

DATE IN 11-9-04	SUSPENSE 11-29-04	ENGINEER MS	LOGGED IN ms	TYPE NSL	APP NO. PMSO-432338684
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11-9

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] **[NSP-Non-Standard Proration Unit]** **[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 - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [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

[D] Other: Specify _____

[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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Joni Clark
 Print or Type Name

Signature

Regulatory Specialist
 Title

11/8/2004
 Date

jclark@br-inc.com
 e-mail Address

RECEIVED

NOV 9 2004

Oil Conservation Division
 1220 S. St. Francis Drive
 Santa Fe, NM 87505

BURLINGTON RESOURCES

SAN JUAN DIVISION

Sent Federal Express

November 8, 2004

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

Re: Kelly B #1B
2405' FNL, 2395' FWL, Section 8, T30N, R10W, San Juan County
API #30-045-32452

Dear Mr. Stogner:

Burlington Resources purposes to drill the above referenced well location as a commingled well in the Mesaverde and Dakota formations and is applying for administrative approval of an unorthodox gas well location for the Blanco Mesaverde and Basin Dakota formations.

The subject well is staked at 2405' FNL and 2395' FWL in Section 8, Township 30 North, Range 10 West due to the proximity of surrounding communities and the existing geology. The Kelly B #1B is staked at an unorthodox location on existing disturbance in order to fit the surrounding geology of the Mesaverde and Dakota wells and optimize the distance from the neighboring houses. This location needed to be staked outside of the legal spacing widow to be distanced from any of the surrounding houses and future development plans in this developed area as shown on the attached aerial photograph. Working with the developers, Burlington plans to stay out of the visual high area as outlined on the attached aerial photography and topography map.

The following attachments are for your review:

- Approved application for Permit to Drill and C-102 at referenced location
- Offset operators / owners plat
- 9 Section Plat
- Aerial Photography Map
- Topography Map of Section 8
- Mesaverde & Dakota Ellipse Maps

Three copies of this application are being submitted to offset operators/owners 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. Please let me know if you have any questions about this application.

Sincerely,



Joni Clark
Regulatory Specialist

WAIVER

Little Oil & Gas Inc. hereby waives objection to Burlington Resources' application for a non-standard location for the Kelly B #1B as proposed above.

By: _____ Date: _____

Xc: Bureau of Land Management
NMOCD – Aztec District Office

Re: Kelly B #1B
2405' FNL, 2395' FWL, Section 8, T30N, R10W, San Juan County
API #30-045-32452

I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard well location of the above well.

Little Oil & Gas Inc.
PO Box 1258
Farmington, NM 87499-1258

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	2004 JUN 30 PM 2 52	5. Lease Number SF-077754-A Unit Reporting Number
1b. Type of Well GAS	RECEIVED 070 FARMINGTON NM	6. If Indian, All. or Tribe
2. Operator BURLINGTON RESOURCES Oil & Gas Company	7. Unit Agreement Name	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Kelly B	9. Well Number #1B
4. Location of Well 2405' FNL, 2395' FWL Latitude 36° 49.6014'N, Longitude 107° 54.4112' W	10. Field, Pool, Wildcat Blanco Mesaverde/ Basin Dakota	11. Sec., Twn, Rge, Mer. (NMPM) Sec. 8, T30N, R10W API # 30-045- 32452
14. Distance in Miles from Nearest Town 5.6 miles to Hwy 550 and Hwy 173 North of Aztec	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 2395'	17. Acres Assigned to Well DK 320 N/2 MV 320 N/2	
16. Acres in Lease		
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 1530'		
19. Proposed Depth 7519'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6353' GR	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Joni Clark</u> Regulatory/Compliance Specialist	<u>6/2/04</u> Date	

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY [Signature] TITLE AFM DATE 9-22-04

Archaeological Report attached

Threatened and Endangered Species Report attached

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.

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

OPERATOR

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

1st First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

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 72319/71599	*Pool Name Blanco Mesaverde/Basin Dakota
*Property Code 7220	*Property Name KELLY B		*Well Number 1B
*OGRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP		*Elevation 6353'

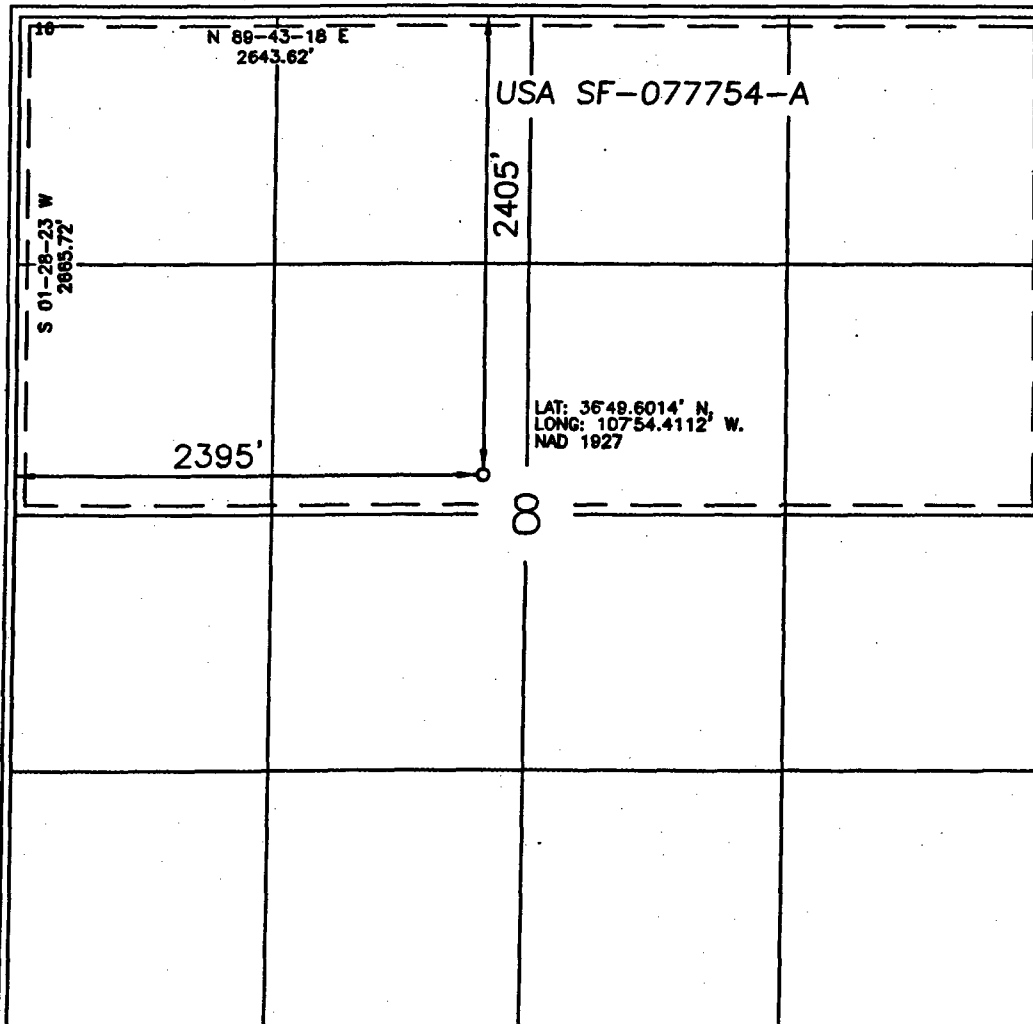
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	8	30-N	10-W		2405'	NORTH	2395'	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
*Dedicated Acres DK N/2 320 MV N/2 320					*Joint or Infill		*Consolidation Code		*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



17 OPERATOR CERTIFICATION

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

Signature: Joni Clark
Printed Name: Joni Clark
Title: Regulatory Specialist
Date: 6/2/04

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: 6/2/04
Signature and Seal of Professional Surveyor: Glen W. Russell
Certificate Number: 15703

Standard 640-acre Section

17 40.27

18 40.29

19 40.31

20 40.23

BR

BR

BR

30N-10W

BR
KELLY B 1ABR
KELLY B 1BR
KELLY B 1RKELLY B 1B MV/DK
2405' FNL & 2395' FWL

BR

BR

BR

KELLY KNOTT 1 - MV
Operator: BurlingtonKELLY FEDERAL 1 - DK
LITTLE OIL & GAS INCKELLY FEDERAL 1E - DK
LITTLE OIL & GAS INCKELLY KNOTT 1A - MV
Operator: Burlington

LEGEND



DAKOTA



MESAVERDE

• SJD State Names

• SJD County Names

• Sections_(SJD)

• Townships_(SJD)

• New Mexico Lots

• San Juan Federal Units

• Counties (SJD)

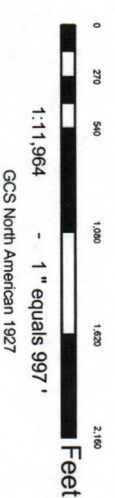
PROPOSED WELL LOCATION

OFFSET OPERATOR:

1. LITTLE OIL & GAS INC (DK)
2. BURLINGTON (MV) - 100% GWI

BURLINGTON
RESOURCES

PLAT



BURLINGTON RESOURCES

San Juan

KELLY B 1B MV/DK - NSL

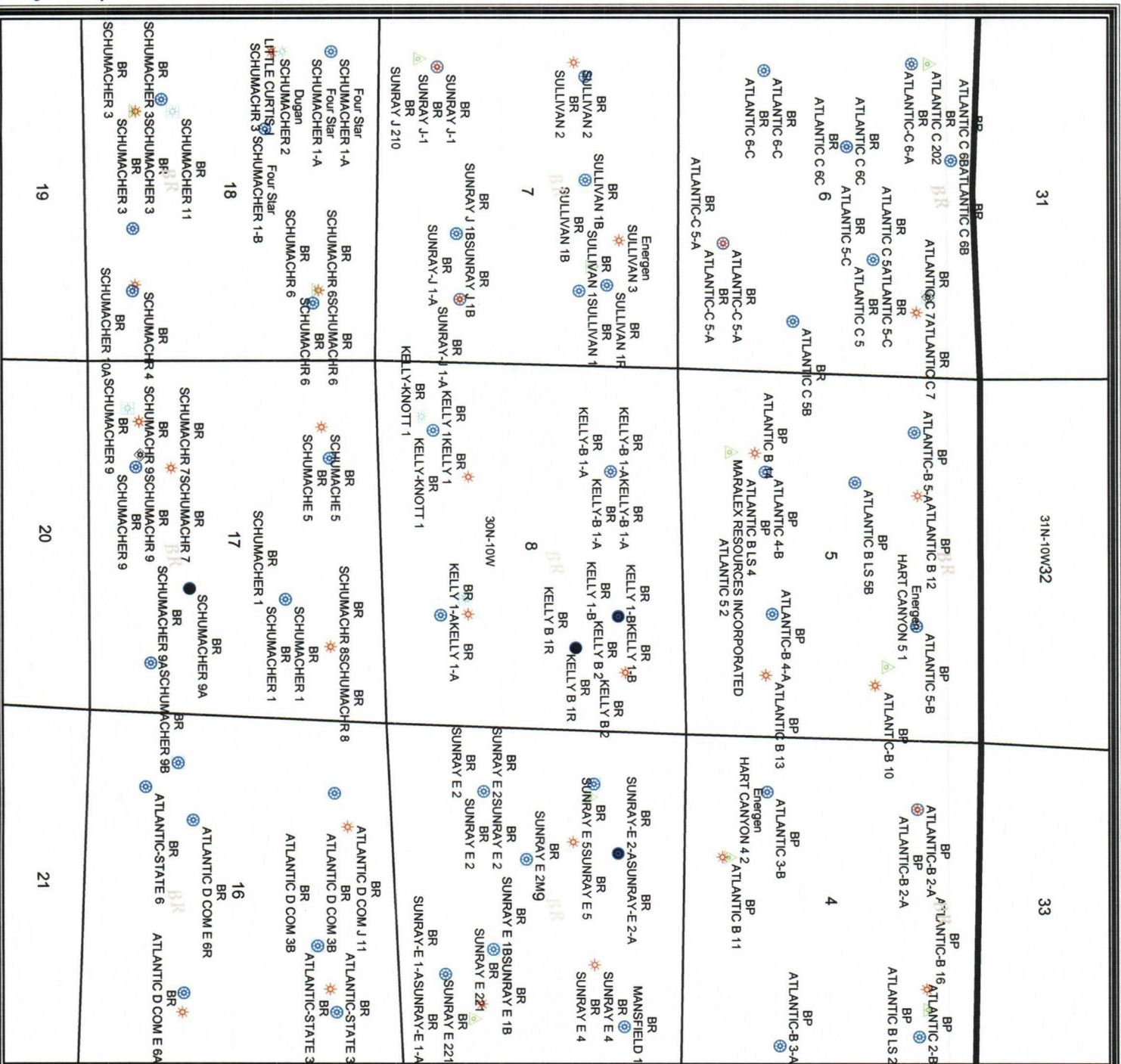
SEC 8 T30N R10W
SAN JUAN COUNTY, NM

Prepared By: mlb Date: 11/3/2004

File Number: Revised Date: 11/3/2004

File Name: C:\Burlington\BURLINGTON B 1B MV DK - NSL\KELLY B 1B MV DK - NSL.mxd

5 39.46

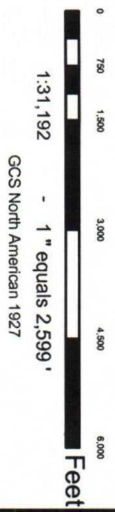


Legend

- <all other values>
- FRUITLAND COAL
- PICTURED CLIFFS
- MESAVERDE
- GALLUP
- GALLUP /SD/ SH/
- DAKOTA
- Sections_(SJD)
- Townships_(SJD)

BURLINGTON
RESOURCES

PLAT



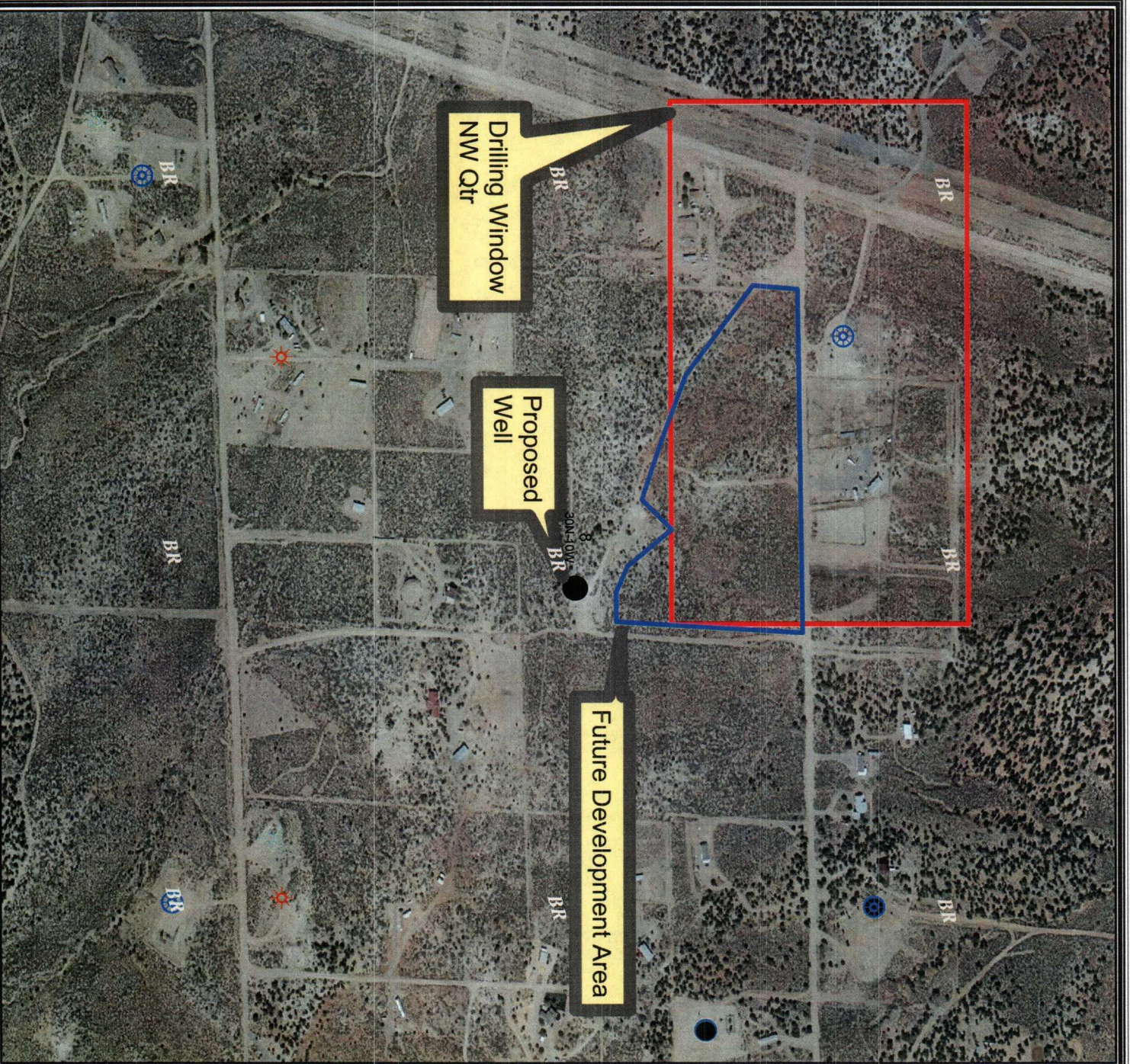
BURLINGTON RESOURCES

San Juan

Kelly B #1B

Sec. 8, T-30-N, R-10-W

Prepared By: **Tammy Jones** Date: **10/11/2004**
 File Number: **10/11/2004**
 File Name: **Revised Date:**

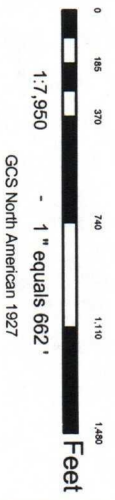


Legend

- <all other values>
- ▲ FRUITLAND COAL
- ★ PICTURED CLIFFS
- ⊙ MESAVERDE
- ☼ DAKOTA

BURLINGTON
RESOURCES

PLAT



BURLINGTON RESOURCES
San Juan

Kelly B #1B
Sec. 8, T-30-N, R-10-W

Prepared By: Tammy Jones Date: 10/11/2004
File Number: _____ Revised Date: 10/11/2004
File Name: _____

BURLINGTON RESOURCES OIL & GAS COMPANY LP

KELLY B #1B

2405' FNL 2395' FWL

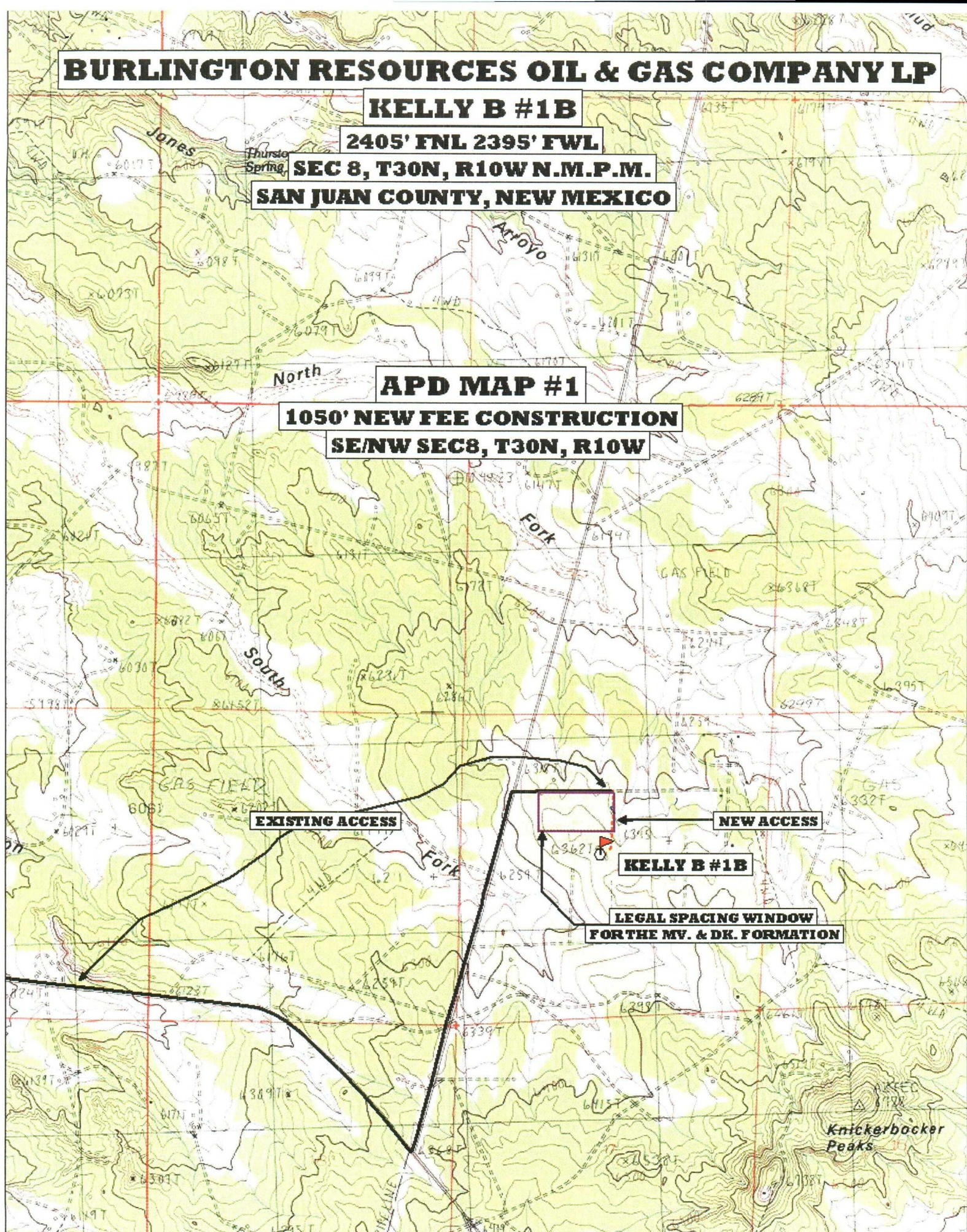
SEC 8, T30N, R10W N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO

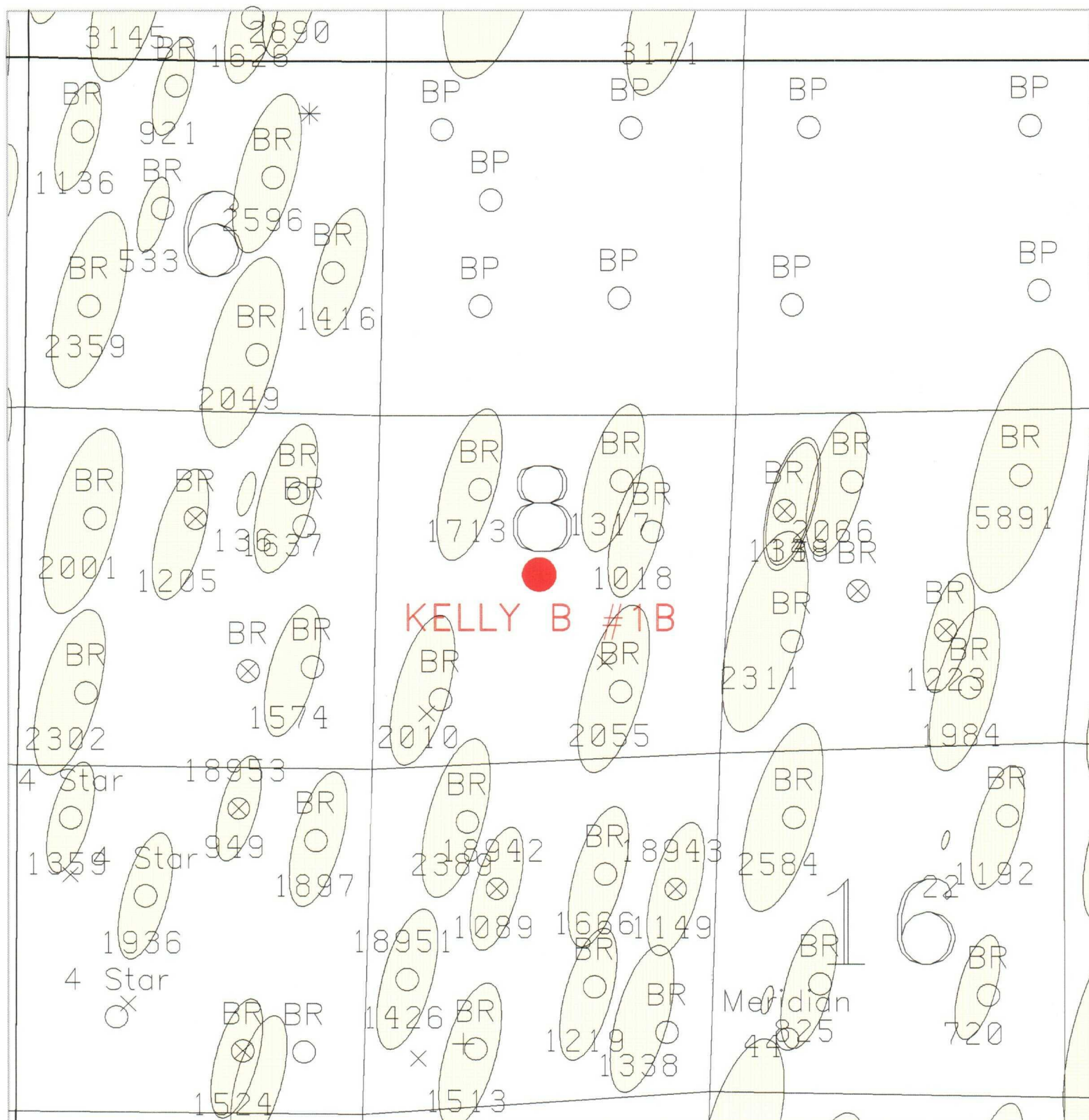
APD MAP #1

1050' NEW FEE CONSTRUCTION

SE/NW SEC8, T30N, R10W

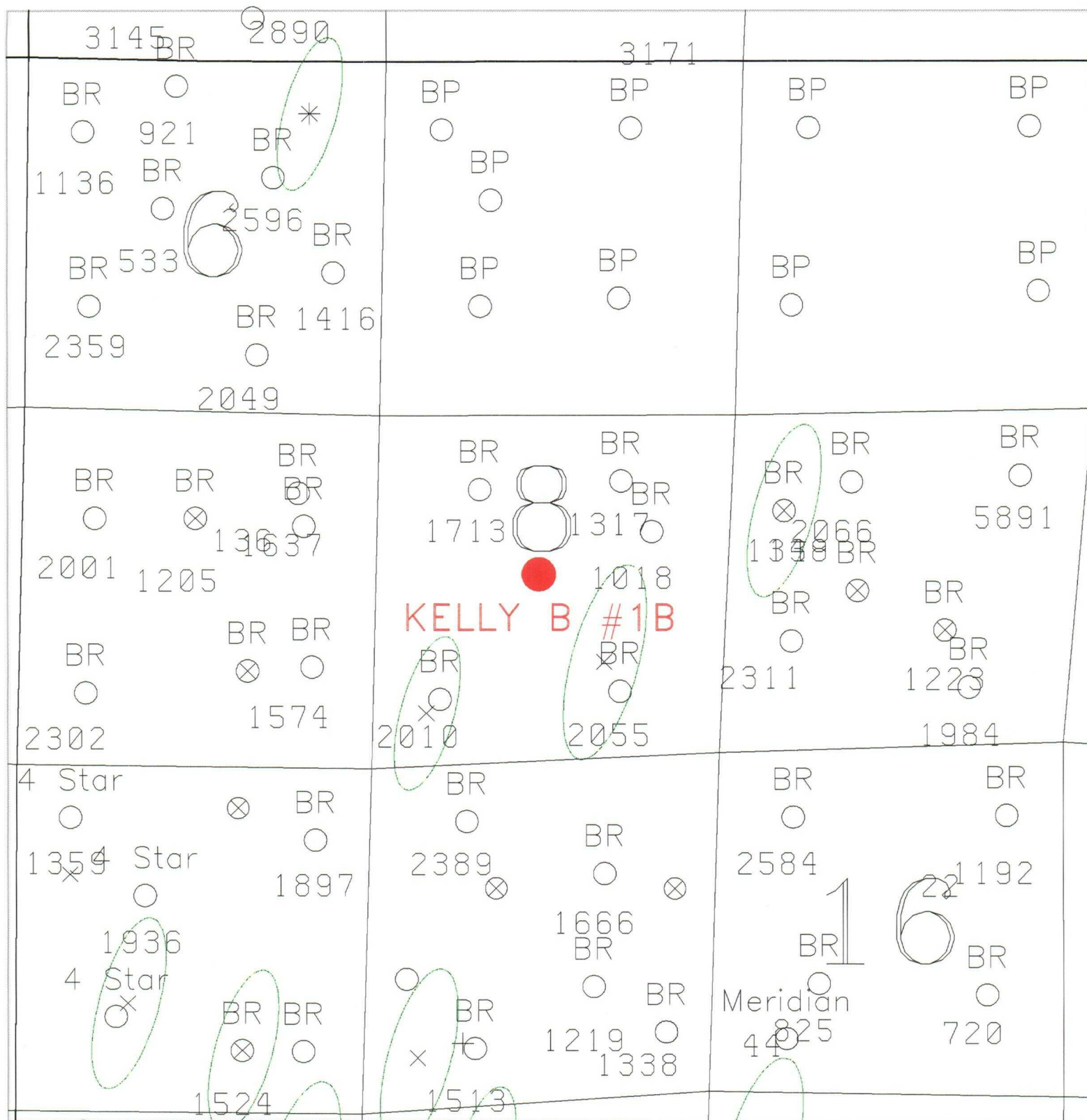


T30N, R10W, SEC 8, SE, SE, NW



MESAVERDE ELLIPSES

T30N, R10W, SEC 8, SE, SE, NW



DAKOTA ELLIPSES

From: Origin ID: (505)326-9709
Judith Dee
BURLINGTON RESOURCES
3401 E 30TH ST

FARMINGTON, NM 87402



CL580140405406

Ship Date: 08NOV04
Actual Wgt: 1 LB
System#: 1005330/INET2000
Account#: S *****

REF: TAMMY JONES

SHIP TO: (505)476-3465 **BILL SENDER**
MICHAEL STOGNER
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.

SANTA FE, NM 875054000

Delivery Address Bar Code

PRIORITY OVERNIGHT

TUE

TRK# **7913 8147 4330**

FORM
0201

Deliver By:
09NOV04

ABQ A2

87505 -NM-US

9A SAFA

Shipping Label: Your shipment is complete

1. Use the 'Print' feature from your browser to send this page to your laser or inkjet printer.
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