and NW/4 NW/4 Section 20

containing 160 acres, more or less.

ILLEGIBLE

(4) That applicant, Aztec Oil and Gas Company has a producing gas well on the aforesaid lease known as McDaniels Well No. 1, located 239 feet from the North line and 250 feet from the East line of Section 19, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico.

(5) That the aforesaid well was completed and in production prior to December 28, 1954, the effective date of Order No. R-395, and is located within the horizontal limits and vertical limits of the pool heretofore delineated and designated as the Fulcher Nutz-Pictured Cliffs Gas Pool.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Fulcher Nutz-Pictured Cliffs Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 180 acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Fulcher Nutz-Pictured Cliffs Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of the Aztec Oil and Gas Company for approval of a non-standard proration unit consisting of the following described acreage:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
SW/4 NW/4 Section 17, SE/4 SE/4 Section 18,
NE/4 NE/4 Section 19 and NW/4 NW/4 Section 20

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, McDaniels Well No. 1, located in the NE/4 NE/4 of Section 19, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, shall be granted a 180-acre unit allowable in said Fulcher Nutz-Pictured Cliffs Gas Pool, all until further order of the Commission.

DONE at Santa Fe, New Mexico, the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN W. [Name], Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

SEAL