

NSL-4455

NSP 7/17/00



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

JUN 26 2000
PHILLIPS PETROLEUM COMPANY

June 20, 2000

Oil Conservation Division
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

Attn: Mr. Michael E. Stogner
Chief Hearing Examiner/Engineer

RE: REQUEST FOR ADMINISTRATIVE APPROVAL OF NON-STANDARD SPACING UNIT
SAN JUAN 29-6 UNIT #82M
LOTS 1, 2, 3, 4 & W/2 E/2 SECTION 25-29N-6W
RIO ARRIBA COUNTY, NEW MEXICO
PHILLIPS CONTRACT C40453

Dear Mr. Stogner:

Phillips Petroleum Company (Phillips) as Operator of the captioned well, respectfully requests administrative approval of a Non-Standard Spacing Unit for this well in the Dakota formation.

Phillips proposes to drill this well at a location of 10' FSL & 1440' FEL of Section 25-29N-6W, Rio Arriba County, New Mexico. This will be a downhole commingled well completed in the Basin Dakota and Blanco Mesaverde Pools and will have the E/2 of Section 25 designated as the drillblock for each pool. This is an infill well for the Dakota and the Mesaverde. The #82 well (completed in 1971) was completed as a Dakota producer on this same drillblock. Research of our files (including those of our predecessor) and OCD files in Aztec and Santa Fe (per Mr. Steve Hayden of the Aztec District Office) has not produced a record of a previous Order establishing a Non-Standard Spacing Unit for the Dakota. A Non-Standard Spacing Unit for the Mesaverde was established per Order NWU-282.

The E/2 of Section 25 consists of 233.88 acres, MOL, and therefore does not comprise a standard 320.00 acre spacing unit. Per Rule 104.D (2)(b)(ii), the Director may grant administrative approval of this application when the unorthodox size is necessitated by a variation in the legal subdivision or the non-standard spacing unit lies wholly within a single half section if the well is completed in a pool or formation for which 320 acres is the standard spacing unit size. Such is the case in this instance.

For your benefit in reviewing this request, we are providing the following:

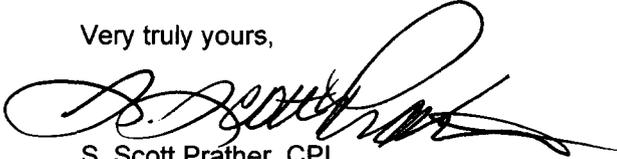
1. A form C-102
2. A nine-section plat exhibiting offset drillblock operators & an affected owners list
3. A reproduction of the BLM plat depicting the E/2 of Section 25 w/lots & acreage figures
4. A copy of OCD approval letter for Mesaverde Non-Standard Spacing Unit

This non-standard spacing unit is located within the boundaries of the San Juan 29-6 Unit, operated by Phillips. As per Rule, 104.D, all affected persons are being furnished with three (3) copies of this application by certified mail and are advised the objections to this application must be submitted in writing within twenty (20) days. Alternately, they may forward an executed waiver to your office, return one copy to our office and retain one copy for their records.

ADMINISTRATIVE APPROVAL OF NON-STANDARD SPACING UNIT
SAN JUAN 29-6 UNIT #82M
JUNE 20, 2000
PAGE 2

Phillips thanks you in advance for your attention to this matter and should you need additional information, please do not hesitate to contact the undersigned.

Very truly yours,



S. Scott Prather, CPL
Senior Landman
San Juan Area
(505) 599-3410

cc: J. L. Mathis – C40454
Steve Hayden – OCD, Aztec
Offset Owners

_____ hereby waives objection to Phillips Petroleum Company's application for approval of Lots 1, 2, 3, 4 & W/2 E/2 of Section 28-29N-6W, to be designated as a Non-Standard Spacing Unit for the Dakota formation.

By: _____

Date: _____

1988, Hobbs, NM 88241-1988
 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-102
 Revised February 21, 1994
 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		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name			6 Well Number
		SAN JUAN 29-6 UNIT			82M
7 OGRID No.		8 Operator Name			9 Elevation
		PHILLIPS PETROLEUM COMPANY			6495'

10 Surface Location

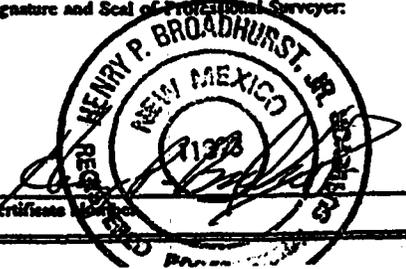
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	25	29N	6W		10'	SOUTH	1440'	EAST	RIO ARRIBA

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	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

16 2640.00' S89°58'W 5280.00' Section 25 N00°03'E 2640.00'S89°56'W 1320.00' 10' 1440' 610.5'	1320.00'	608.52'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature _____ Printed Name _____ Title _____ Date _____
		1	
		2	
		3	
			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. Date of Survey 02/08/2000 Signature and Seal of Professional Surveyor: 
			4

**PLAT OF OFFSET OPERATORS TO
E/2 SECTION 25-29N-6W**

	23	Phillips Petroleum Company	24	Phillips Petroleum Company	Phillips Petroleum Company (San Juan 29-5 Unit)	19
29N	26	Phillips Petroleum Company (San Juan 29-6 Unit)	25 #82M	Phillips Petroleum Company (San Juan 29-5 Unit)	Phillips Petroleum Company (San Juan 29-5 Unit)	30
	35	Phillips Petroleum Company	36	Phillips Petroleum Company	Phillips Petroleum Company (San Juan 29-5 Unit)	31
		6W		5W		

**SAN JUAN 29-5 UNIT
DAKOTA PARTICIPATING AREA OWNERS**

AMOCO

BOLACK MINERALS

BURLINGTON RESOURCES OIL & GAS COMPANY

CHARLES GAY

LORRAYN HACKER

CORINNE MILLER GAY TRUST

JAMES M RAYMOND

MAYDELL MILLER MAST TRUST

ESTATE OF CARL R. MCELVAIN

PHILLIPS PETROLEUM COMPANY

T. H. MCELVAIN OIL & GAS LIMITED PARTNERSHIP

VAUGHAN-MCELVAIN ENERGY INC.

WISER OIL COMPANY

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN
New Mexico

OIL CONSERVATION COMMISSION

LAND COMMISSIONER, MURRAY E. MORGAN
MEMBER

STATE GEOLOGIST, A. L. PORTER
SECRETARY DIRECTOR



P. O. Box 871
Santa Fe, New Mexico

June 26, 1958

Pacific Northwest Pipeline Corporation
405 $\frac{1}{2}$ W. Broadway
Farmington, New Mexico

Attention: George H. Peppin

Administrative Order NWU-282

Gentlemen:

Reference is made to your application for approval of a 233.88-acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool consisting of the following acreage:

TOWNSHIP 29 NORTH, RANGE 6 WEST, NMPM
Section 25: E/2 (fractional)

It is understood that this unit is to be dedicated to your Well No. 42-25, located 1450 feet from the North line and 1070 feet from the East line of said Section 25.

By authority granted me under the provisions of Rule 1 (b), Section 15 of the Special Rules and Regulations for the Blanco Mesaverde Gas Pool, as set forth in Order R-128-D, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with the pool rules, based upon the unit size of 233.88.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

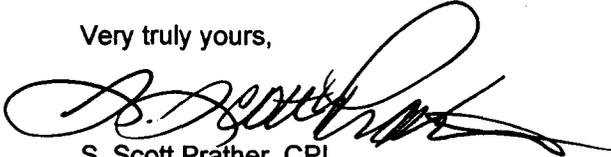
ALP/OEP/og

cc: Oil Conservation Commission - Aztec
Oil & Gas Engineering Committee - Hobbs

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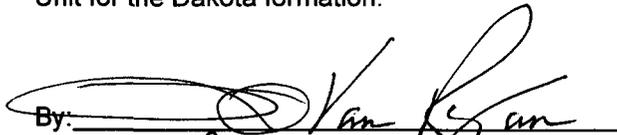


S. Scott Prather, CPL
Senior Landman
San Juan Area
(505) 599-3410

cc: J. L. Mathis - C40454
Steve Hayden - OCD, Aztec
Offset Owners

T.H. McElvain Oil & Gas Limited Partnership

_____ hereby waives objection to Phillips Petroleum Company's application for approval of Lots 1, 2, 3, 4 & W/2 E/2 of Section 28-29N-6W, to be designated as a Non-Standard Spacing Unit for the Dakota formation.

By: 

Date: 7-6-00

Vice President of
McElvain Oil & Gas Properties, Inc. General Partner
T.H. McElvain Oil & Gas Limited Partnership

CMD : ONGARD 07/05/00 11:06:14
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPXZ

OGRID Idn : 17654 API Well No: 30 39 26462 APD Status(A/C/P): A
Opr Name, Addr: PHILLIPS PETROLEUM CO NW Aprvl/Cncl Date : 06-12-2000
5525 HWY 64 NBU 3004
FARMINGTON,NM 87401

Prop Idn: 9257 SAN JUAN 29 6 UNIT Well No: 82 M

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
	---	---	-----	-----	-----		-----	-----
Surface Locn :	O	25	29N	06W			FTG 10 F S	FTG 1440 F E
OCD U/L :	O		API	County :	39			

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 6495

State Lease No: Multiple Comp (S/M/C) : S
Prpsd Depth : 7897 Prpsd Frmtn : BLANCO MV/BASIN DK

E0009: Enter data to modify record

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 PRINT PF10 C102 PF11 HISTORY PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

07/05/00 10:50:15
OGOMES -TPX2
PAGE NO: 1

Sec : 25 Twp : 29N Rng : 06W Section Type : NORMAL

D 40.00 Federal owned U A	C 40.00 Federal owned U	B 40.00 Federal owned U A	1 18.45 Federal owned U
E 40.00 Federal owned U	F 40.00 Federal owned U A	G 40.00 Federal owned U A	2 18.46 Federal owned U

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

07/05/00 10:50:20
OGOMES -TPXZ
PAGE NO: 2

Sec : 25 Twp : 29N Rng : 06W Section Type : NORMAL

L 40.00 Federal owned U A A	K 40.00 Federal owned U	J 40.00 Federal owned U A	3 18.48 Federal owned U
M 40.00 Federal owned U	N 40.00 Federal owned U	O 40.00 Federal owned U A	4 18.49 Federal owned U

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