

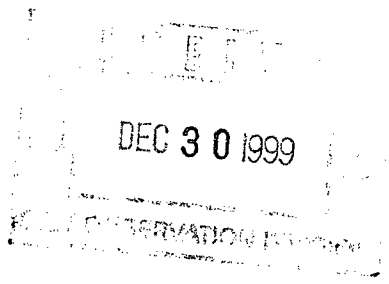
NSL 1/19/00



**PHILLIPS PETROLEUM COMPANY**

FARMINGTON, NEW MEXICO 87401  
5525 HWY. 64 NBU 3004

December 22, 1999



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

Attn: Ms. Lori Wrotenberry

**RE: REQUEST FOR ADMINISTRATIVE APPROVAL OF UNORTHODOX WELL LOCATION  
SAN JUAN 29-5 UNIT #70M WELL  
SE/4 SECTION 28-29N-5W  
RIO ARriba COUNTY, NEW MEXICO  
PHILLIPS CONTRACT C40452**

Ladies and Gentlemen:

Phillips Petroleum Company (Phillips) as Operator of the captioned well, respectfully requests administrative approval of an unorthodox well location for the said well.

Phillips proposes to drill the San Juan 29-5 Unit #70M well at a location of 280' FSL & 2355' FEL of Section 28-29N-5W, Rio Arriba County, New Mexico. This well will be a commingled well located in the Basin Dakota and Blanco Mesaverde Pools and will have the E/2 of Section 28 designated as the drillblock for the Mesaverde and as the drillblock for the Dakota. This is an orthodox location for the Mesaverde, (as per Order No. R-10987-A) and is an infill well for the Mesaverde Pool, however, it is not an orthodox location for the Dakota Pool as currently established.

The Mesaverde is being developed on the optional 160 acre basis. This well is located on fee lands. The surface owner (Mr. Don Candelaria) met with our representative and specifically requested that this location be used to minimize damage to his existing ranching operations. It is unlikely that a Dakota well could be drilled as a stand-alone well on an economic basis. The economics are improved through the investment savings realized by drilling the well as a Dakota/Mesaverde commingled well. The most viable alternative to recover Dakota reserves is to drill the Mesaverde infill wells as commingled wells, thus necessitating our request. Additionally, this creates less surface disturbance, and accommodates the Fee surface owners' request.

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

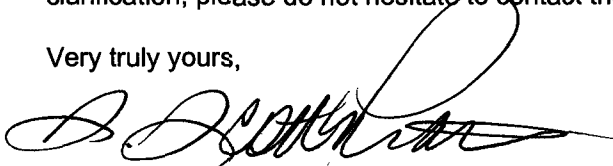
1. Form C-102 (and accompanying information)
2. A topographical plat of the area
3. A nine section plat exhibiting offset operators

This drill block is located within the confines of the San Juan 29-5 Unit and is completely surrounded by drillblocks operated by Phillips. Per the District OCD office in Aztec, it is our understanding that the 20 day notice period can be waived due to Phillips operating all offsetting drillblocks. We respectfully ask that if possible, the waiting period be waived and this request expedited.

Unorthodox Well Location  
San Juan 29-5 Unit #70M Well  
December 22, 1999  
Page 2

We thank you for your considerate attention to this request and should you need additional information or clarification, please do not hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'S. Scott Prather', written in a cursive style.

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

cc: J. L. Mathis (r) C40452  
Frank Chavez – OCD, Aztec  
Offset Owners

District I  
 191 Hug 1980, Hobbs, NM 88241-1980  
 District II  
 811 South First, Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
 2040 South Pacheco  
 Santa Fe, NM 87505

Form C-102  
 Revised October 18, 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 SAN JUAN 29-5 UNIT			6 Well Number 70M
7 OGRID No.		8 Operator Name PHILLIPS PETROLEUM COMPANY			9 Elevation 6650'

10 Surface Location

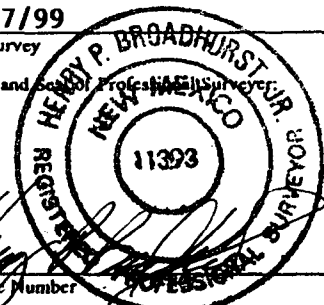
UL or lot no. 0	Section 28	Township 29N	Range 5W	Lot Idn	Feet from the 280'	North/South line SOUTH	Feet from the 2355'	East/West line EAST	County RIO ARRIBA
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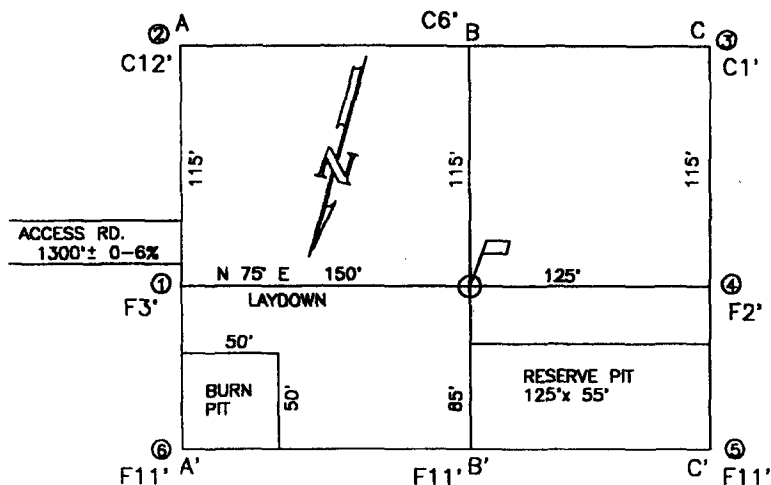
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
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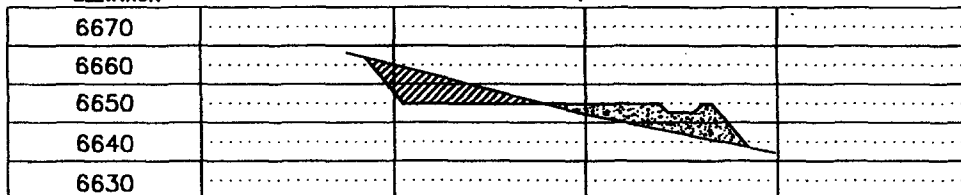
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	S89°52'E	5281.32'	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 _____
5280.00'			
	Section 28		
N00°01'E			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.  11/17/99 Date of Survey Signature and Seal of Professional Surveyor  Certificate Number
	S89°51'E	280' 2355' 5287.92'	



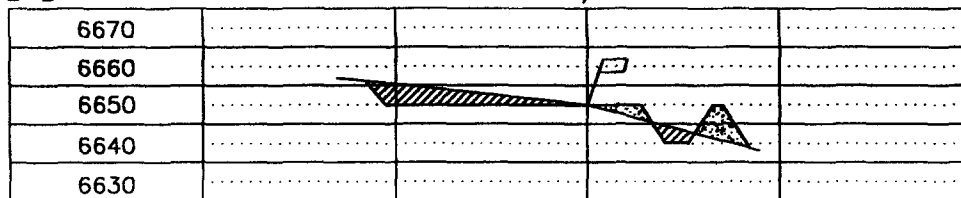
A-A' ELEVATION

C/L



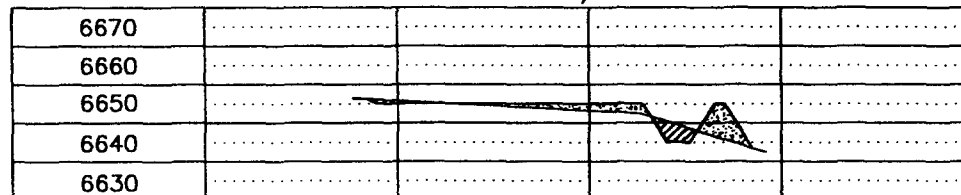
B-B'

C/L



C-C'

C/L



COMPANY: PHILLIPS PETROLEUM CO.

LEASE: SAN JUAN 29-5 UNIT No. 70M

FOOTAGE: 280 FSL 2355 FEL UNIT 0


SEC. 28 TWN. 29 N RNG. 5 W N.M.P.M.

COUNTY: RIO ARRIBA STATE: N.M.

ELEVATION: 6650

LATITUDE: 36-41-24

LONGITUDE: 107-21-40

 <b>PHILLIPS PETROLEUM CO.</b> FARMINGTON, NEW MEXICO		
SURVEYED: 11/17/99	REV. DATE:	APP. BY
DRAWN BY: K.REA	DATE DRAWN: 11/20/99	FILE NAME: UF016
<b>UNITED</b> <b>FIELD SERVICES INC.</b>		
P.O. BOX 3851 FARMINGTON, NM 87499 OFFICE: (505)334-0408		

# PHILLIPS PETROLEUM COMPANY

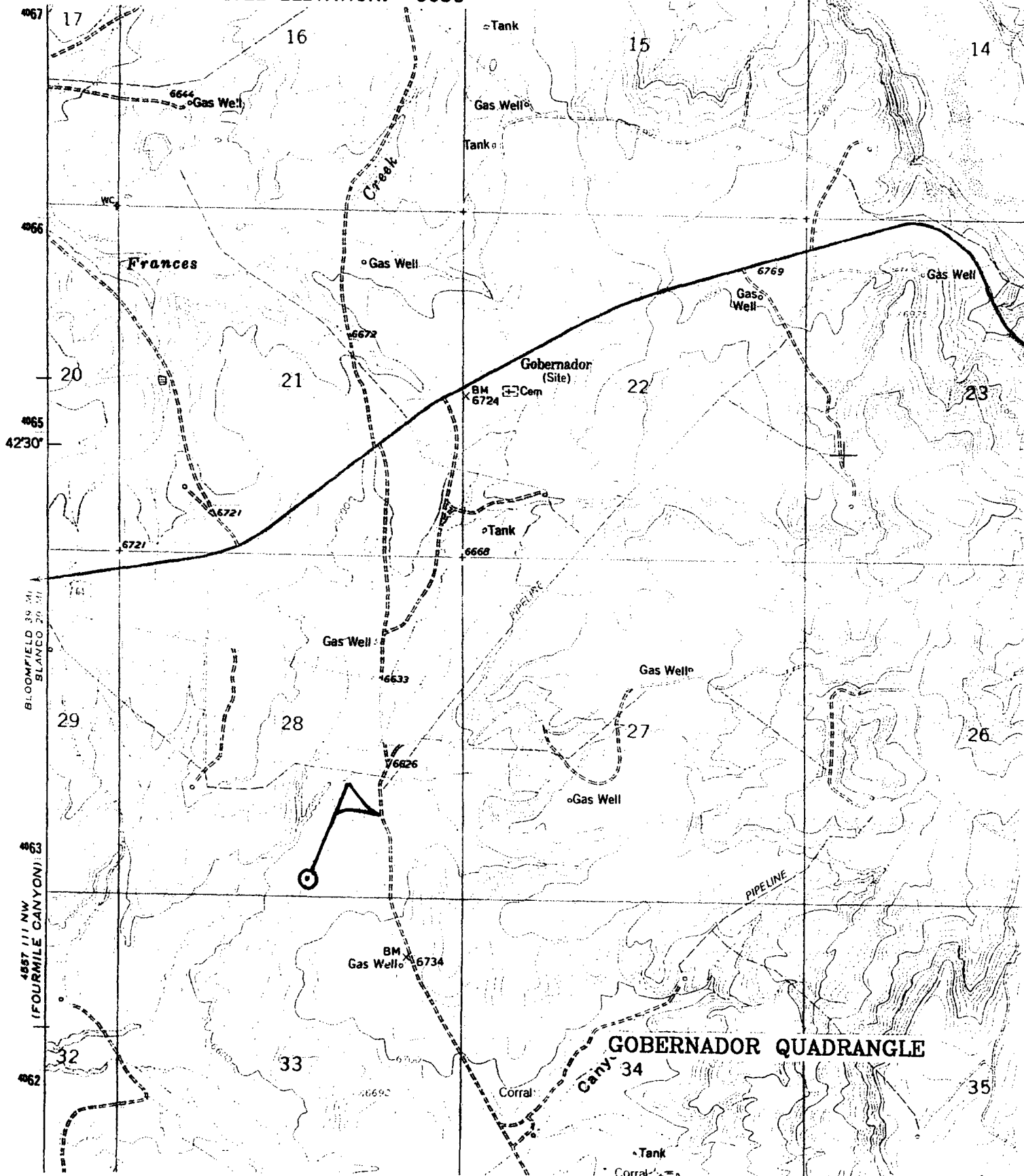
SAN JUAN 29-5 UNIT No. 70M

280' FSL, 2355' FEL

SE/4 SEC. 28, T-29-N, R-05-W, N.M.P.M.,

RIO ARRIBA COUNTY, NEW MEXICO

GROUND LEVEL ELEVATION: 6650'



4066  
4065  
42'30"  
4063  
4062  
T. 29 N.  
T. 28 N.  
4061  
40

BLOOMFIELD 39 MI.  
BLANCO 39 MI.  
4557 III NW  
(FOURMILE CANYON)



**PLAT OF OFFSET OPERATORS  
SAN JUAN 29-5 UNIT #70M**

20  PHILLIPS PETROLEUM COMPANY	21  PHILLIPS PETROLEUM COMPANY	22  PHILLIPS PETROLEUM COMPANY
29  PHILLIPS PETROLEUM COMPANY	28  #70M •	27  PHILLIPS PETROLEUM COMPANY
32  PHILLIPS PETROLEUM COMPANY	33  PHILLIPS PETROLEUM COMPANY	34  PHILLIPS PETROLEUM COMPANY

CMD : ONGARD 02/03/00 11:25:06  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TQAE

API Well No : 30 39 21050 Eff Date : 06-01-1977 WC Status : A  
Pool Idn : 71599 BASIN DAKOTA (PRORATED GAS)  
OGRID Idn : 17654 PHILLIPS PETROLEUM CO NW  
Prop Idn : 9256 SAN JUAN 29 5 UNIT

Well No : 070  
GL Elevation: 6630

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: H	28	29N	05W	FTG 1760 F N FTG	960 F E	P

Lot Identifier:

Dedicated Acre: 320.00

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 02/03/00 11:25:28  
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TQAE

OGRID Idn : 17654 API Well No: 30 39 26299 APD Status(A/C/P): A  
Opr Name, Addr: PHILLIPS PETROLEUM CO NW Aprvl/Cncl Date : 01-07-2000  
5525 HWY 64 NBU 3004  
FARMINGTON,NM 87401

Prop Idn: 9256 SAN JUAN 29 5 UNIT Well No: 70 M

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: O	28	29N	05W			FTG 280 F S	FTG 2355 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): P Ground Level Elevation : 6650

State Lease No: Multiple Comp (Y/N) : Y  
Prpsd Depth : 8057 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 : ONGARD 02/03/00 11:25:33  
OG6C102 C102-WELL LOCATION, DEDICATED ACREAGE PLAT OGOMES -TQAE

API Well No : 30 39 26299 Well No : 70 M Eff Date :  
Pool Idn :

Prop Idn : 9256 SAN JUAN 29 5 UNIT

OGRID Idn : 17654 PHILLIPS PETROLEUM CO NW  
GL Elevation : 6650

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn	: O	28	29N	05W	FTG 280 F S	FTG 2355 F E	

OCD U/L : O

Lot Identifier: API County : 39

Ogrid Name at Plugging time :

If more than 1 lease of different ownership is dedicated to the  
well, have the interest of all owners been consolidated? (Y/N) :

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

E6910: No matching record found. Enter Pool to create

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 NEXT-WC	PF11 HISTORY	PF12 ACRE

CMD :  
OG5SECTONGARD  
INQUIRE LAND BY SECTION02/03/00 11:12:56  
OGOMES -TQAE  
PAGE NO: 1

Sec : 28 Twp : 29N Rng : 05W Section Type : NORMAL

D 40.00  Federal owned U	C 40.00  Federal owned U	B 40.00  Fee owned U	A 40.00  Fee owned U
E 40.00  Federal owned U A	F 40.00  Fee owned U	G 40.00  Fee owned U A	H 40.00  Fee owned U A

PF01 HELP  
PF07 BKWDPF02  
PF08 FWDPF03 EXIT  
PF09 PRINTPF04 GoTo  
PF10 SDIVPF05  
PF11PF06  
PF12

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

02/03/00 11:13:00  
OGOMES -TQAE  
PAGE NO: 2

Sec : 28 Twp : 29N Rng : 05W Section Type : NORMAL

L 40.00  Fee owned U A	K 40.00  Fee owned U	J 40.00  Fee owned U	I 40.00  Fee owned U
M 40.00  Federal owned U A	N 40.00  Federal owned U	O 40.00  Fee owned U A	P 40.00  Fee owned U

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12

CMD : ONGARD 02/03/00 11:48:16  
 OG6ACRE C102-DEDICATE ACREAGE OGOMES -TPVZ  
 Page No : 1

API Well No : 30 39 21050 Eff Date : 04-30-1991  
 Pool Idn : 71599 BASIN DAKOTA (PRORATED GAS)  
 Prop Idn : 9256 SAN JUAN 29 5 UNIT Well No : 070  
 Spacing Unit : 30933 OCD Order : Simultaneous Dedication:  
 Sect/Twp/Rng : Acreage : 320.00 Revised C102? (Y/N) :  
 Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
	A	28	29N	05W	40.00	N	FE			
	B	28	29N	05W	40.00	N	FE			
	G	28	29N	05W	40.00	N	FE			
	H	28	29N	05W	40.00	N	FE			
	I	28	29N	05W	40.00	N	FE			
	J	28	29N	05W	40.00	N	FE			
	O	28	29N	05W	40.00	N	FE			
	P	28	29N	05W	40.00	N	FE			

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
 PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

**Stogner, Michael**

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**From:** Chavez, Frank  
**Sent:** Thursday, February 17, 2000 4:24 PM  
**To:** Stogner, Michael  
**Subject:** NSL's

After talking to Patsy it appears I haven't done too good a job managing these NSL's. I'm not as good at it as Ernie was.

The 29-5 #60M & #70M are OK for approval.

Please send me a list of those that you are waiting on a response from me. Thanks.