



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

June 17, 1999

Great Western Drilling Company  
P. O. Box 1659  
Midland, Texas 79702  
Attention: Berry D. Simpson

RECEIVED  
JUN 21 1999

OIL CON. DIV.  
DIST. 3

Administrative Order NSL-4313

Dear Mr. Simpson:

Reference is made to the following: (i) your application dated May 24, 1999; and (ii) the New Mexico Oil Conservation Division's ("Division") records in Santa Fe: all concerning Great Western Drilling Company's ("Great Western") request for an off-pattern non-standard Basin-Fruitland coal gas well location for the existing J. E. Decker Well No. 7 (API No. 30-045-23102), located 1480 feet from the South line and 1580 feet from the East line (Lot 2/Unit J) of irregular Section 12, Township 32 North, Range 12 West, NMPM, Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico.

All of irregular Section 12, being a standard 336.00-acre lay-down gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool, is to be dedicated to this well.

It is our understanding that the J. E. Decker Well No. 7 was initially drilled in 1978 and completed at a standard gas well location in the Blanco-Pictured Cliffs Pool within a standard 168.00-acre gas spacing and proration unit comprising Lots 1 and 2 and the S/2 SE/4 of Section 12.

It is further understood that Great Western intends to abandon the Pictured Cliffs interval in this well at this time and to recompleate up-hole into the Basin-Fruitland Coal (Gas) Pool. Pursuant to the "Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool," as promulgated by Division Order No. R-8768, as amended, the location of this well is considered to be unorthodox.

This 336.00-acre unit currently exists and is dedicated to Great Western's J. E. Decker Well No. 9 (API No. 30-045-27426), located at a standard coal gas well location 1506 feet from the South line and 938 feet from the West line (Lot 4/Unit L) of Section 12. Per your application and Division Rule 104.D(3) the J. E. Decker Well No. 9 is to cease producing gas from the Basin-Fruitland Coal (Gas) Pool at such time as the subject J. E. Decker Well No. 7 is successfully recompleted as a producing Basin-Fruitland coal gas well and connected to a pipeline.

By the authority granted me under the provisions of Rule 8 of these special pool rules the above-described unorthodox Basin-Fruitland coal gas well location for Great Western's J. E. Decker Well No. 7 is hereby approved.

Sincerely,

Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec



**GREAT WESTERN DRILLING COMPANY**  
Post Office Box 1659 • Midland, Texas 79702 • 915/682-5241

May 24, 1999

Mr. Michael L. Stogner  
New Mexico Oil Conservation Division  
Energy, Minerals and Natural Resources Department  
2040 South Pacheco  
Santa Fe, New Mexico 87505

RECEIVED  
MAY 26 1999

Re: Application of Great Western Drilling Company  
For Administrative Approval of an  
Unorthodox Well Location – J. E. Decker #7

OIL CON. DIV.  
DIST. 3

Dear Mr. Stogner

Enclosed, please find the application of Great Western Drilling Company for administrative approval of an unorthodox location for the J. E. Decker #7 well located 1,480' FSL and 1,580' FEL of Section 12, Township 32 North, Range 12 West, San Juan County, New Mexico.

By separate letter (copy attached) Great Western Drilling Company has sent notification via certified return receipt mail to the affected parties by submitting a copy of this application and a plat required by OCD rules.

Your due consideration to the application is most appreciated. Should you have any questions, please feel free to call me at 915-682-5241.

Sincerely,

Berry D. Simpson  
Petroleum Engineer

Copy: New Mexico Oil Conservation Division  
District III  
1000 Rio Brazos Road  
Aztec, NM 87410



**GREAT WESTERN DRILLING COMPANY**  
Post Office Box 1659 • Midland, Texas 79702 • 915/682-5241

May 4, 1999

Burlington Resources Oil & Gas Co.  
3300 N. "A" St., Bldg. 6  
Midland, TX 79710-1810

**Re: Notification of Application  
for Administrative Approval of an  
Unorthodox Well Location - J. E. Decker #7  
1,480' FSL and 1,580' FEL of Sec 12, T32N, R12W,  
San Juan County, New Mexico**

Gentlemen,

Great Western Drilling Company is applying for administrative approval of an unorthodox location for the J. E. Decker #7, located 1,480' FSL and 1,580' FEL of Sec 12, T32N, R12W, San Juan County, New Mexico.

We are therefore notifying you as a potentially affected party. If you have an objection to this application it must be filed in writing within twenty days from the date notice was sent to: Division Director, New Mexico Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505.

Should you have any questions, please feel free to call me at 915-682-5241.

Sincerely,

Berry D. Simpson  
Petroleum Engineer

## **Discussion**

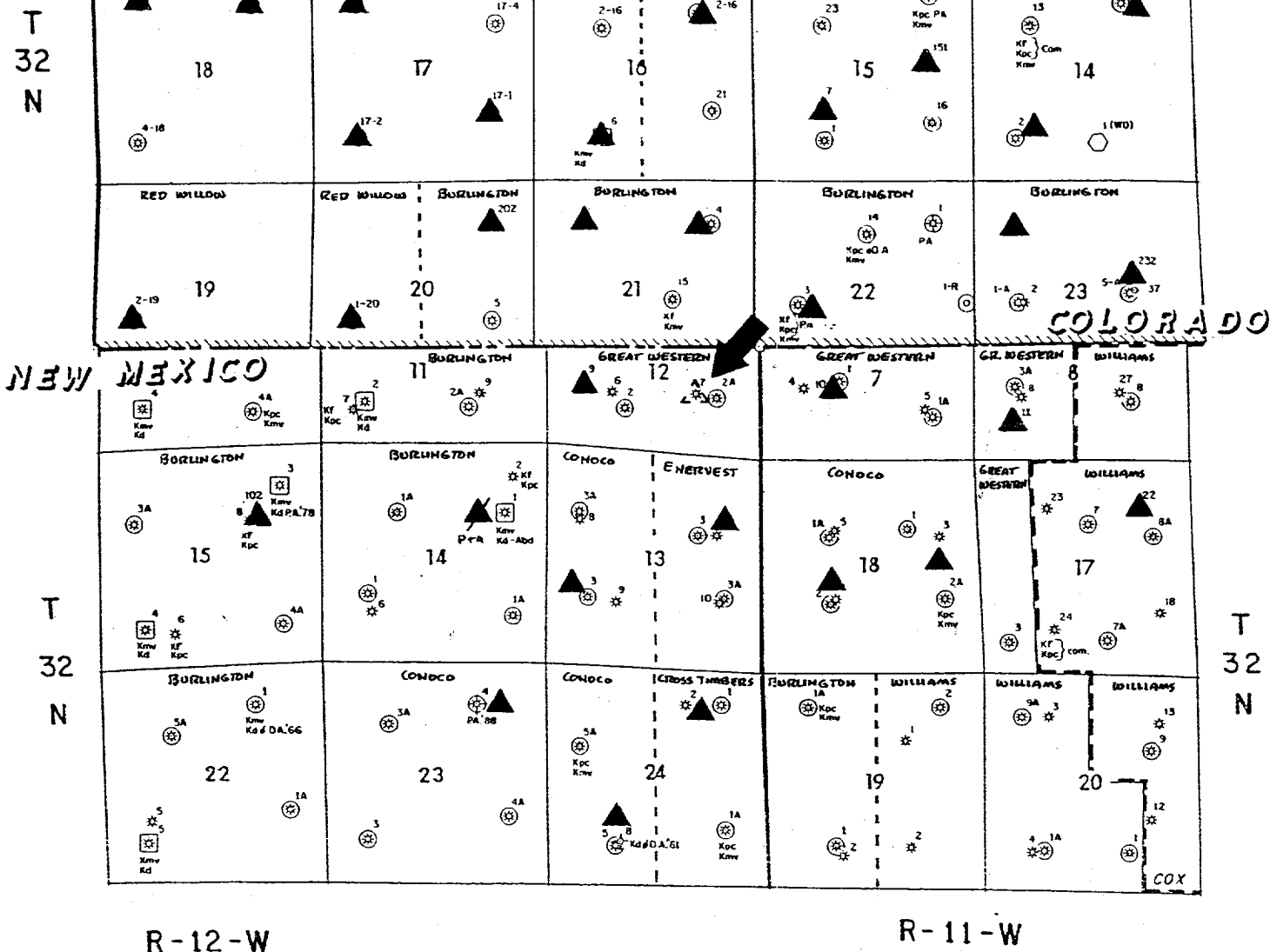
The J. E. Decker #7 was originally drilled to 3,035' and completed in the Pictured Cliffs formation (2,892' – 2,946') in September, 1978. This well was drilled at a standard location for the Pictured Cliffs formation: 1,480' FSL and 1,580' FEL of Section 12, T32N, R12W. Current production from well #7 is about 30 MCFPD.

The Fruitland Coal is productive in the area of the Decker Lease, which lies in the transition zone between the over-pressured and under-pressured coals. The existence of over-pressure is the single greatest factor defining the Productive Fairway which has historically yielded the best coal gas wells.

We believe that the J. E. Decker #7 may lie in the over-pressured area, and are asking permission to recompleting this well in the Fruitland Coal as an unorthodox location. This well blew out while drilling through the coal in 1978, a strong indicator that the well is in the over-pressured coal and would make a high-rate Fruitland Coal producer.

Recompleting and producing well #7 will allow us to recover the share of gas reserves currently being produced by the offset Fruitland Coal wells to the north, in Colorado.

Upon the successful recompleting of well #7 in the Fruitland Coal, Great Western will cease producing J. E. Decker #9, and abandon the wellbore, or use it as a pressure monitoring well. Well #9 was drilled to 2,658' and completed in the Fruitland Coal formation (2,470' – 2,658') in November, 1989. This well was drilled at a standard location for the Fruitland Coal, and currently holds the 320 acre unit in Section 12, producing about 170 MCFPD (280 MMCF cumulative).



**Great Western Drilling Company  
J.E.Decker Lease**

and surrounding  
Fruitland Coal leases & operators

San Juan County, New Mexico  
La Plata County, Colorado

*Application for Administrative Approval  
of an Unorthodox Well Location*

J.E.Decker #7  
32N - 12W - 12J

 Existing Fruitland Coal Wells

May-99

**Affected parties notified by this mailout**

Burlington Resources Oil & Gas Co.  
3300 N. "A" St., Bldg. 6  
Midland, TX 79710-1810

Conoco Inc.  
10 Desta Drive, Suite 100W  
Midland, TX 79705-4500

Enervest San Juan Operation LLC  
570 Turner Drive  
Unit B  
Durango, CO 81301

Is your RETURN ADDRESS completed on the reverse side?

- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Burlington Resources Oil & Gas  
3300 N. "A" Street, Bldg. 6  
Midland, TX 79710-1810

4a. Article Number

P 497 350 947

4b. Service Type

- ☐ Registered ☒ Certified  
☐ Express Mail ☐ Insured  
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5/5/99

5. Received By: (Print Name)

Jana Jabe

6. Signature: (Addressee or Agent)

X Jana Jabe

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

102595-97-B-0179

Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
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- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Conoco, Inc.  
10 Desta Drive, Suite 100W  
Midland, TX 79705-4500

4a. Article Number

P 497 350 948

4b. Service Type

- ☐ Registered ☒ Certified  
☐ Express Mail ☐ Insured  
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5/5

5. Received By: (Print Name)

Unita Gonzales

6. Signature: (Addressee or Agent)

X Unitu Gonzales

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

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- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Enervest San Juan Operation LLC  
570 Turner Drive, Unit B  
Durango, CO 81301

4a. Article Number

P 497 350 953

4b. Service Type

- ☐ Registered ☒ Certified  
☐ Express Mail ☐ Insured  
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5/17/99

5. Received By: (Print Name)

Christa J. Vanduer

6. Signature: (Addressee or Agent)

X Christa J. Vanduer

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

102595-97-B-0179

Domestic Return Receipt

Thank you for using Return Receipt Service.