



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

*no appeal
10-19-90*

dl
97
GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

October 9, 1990

Phillips Petroleum Company
4001 Penbrook
Room 401
Odessa, TX 79762

Attention: L.M. Sanders

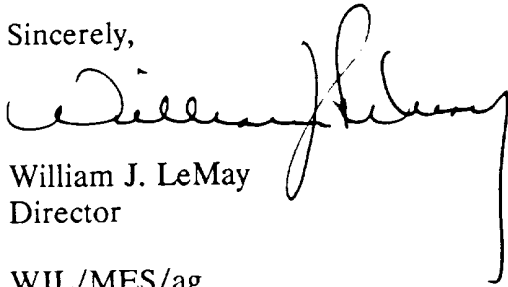
Administrative Order NSL-2888

Dear Mr. Sanders:

Reference is made to your application dated September 29, 1990 for a non-standard coal gas well location for your San Juan 30-5 Unit Well No. 210 to be located 1259 feet from the South line and 745 feet from the West line (Unit M) of Section 30, Township 30 North, Range 5 West, NMPM, Basin Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico. Lots 1 through 4 and the E/2 W/2 (W/2 equivalent) of said Section 30 shall be dedicated to the well forming a standard 318.25-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington

RECEIVED
OCT 17 1990
OIL CON. DIV.
DIST. 3



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

1000 THE INDIAN ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Date: 10-8-90

ATTN: Mike Stogner

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Re: Proposed HC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 10-3-90
for the Phillips Petroleum Co. S.T. 30-5 Unit #210
Operator Lease & Well No.

M-30-30W-9W and my recommendations are as follows:
Unit, S-T-R

Approved

Yours truly,

Emil Busch



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762
4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP

September 29, 1990

Unorthodox Location Request
San Juan 30-5 Unit, Well No. 210
Rio Arriba County, New Mexico

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: Mr. William J. LeMay, Director

Gentlemen:

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OCT 3 1990

OIL CON. DIV.
DIST. 3

Phillips Petroleum Company respectfully requests an exception to Rule 7 of the Basin Fruitland Coal Gas Pool Rules for an unorthodox location for the subject well, due to topographic and archaeological conditions. This request can be approved administratively under the provisions of Rule 8 of the Basin Fruitland Coal Gas Pool Rules.

This is a Federal Lease with both the minerals and the surface use managed by the United States Department of the Interior, Bureau of Land Management, Farmington Resource Area. The staked location was agreed upon by Bill Liess, Surface Inspector, BLM; Peggy Gaudy, Archaeologist, BLM; and Larry Sanders, Phillips Petroleum Company employee. The staked location of Well No 210 is in Unit M, 1259' FSL and 745' FWL of Section 30, T-30-N, R-5-W, Rio Arriba County, New Mexico. The Basin Fruitland Coal Gas Pool Rules require the well location to be no closer than 790' to any outer boundary of the proration unit, and the staked location is 45' to near the west line of Section 30. Due to the topographical conditions of the area to the east of the staked location and an archaeological site to the north of the staked location, Phillips was unable to stake the well at a standard location. The 320-acre proration unit is offset to the west by Meridian Oil, Inc.


Attachments to support approval are:

1. Complete APD packet dated September 15, 1990, with all necessary attachments.
2. Archaeological report prepared by La Plata Archaeological Consultants.
3. A copy of a portion of the Gomez Ranch Quadrangle topographical map showing Section 30.
4. A certified statement that the information is current and correct.

Mr. William J. LeMay, Director
Non-Standard Location Request
San Juan 30-5 Unit, Well No. 210
Rio Arriba County, New Mexico
September 29, 1990
Page 2

The above attachments will provide all of the information requested in Mr. W. J. LeMay's memorandum dated March 21, 1990. If any additional information is required, please contact me at the letterhead address or telephone (915) 368-1488.

Sincerely,


L. M. Sanders, Supervisor
Regulation and Proration

IMS:jh
SJ30-5.210

Attachments

cc: United States Department of the Interior
Bureau of Land Management - Farmington, New Mexico
Oil Conservation Division - Aztec, New Mexico
Meridian Oil, Inc. - Farmington, New Mexico

ATTACHMENTS
(As Requested)
SAN JUAN 30-5 UNIT, WELL NO. 210

- I. See APD package and attached letters from the Bureau of Land Management.
- II. See APD package.
- III. See C-102 and attached copy of topographic map.
 - A. Information on topographic map.
 - B. I hereby certify the information is current and correct to the best of my knowledge and ability.

Signed: *L. M. Sanders*
Name: L. M. Sanders
Date: September 29, 1990
- IV. Copy of a portion of the Gomez Ranch Quadrangle topographical map.
 - A. Shown on map.
 - B. Shown on map.
 - C. Well No. 36 shown on map. The existing well pad for Well No. 36 cannot be used due to the location of Well No. 36. Well No. 36 is located at 1170' FSL & 800' FWL. An attempt was made to stake Well No. 210 at a standard location of 1259' FSL & 790' FWL, but this put the location next to a cliff and canyon leading into LaJara Wash.
- V. Enlargement of the topographic map provided.
 - A. Within the window, the terrain varies from 6400' to 6500'.
 - B. There is an existing access road and a gas pipeline to Well No. 36. The access road will be used to provide access to Well No. 210.
 - C. See Archaeological Report.
 - D. See Archaeological Report.
 - E. None.
- VI. See Archaeological Report.
- VII. See Surface Use Plan in APD packet.
- VIII. The additional expense required to drill a deviated hole to reach a standard location in an area of unknown coal gas development would make the well uneconomical to drill.
- IX. Meridian Oil operates the proration unit to the west. Phillips Petroleum Company is designated operator of the remaining offset proration units to the north, east, and south. Meridian Oil has been notified, by certified mail, of our request, and has been asked for a waiver of objections. Waiver is attached.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Phillips Petroleum Company

3. ADDRESS OF OPERATOR

300 W. Arrington, Suite 200, Farmington, N.M. 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface Unit M, 1259' FSL & 745' FWL

At proposed prod. zone Unit M, 1259' FSL & 745' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

30 Miles East From Blanco

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 745' FWL of
30-5 Unit
(Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE
1400 AC

17. NO. OF ACRES ASSIGNED
TO THIS WELL
320.8 AC W/2 of Section

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 104' NW
from #36

19. PROPOSED DEPTH
3260'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6495' (CL Unprepared)

22. APPROX. DATE WORK WILL START*

Upon Approval

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#, K-55	250'	200 sxs, Circ to Surface
8-1/2"	7"	23#, K-55	3162'	600 sxs, Circ to Surface
6-1/8"	5-1/2"	15.5# or 23#	3062'-3260'	*

*If the coal is cleated a 5-1/2", 23#, P-110 liner will be run in the open hole without being cemented.

*If the coal is not cleated a 5-1/2", 15.5#, K-55 liner will be run, cemented with sxs cement and the well fractured.

Unorthodox location. Copies of unorthodox exception request from NMOCD will be provided.

Mud Program and BOP Equipment: See Attached

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and present non-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

L.M. Sanders

TITLE Supv. Regulatory Affairs

DATE March 20, 1990

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

APPROVED BY _____

TITLE _____

DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

RECEIVED

OCT 3 1990

OIL CON. DIV.

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator PHILLIPS PETROLEUM			Lease SAN JUAN 30-5		Well No. 210
Unit Letter M	Section 30	Township T.30 N.	Range R.5 W.	County RIO ARriba COUNTY	
Actual Footage Location of Well: 1259 feet from the SOUTH line and 745 feet from the WEST line					
Ground level Elev. 6495	Producing Formation Fruitland		Pool Basin Fruitland Coal Gas		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

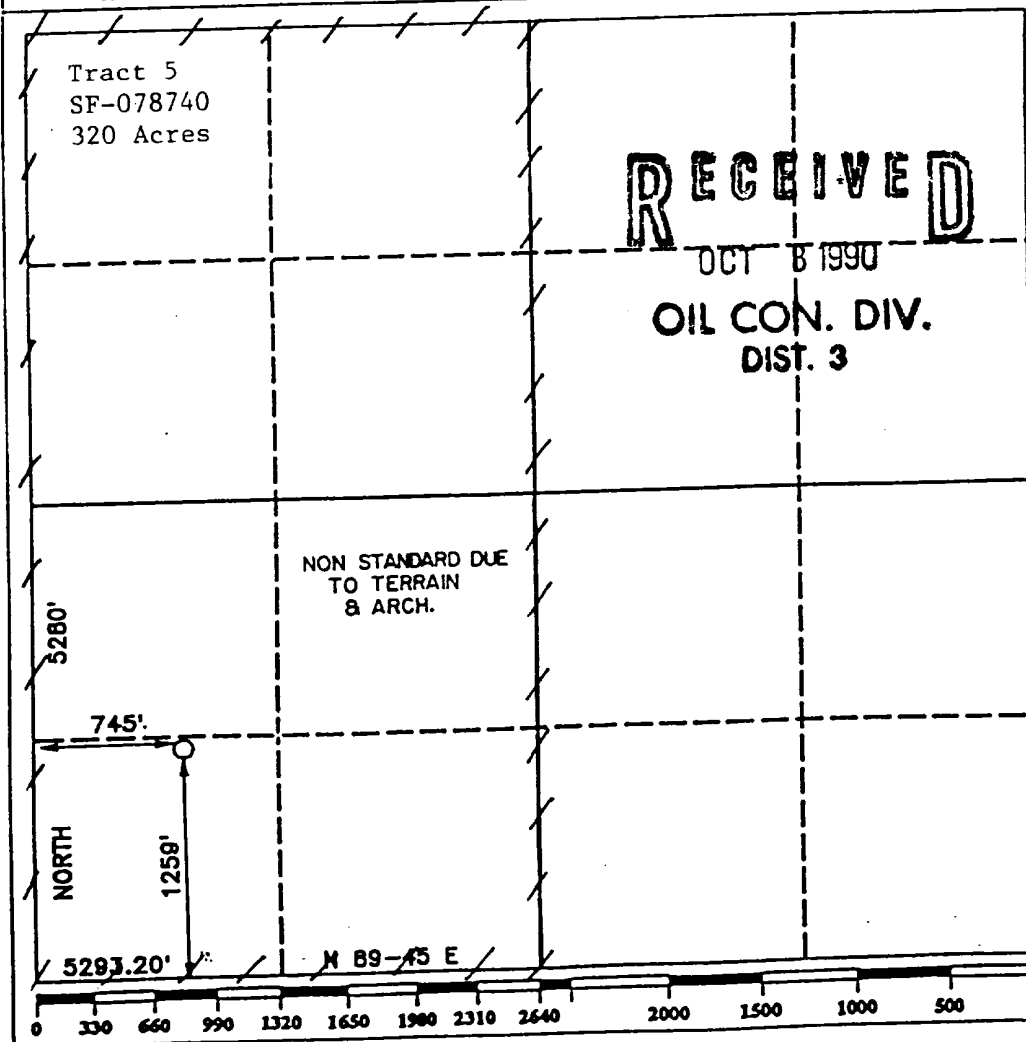
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☒ Yes ☐ No If answer is "yes" type of consolidation Unitized

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature
L. M. Sanders
Printed Name
L. M. Sanders
Position
Supv. Regulatory Affairs
Company
Phillips Petroleum Co.
Date
March 20, 1990

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 knowledge and belief.

Date Surveyed
FEBRUARY 19, 1990
Signature & Seal
R. Howard Daggett
R. HOWARD DAGGETT
Professional Surveyor
Certificate No.
9879
Registered Professional
Land Surveyor

SURFACE USE PLAN

Phillips Petroleum Company , San Juan 30-5 Unit Lease, Well No. 210 , SW/4 SW/4, Section 30, T-30-N, R-5-W, Rio Arriba County, New Mexico. (Fed Lease No. SF-078740.)

This plan is to accompany "Application for Permit to Drill" the subject well which is located approximately 45 miles east from Blanco, New Mexico. The following is a discussion of pertinent information concerning the possible effect which the proposed drilling well may have on the environment of the well and road sites and surrounding acreage. A copy will be posted on the derrick floor so that all contractors and sub-contractors will be aware of all items of this plan.

1. Existing Roads:

- A. To reach the proposed location, start from Farmington, N.M. take N.M. 64 approximately 55 miles to Gobernador, N.M.. Turn north on Sims Highway and travel approximately 5 miles to the entrance into the Meridian 30-6 Unit. Turn right and follow the access road into the San Juan 30-5 Unit. Well No. 36.

2. Planned Access Roads:

- A. The access road is shown on the attached map. The new location is adjacent to an existing well pad, therefore no new access road will be necessary. All existing roads used to access the proposed location shall be maintained in the same or better condition than presently found. The access road is to be classified "Temporary Resource Road".
- B. Turnouts: None.
- C. Drainage Design: The present drainage will be maintained for the existing access road. After completion of Well No. 210, a kickoff on the north side of the existing access road will be routed into the a diversion cut that will be placed on the west end of the proposed pad with diversion to the north.
- D. Culverts, Cuts and Fills: See Cut and Fill Sketch.
- E. Surfacing Material: Natural materials at well site.
- F. Gates, Cattle Guards, Fences: As required
- G. Proposed Road: No new access road is needed.

3. Locations of Existing Wells: Well No. 36, 1170' FSL & 800' FWL

- 4. Locations of Tank Batteries, Production Facilities, Production Gathering, and Service Lines: In the event of production, production facilities will be located on the drill pad. The actual placement of this equipment will be determined when the well's production characteristics can be evaluated after completion. To protect livestock and wildlife, the reserve pit will be fenced with wire mesh. The condensate tanks will be enclosed by a dike. Upon completion of drilling, the location and surrounding area will be cleared of debris. After drilling is completed and the pits have been rehabilitated a diversion cut will be placed down the road around the southeast end of the pad to drain toward the canyon.

Surface Use Plan—San Juan 30-5 Unit Well No. 210

Page: 2

The pipeline from Well No. 36 is staked and flagged by NWP and will clear the pits located on the south side of the pad. The pit wall will protect the pipeline. The cut and fill dirt from the pits will be stockpiled on the north side of the pad between the pad edge and the archaeological site on the north side of the pad. The flow line from Well No. 210 is to run from a measurement point to the meter house at Well No. 36 location. A diagram of the production facilities will be submitted after final placement.

5. Water Supply Source: Will be provided by the drilling contractor and trucked to the drilling site. See Attachment No. 1 - WATER SUPPLY SOURCE.

6. Source of Construction Materials:

No additional construction materials will be required to build the proposed location.

7. Methods for Handling Waste Disposal:

A. The drill cuttings, fluids and completion fluids will be placed in the reserve pit. The reserve pit will be fenced with wire mesh on three sides away from the pad during drilling and the fourth side fenced as soon as the rig moves out. The reserve pit will be back filled, leveled and contoured so as to prevent any materials being carried into the watershed.. Upon completion, the pad will be leveled, contoured, and re-seeded with the appropriate seed mixture.

B. All garbage and trash will be placed in specially constructed wire mesh containers. Upon cleanup, the refuse in the containers will be hauled to an approved landfill site.

All produced water will be collected in tanks until hauled to an approved disposal system, or separate disposal applications will be submitted for appropriate approval.

8. Ancillary Facilities: None

9. Well Site Layout: Attached sketch shows the relative location and dimensions of the well pad, mud pit, reserve pit, and trash pit. Location will be 205' X 300'.

10. Plans for Restoration of Surface:

Pit will be back filled and levelled as soon as practical to original condition. If well is productive, drilling pad will remain as well service pad. If dry hole, the pad will be ripped per regulations. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment from location and rehabilitation of the surface is planned to be completed within 60 days from commencement.

Surface Use Plan--San Juan 30-5 Unit Well No. 210.

Page: 3

11. Other Information:

- A. Terrain: See Archaeological Survey
- B. Soil: See Archaeological Survey
- C. Vegetation: See Archaeological Survey
- D. Surface Use: See Archaeological Survey
- E. Ponds and Streams: See Archaeological Survey
- F. Water Wells: No water well located in Section 7
- G. Residences and Buildings: There are no occupied residences or buildings within one quarter of a mile of the proposed well location.
- H. Arroyos, Canyons, etc.: See Archaeological Survey
- I. Well Sign: Sign identifying and locating the well will be maintained at drill site with the spudding of the well.
- J. Archaeological Resources: See Archaeological Survey. The archaeological site encountered will be protected as recommended by La Plata Archaeological Survey. An Archaeologist will be on location during pad construction.

12. Operator's Representatives: Field personnel who can be contacted concerning compliance of the "Surface Use Plan" is as follows:

Production and Drilling	or	R. A. Allred
A. R. Lyons		300 West Arrington, Suite 300
300 West Arrington, Suite 300		Farmington, New Mexico 87401
Farmington, New Mexico 87401		Phone: 505-599-3403
Phone: 505-599-3401		

13. Surface Ownership: The surface ownership is Federal.

14. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Phillips Petroleum Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

L. M. Sanders
Typed or Printed Name

L. M. Sanders
Signature

March 20, 1990
Date

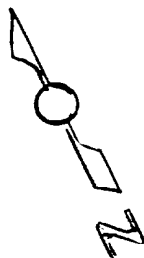
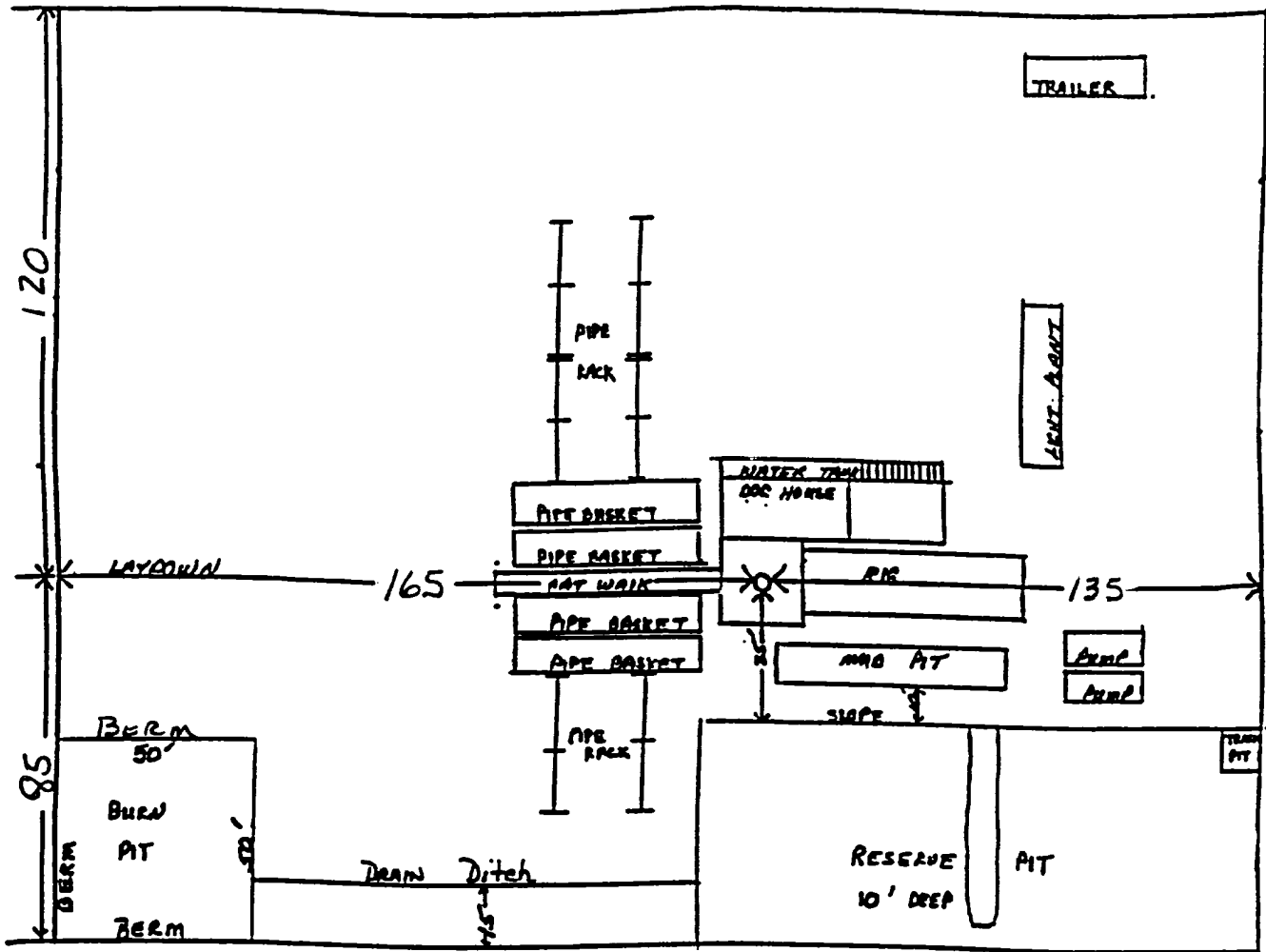
WATER SUPPLY SOURCE
Surface Use Plan
San Juan 30-5 Unit

Attachment No. 1

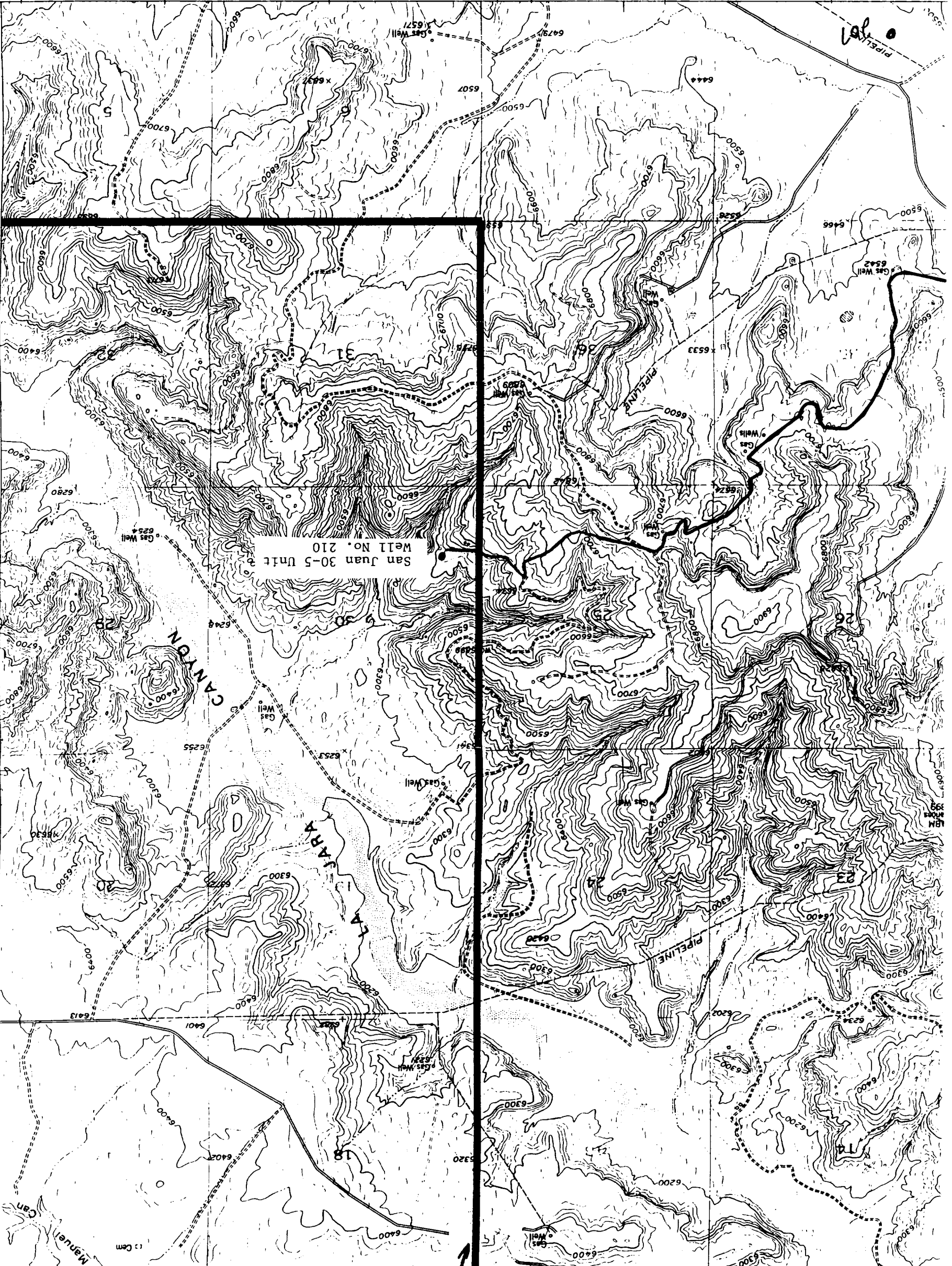
Depending on which drilling contractor is used, the water for drilling and completion operations will come from one of the following locations:

1. San Juan River at Blanco Bridge, NW SE SE Section 18, T-29-N, R-9-W.
2. 29-6 Waterhole in Unit L, Section 28, T-29-N, R-6-W.
3. Navajo Reservoir, SW NW SE Section 14, T-30-N, R-7-W.
4. Sims Mesa (S.J. #14) BW SW Section 35, T-31-N<R-7-W.
5. La Jara Water Hole, Unit M, Section 11, T-30-N, R-6-W.

watsup2.lar



ST 20-5 # 710



ESPINOSA RANCHO
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Manuel

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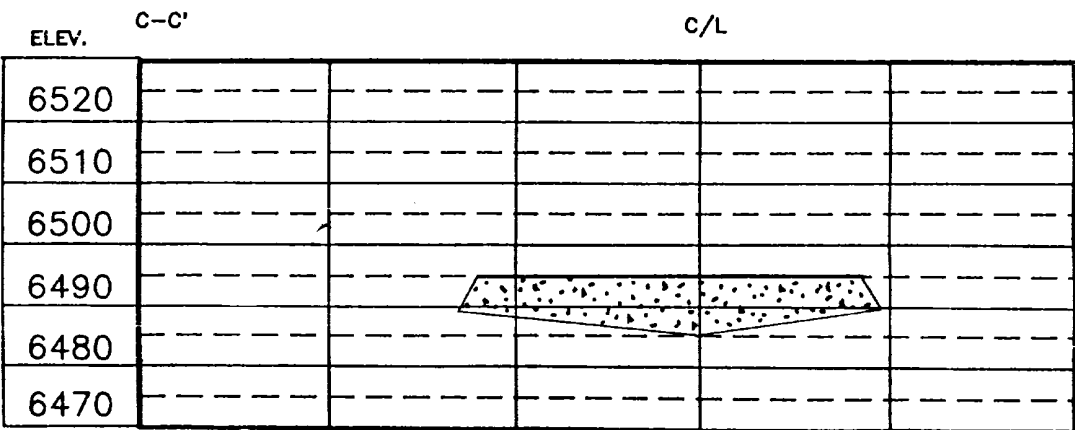
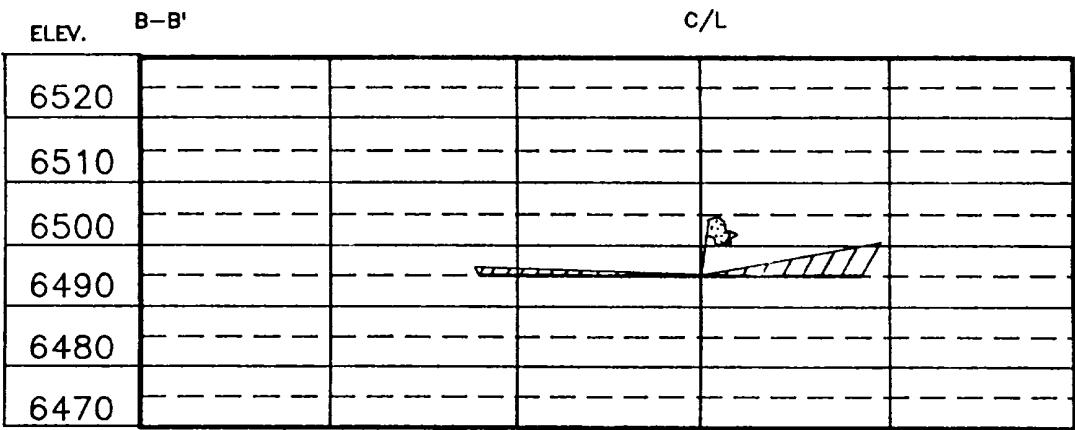
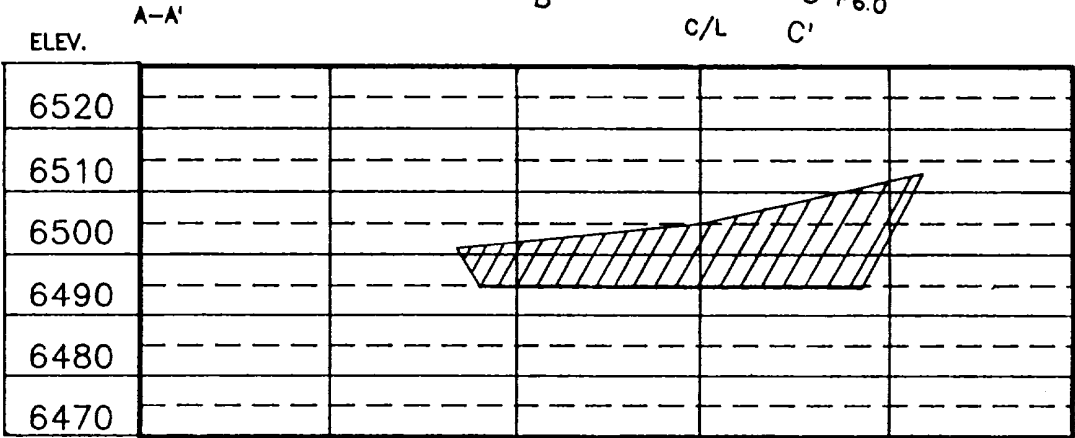
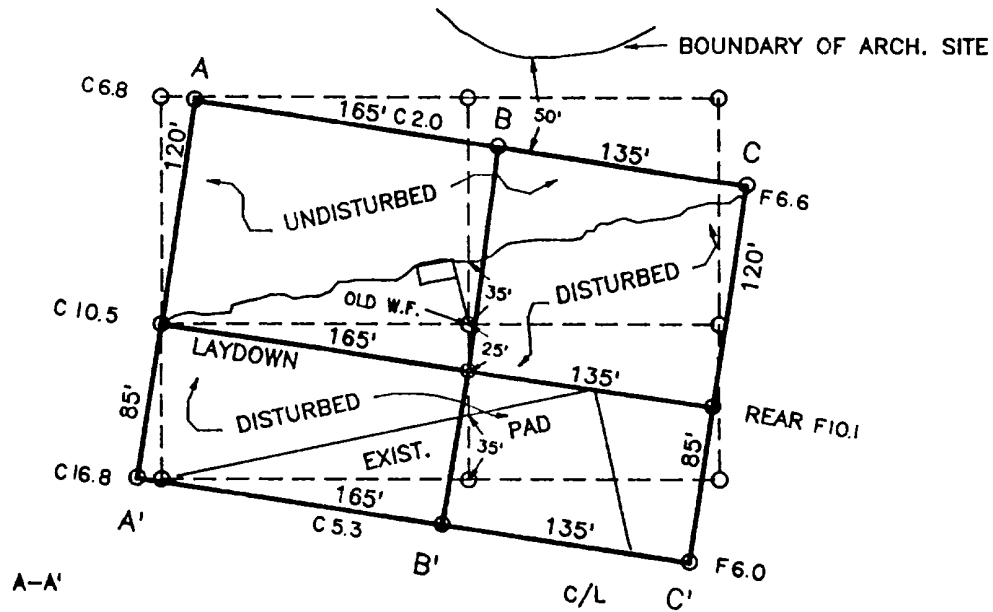
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COMPANY: PHILLIPS PETROLEUM
 LEASE: SAN JUAN 30-5 NO.210
 FOOTAGE: 1259 FSL, 745 FWL
 SEC.: 30 , TWN: T.30 N. , RNG: R.5 W. , NMPM
 ELEVATION: 6495



March 20, 1990

PHILLIPS PETROLEUM COMPANY

Well Name: San Juan 30-5 Unit Well No. 210

DRILLING PROGNOSIS

1. Location of Proposed Well: 1259' FSL & 745' FWL of Section 30, T-30-N, R-5-W, Rio Arriba County.
2. Unprepared Ground Elevation: 6495'.
3. The geologic name of the surface formation is San Jose.
4. Type of drilling tools will be rotary.
5. Proposed drilling depth is 3260'.
6. The estimated tops of important geologic markers are as follows:

<u>Ojo Alamo -</u>	<u>2406'</u>	<u>Base Coal -</u>	<u>3250'</u>
<u>Kirtland -</u>	<u>2561'</u>	<u>Picture Cliffs -</u>	<u>3266'</u>
<u>Fruitland -</u>	<u>2976'</u>	<u>Int. Csg. -</u>	<u>3156'</u>
<u>Top Coal -</u>	<u>3172'</u>	<u>T.D. -</u>	<u>3260'</u>
7. The estimated depths at which anticipated water, oil, gas, or other mineral bearing formations are expected to be encountered are as follows:

Water:	<u>Ojo Alamo - 2406'</u>
Oil:	<u>None</u>
Gas:	<u>Fruitland Coal - 3172'</u>
8. The proposed casing program is as follows:

Surface String	<u>9-5/8", 36#, K-55 @ 250'</u>
Intermediate String	<u>7", 23#, K-55 @ 3162'</u>
Liner	<u>* 5-1/2", 23#, P-110 or 15.5#, K-55 @ 3260'</u>
9. Cement Program:

Surface String =	<u>200 sxs (317 cu ft) CL "B" W/3% CaCl₂ & 1/4# Cele-Flake/sk.</u>
Intermediate String =	<u>Lead cmt. 500 sxs (1035 cu ft) C1 "B" 65/35 POZ w/12% Gel & 1/4# Cele-Flake/sx.</u>

San Juan 30-5 Unit Well No. 210.

Page 2.

Intermediate String (Continued)

Tail. 100 sxs (119 cu ft) Cl "B" w/1/4# Cele-

Flake/sk

Liner =

- * If the coal is cleated a 5-1/2" 23#, P-110 liner will be run in the open hole without being cemented.
- * If the coal is not cleated a 5-1/2", 15.5#, K-55 liner will be run and cemented with 100 sxs (146 cu ft) Cl "B" W/0.8% CF-1.

10. The minimum specifications for pressure control equipment which are to be used, a schematic diagram thereof showing sizes, pressure ratings (or) API series and the testing procedure and testing frequency are enclosed within the APD packet .
11. The proposed mud program is enclosed within the APD packet.
12. The testing, logging, and coring programs are as follows:
D.S.T.'s or cores: None
Logs: GR-D-N-NGT-ML

Special Tests: None

13. Anticipate no abnormal pressures or temperatures to be encountered or any other potential hazards such as Hydrogen Sulfide Gas. Low risk H₂S equipment will be used.
14. The anticipated starting date is immediately upon approval with duration of operations for approximately 30 days thereafter.

drlpro37.lar

PROPOSED MUD PROGRAM
 San Juan 30-5 Unit
 Well No. 210
 Rio Arriba County

DEPTH	MUD WEIGHT	VISCOSITY	FLUID LOSS	CL-PPM	% SOLIDS	ADDITIVES
0-250 Ft.	Spud Mud Lima and Gel					Bentonite
250-3000 Ft.	8.0-9.0 PPG	45-65 Sec/Qt	8-10CC	1200 PPM		Drispac Lime, Soda Ash
3000-TD	9.5-10.0 PPG	35-50 Sec/Qt	6-8CC		Low Solids	Drispac, Soda Ash Caustic Soda Bentonite

250-3000' Polymer mud and water with sweeps every 500' or less if hole conditions dictate.

3000'-TD Fresh water mud with CaCo3 & Polymer, low solids. Mud Wt. 9.5 to 10.0 PPG, as necessary to control well.

Start mud up 100' above Fruitland