



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

June 2, 1999

RECEIVED
JUN - 3 1999
OIL CON. DIV.
DIST. 3

Burlington Resources Oil & Gas Company
P. O. Box 4289
Farmington, New Mexico 87499-4289
Attention: Peggy Bradfield

Administrative Order NSL-4297

Dear Ms. Bradfield:

Reference is made to your application submitted to the New Mexico Oil Conservation Division ("Division") on May 13, 1999 for an exception to the well location requirements provided within the "*Special Rules for the Blanco-Mesaverde Pool*," as promulgated by Division Order No. R-10987-A, for a non-standard Blanco-Mesaverde infill gas well location in an existing standard 333.10-acre lay-down gas spacing and proration unit ("GPU") for the Blanco-Mesaverde Pool comprising Lots 9 through 16 (S/2 equivalent) of Section 29, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico. This GPU is currently dedicated to Burlington Resources Oil & Gas Company's ("Burlington"): (i) Atlantic "A" Well No. 7 (API No. 30-045-10272), located at a standard gas well location 1600 feet from the South line and 1750 feet from the West line (Lot 11/Unit K) of Section 29; and (ii) Atlantic "A" Well No. 7-A (API No. 30-045-22730), located at a standard gas well location 1840 feet from the South line and 1620 feet from the East line (Lot 10/Unit J) of Section 29.

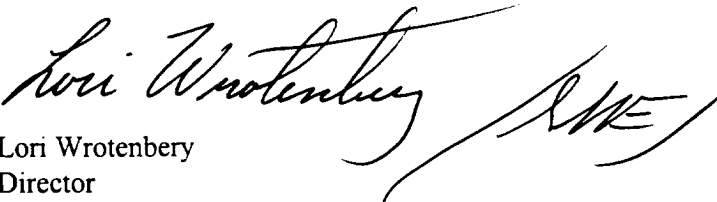
The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled as the second infill well on this GPU at an unorthodox gas well location in Section 29 is hereby approved:

Atlantic "A" Well No. 7-B
2045' FSL & 520' FWL (Lot 12/Unit L). 29-31N-10W

Further, all three of the aforementioned Atlantic "A" Well Nos. 7, 7-A, and 7-B and existing GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico and to the Blanco-Mesaverde Pool.

Sincerely,


Lori Wrotenberg
Director
LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec /
U. S. Bureau of Land Management - Farmington

BURLINGTON RESOURCES

SAN JUAN DIVISION

RECEIVED
MAY 13 1999
OIL CON. DIV.
DIST. 3

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

| | | | | | |
|------------------------|--|--|--|--------------------------------|---------------------|
| *API Number 30-045- | | *Pool Code 72319 | | *Pool Name Blanco Mesaverde | |
| *Property Code 6800 | | *Property Name ATLANTIC A | | | *Well Number 7B |
| *GRID No. 14538 | | *Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY | | | *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. |
|--------------------------------|--------------------|-----------------------|--------------|

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

| | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|
| <div>15</div> <div>5431.80'</div> <div>4</div> <div>3</div> <div>2</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>29</div> <div>5269.44'</div> <div>520'</div> <div>2045'</div> <div>5467.44'</div> <div>2678.94'</div> <div>2630.76'</div> | | | | | | | | | | <div>17 OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</div> <div></div> <div>Signature</div> <div>Peggy Bradfield</div> <div>Printed Name</div> <div>Regulatory Administrator</div> <div>Title</div> <div>2-15-99</div> <div>Date</div> | |
| <div>18 SURVEYOR CERTIFICATION</div> <div>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.</div> <div>JANUARY 21, 1999</div> <div>Date of Survey</div> <div></div> <div>Signature and Seal of Professional Surveyor</div> <div>NEALE C. EDWARDS</div> <div>NEW MEXICO</div> <div>6857</div> <div>Certificate No.</div> <div>6857</div> <div>PROFESSIONAL SURVEYOR</div> | | | | | | | | | | | |

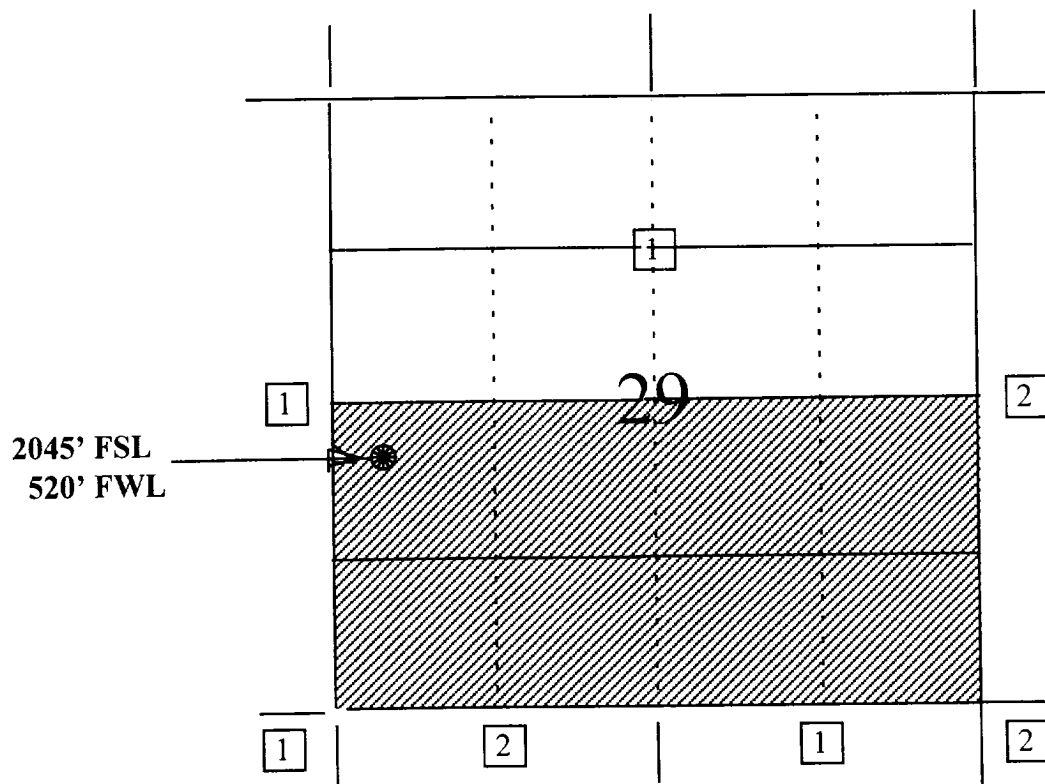
BURLINGTON RESOURCES OIL AND GAS COMPANY

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

A handwritten signature in black ink, appearing to read "Peggy Bradfield". The signature is fluid and cursive, with the first name "Peggy" written in a larger, more prominent script than the last name "Bradfield".

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.

Blanco Mesaverde

