

| | | | | |
|-------------------|---------------------|----------------|--------------|-------------|
| DATE IN 1/6/00 | SUSPENSE 1/26/00 | ENGINEER MS | LOGGED KV | TYPE NSL |
|-------------------|---------------------|----------------|--------------|-------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

☐ [NSP-Non-Standard Proration Unit] ☐ [NSL-Non-Standard Location]
☐ [DD-Directional Drilling] ☐ [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 - Directional Drilling

☒ [NSL] ☐ [NSP] ☐ [DD] ☐ [SD]

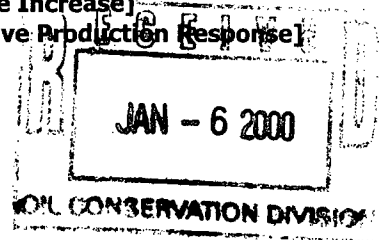
Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

☐ [DHC] ☐ [CTB] ☐ [PLC] ☐ [PC] ☐ [OLS] ☐ [OLM]

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ [WFX] ☐ [PMX] ☐ [SWD] ☐ [IPI] ☐ [EOR] ☐ [PPR]



[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] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Yolanda Perez
Print or Type Name

Yolanda Perez
Signature

Regulatory Analyst
Title

1/5/00
Date



Yolanda Perez
Regulatory Analyst
EPNA - Gulf Region
Lobo/San Juan Asset Unit

Conoco Inc.
P.O. Box 2197 - DU3066
Houston, TX 77252
(281) 293-1613

January 5, 2000

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

Attn: Michael Stogner

Re: Application for Non-Standard Location
Basin Dakota Pool
San Juan 28-7 Unit #235M
1725' FSL (700' FNL) & 1910' FEL
Unit Ltr. J, Section 10, T-28N, R-7W
Rio Arriba County, New Mexico

Dear Mr. Stogner,

Conoco Inc. plans to drill the above referenced well in 2000. The proposed well has been staked at a non-standard location of 700' from the North line and 1910' from the East line, Sec.10, T-28N, R-7W, Rio Arriba County as shown on the attached C-102. Basin-Dakota pool rules require a standard location to be located no closer than 790 feet to any outer boundary of the quarter section on which the well is located. The subject location is an open, 160-acre Dakota infill site. In an effort to prevent waste and to effectively / efficiently develop the 28-7 Unit to its fullest potential, Conoco selected this site to serve two purposes. To accommodate both a primary, 160-acre Dakota infill, and an 80-acre Mesaverde infill withdrawal point. The subject location was selected, in part, because of the need to situate the proposed Mesaverde completion in a different quarter/quarter Section than the existing Mesaverde well (per Order No. R-10987-A), and the desire to maximize distance from same. Additionally, drastic structural relief immediately south of this location, limits viable site selections that do not crowd existing Unit wells (see attached topography map and surveyor comments).

The ability to access both horizons in a single wellbore will reduce development costs and surface disturbance. ~~Please note that the location is interior to the 28-7 Unit, and does not encroach on any exterior Unit boundaries.~~ An application to downhole commingle production from the Blanco Mesaverde and Basin Dakota pools has been approved (DHC-2443, issued 8/31/99). There is a Non-Standard Unit Order for the Basin Dakota which is # R-2948.

Conoco respectfully requests that a non-standard location for the Basin Dakota Pool be issued for the referenced well for the reasons cited above. At 700' from the north line of Section 10, the referenced well is standard for the Blanco Mesaverde Pool (660' allowed).

If there are any questions concerning this application, please feel free to call me at (281) 293-1613.

Sincerely,

CONOCO INC.

Yolanda Perez

Yolanda Perez
Regulatory Analyst
Lobo/San Juan Asset

Not true. Closer than 790' to Burlington's 29-7 Unit. Burlington vol. filed OK

OFFSET OPERATORS NOTIFIED

Burlington Resources
P. O. Box 4289
Farmington, NM 87499-4289

Z 413 455 268

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

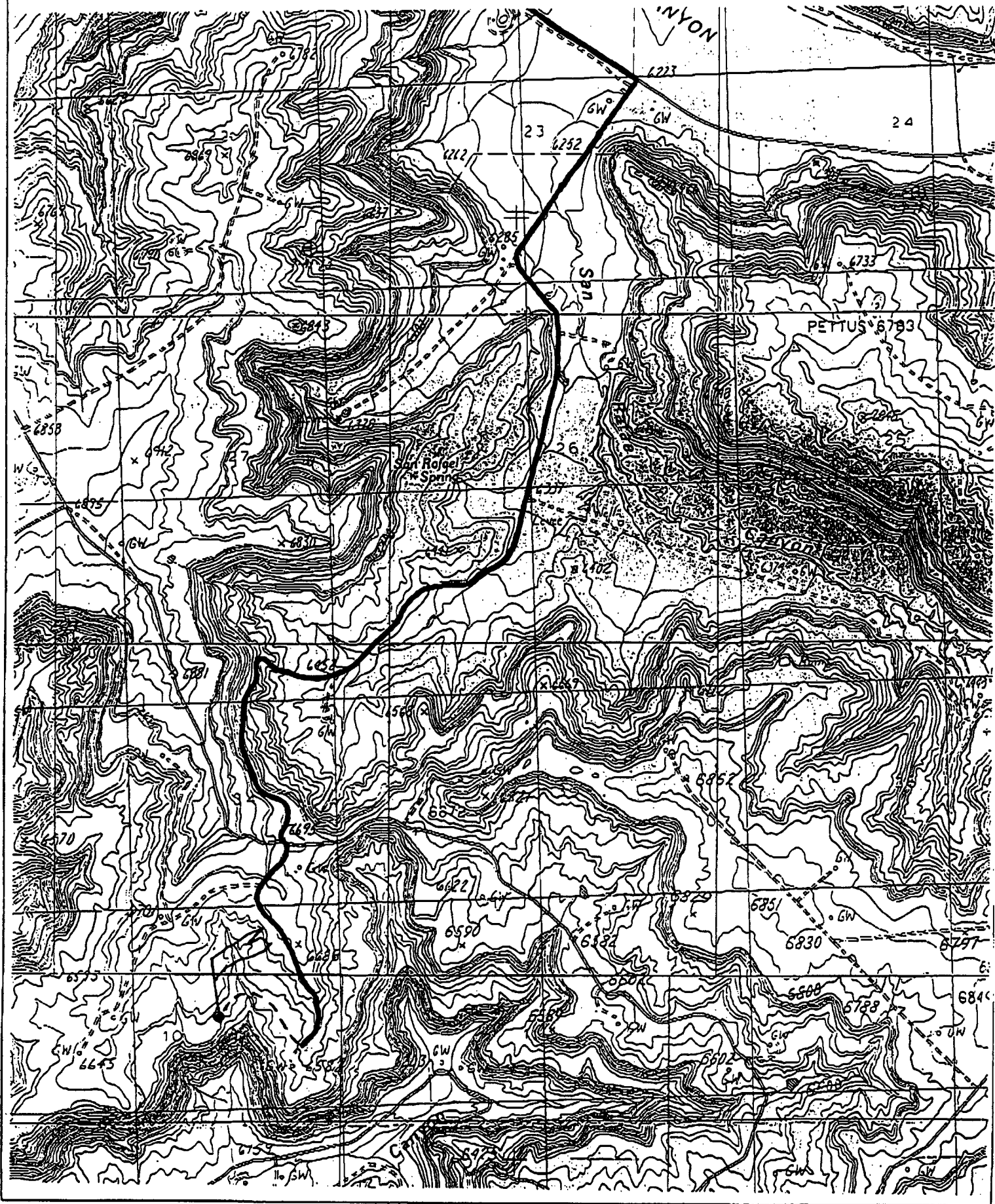
Do not use for International Mail (See reverse)

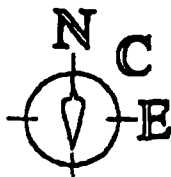
Burlington Resources
P.O. Box 4289
Farmington, NM 87499-4289

| | |
|---|----|
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | |
| Return Receipt Showing to Whom, Date, & Addressee's Address | |
| TOTAL Postage & Fees | \$ |
| Postmark or Date | |

PS Form 3800, April 1995

CONOCO, INC. SAN JUAN 28-7 UNIT #235M
1725' FSL & 1910' FEL, SECTION 10, T28N, R7W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO





SURVEYS, INC.

P.O. BOX 6612
FARMINGTON, NM 87449
OFFICE: (505)325-2654
FAX: (505)326-5650

JUNE 2, 1999

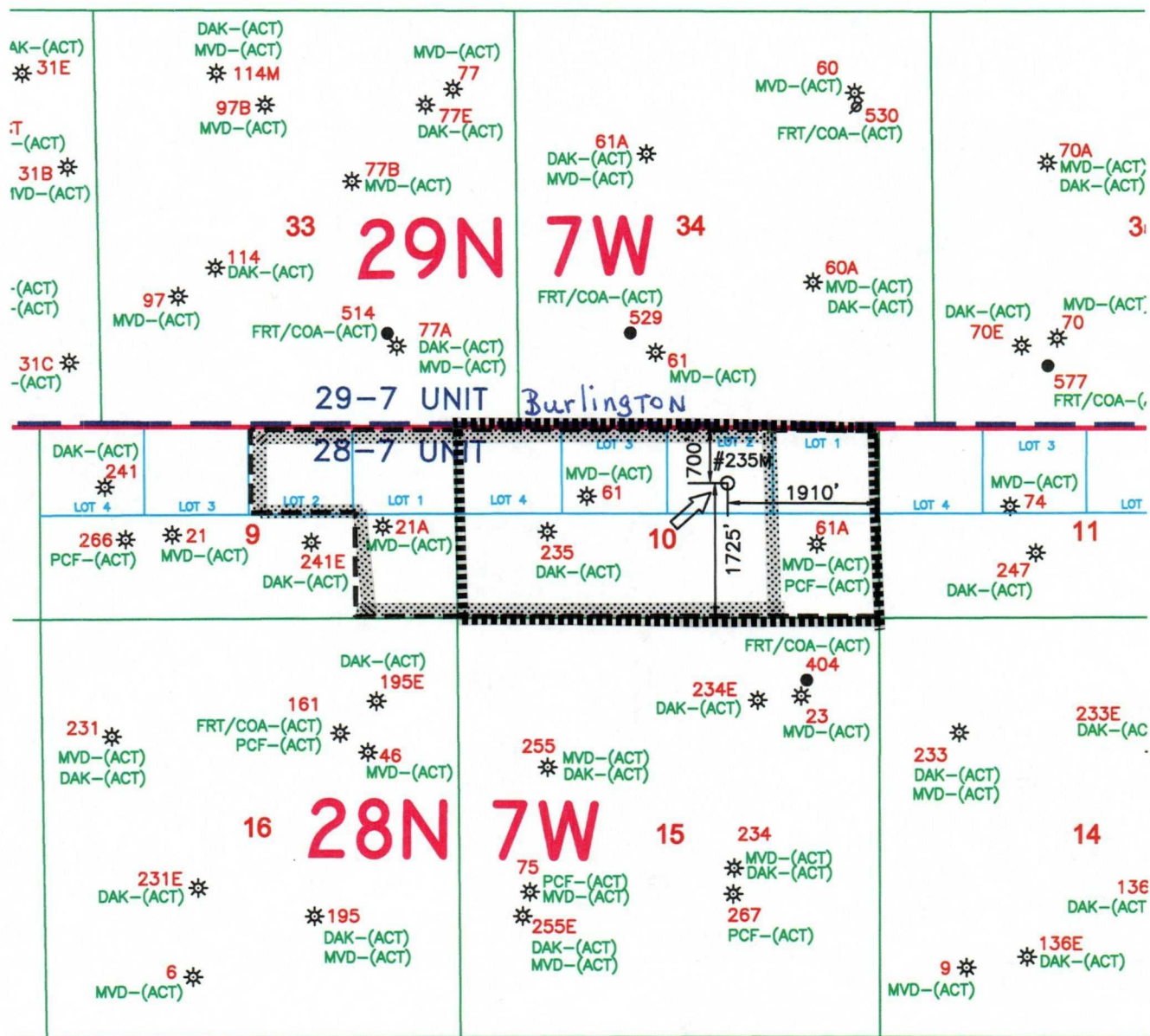
CONOCO, INC.
SAN JUAN 28-7 UNIT #235M
1725' FSL, 1910' FEL,
SECTION 10, T28N, R7W, NMPM
RIO ARriba COUNTY, NM

TO WHOM IT MAY CONCERN @ CONOCO ,INC:

REASONS FOR NON-STANDARD LOCATION:

THE PRIMARY REASON FOR THE NON-STANDARD STAKING OF THE SAN JUAN 28-7 UNIT #235M IS THE DRASTIC RELIEF IN TOPOGRAPHY WHICH EXISTS IN THE AREA. FURTHERMORE, ARCHEOLOGICAL DISCOVERIES HAVED ALSO AFFECTED THE PLACEMENT OF THIS WELL. MOREOVER, THE WELL FALLS WITHIN THE DRILLING WINDOWS WHICH PERTAIN TO THE MESAVERDE FORMATION; HOWEVER, IT IS DECLARED NON-STANDARD DUE TO THE FACT THAT IS NOT MEET DAKOTA CRITERIA.

A handwritten signature in cursive script, appearing to read 'Mark Edwards'.



||||| MV
 ||||| DAK

| | | | | | | | | | | | | | | |
|--|--|--|---|----------|------------|------------|--------|---------|---------|----|---|-----|---|----------|
| NOTES | | <div>conoco</div> EXPLORATION PRODUCTION AMERICAS | | | | | | | | | | | | |
| LOCATION IS NON-STANDARD TOWARDS AN INTERIOR UNIT LINE. CONOCO OPERATES ALL WELLS IN THE 28-7 UNIT. ARCHEOLOGICAL SITES AND TOPOGRAPHIC CONSTRAINTS NECESSITATE A NON-STANDARD LOCATION. | DATE: 12/17/99 | SAN JUAN 28-7 UNIT #235M SECTION 10, T28N, R7W 1725' FSL & 1910' FEL RIO ARRIBA COUNTY, NEW MEXICO | | | | | | | | | | | | |
| | DRAWN BY: - | | | | | | | | | | | | | |
| | CHECKED BY: | | | | | | | | | | | | | |
| | APPROVED BY: | <table><tr><td>STATE</td><td>API NUMBER</td><td>COUNTY</td><td>WELL</td><td>DRAWING</td></tr><tr><td>30</td><td>-</td><td>039</td><td>-</td><td>287-235M</td></tr></table> | | | STATE | API NUMBER | COUNTY | WELL | DRAWING | 30 | - | 039 | - | 287-235M |
| | STATE | | | | API NUMBER | COUNTY | WELL | DRAWING | | | | | | |
| 30 | - | 039 | - | 287-235M | | | | | | | | | | |
| SCALE: 1" = 2000' | | | | | | | | | | | | | | |
| STATE PLANE COORDINATES REFERRED TO NAD27 - NEW MEXICO WEST STATE PLANE COORDINATES ZONE - 3003 | CONOCO INC. 600 N DAIRY ASHFORD ST HOUSTON, TX 77079 | | | | | | | | | | | | | |

District I
1625 N. French Dr., Hobbs, NM 88240
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

Form C-102
Revised March 17, 1999

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

| | | |
|--------------------------------------|--|---|
| ¹ API Number | ² Pool Code 72319 / 71599 | ³ Pool Name Blanco Mesaverde / Basin Dakota |
| ⁴ Property Code 016608 | ⁵ Property Name San Juan 28-7 Unit | ⁶ Well Number 235M |
| ⁷ OGRID No. 005073 | ⁸ Operator Name Conoco Inc. | ⁹ Elevation 6580 |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| J | 10 | 28N | 7W | | 700' | North | 1910' | East | Rio Arriba |

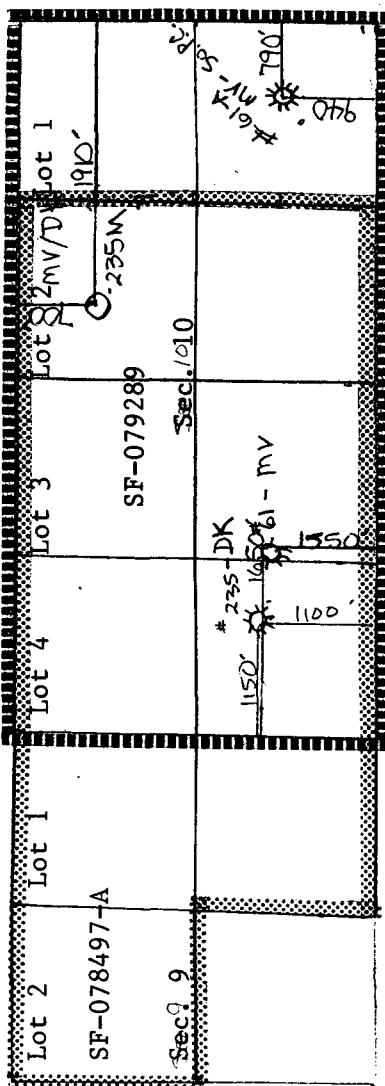
¹¹ Bottom Hole Location If Different From Surface

| 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 296.08 MV 331.55 DK | ¹³ Joint or Infill Y | 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

NON-STANDARD LOCATION



¹⁷ OPERATOR CERTIFICATION

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

Signature: *Deborah Moore*
Printed Name: Deborah Moore

Title: Regulatory Analyst

Date: 08/31/99

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
Signature and Seal of Professional Surveyer:

Certificate Number

All distances must be from the outer boundaries of the Section.

| | | | | | |
|--|--------------------------------------|--|-----------------------------|-----------------------------|---|
| Operator EL PASO NATURAL GAS COMPANY | | Lease SAN JUAN 28-7 UNIT (SF-079289) | | Well No. 235 | |
| Unit Letter M | Section 10 | Township 28-N | Range 7-W | County RIO ARriba | |
| Actual Footage Location of Well: 1100 feet from the SOUTH line and 1150 feet from the WEST line | | | | | |
| Ground Level Elev. 6645 | Producing Formation DAKOTA | | Pool BASIN DAKOTA | | Dedicated Acreage: 331.55 Acres |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Unitization

X

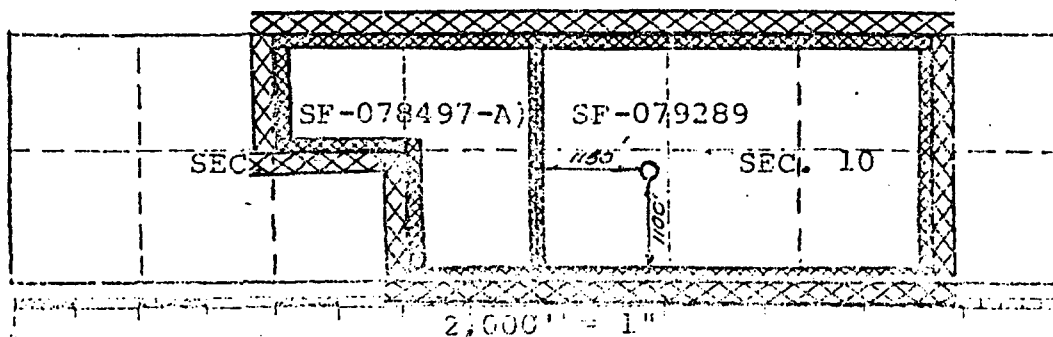
☐ Yes ☐ No If answer is "yes," type of consolidation

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

RECEIVED
FEB 16 1977
U. S. GEOLOGICAL SURVEY
DURANGO, COLO.

NON-STANDARD UNIT ORDER #R-2948



CERTIFICATION

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

Original Signed by
D. G. Brisco

Drilling Clerk

El Paso Natural Gas Co.

February 15, 1977

Date

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 knowledge and belief.

Date Surveyed

AUGUST 12, 1974

Registered Professional Engineer and/or Land Surveyor

Certificate No. **1760**

WELL LOCATION AND/OR GAS PRORATION PLAT

DATE JUNE 18, 1956

OPERATOR EL PASO NATURAL GAS COMPANY LEASE SAN JUAN 28-7 UNIT SF 079289

WELL NO. 61 SECTION 10 TOWNSHIP 28-N RANGE 7-W NMPM

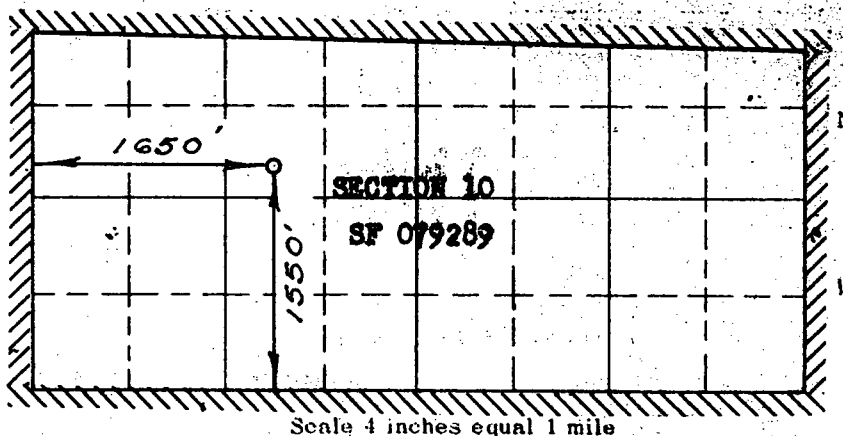
LOCATED 1550 FEET FROM SOUTH LINE 1640 FEET FROM WEST LINE

RIO ARriba COUNTY, NEW MEXICO G.L. ELEVATION 6669

NAME OF PRODUCING FORMATION MESA VERDE POOL BLANCO DEDICATED ACREAGE 296.88 ACRES
(1917 PLAT)

Note: All distances must be from outer boundaries of section.

RECEIVED
JUL 10 1956
U. S. GEOLOGICAL SURVEY
FARMINGTON, NEW MEXICO



NOTE

This section of
form is to be used
for gas wells only

This is to certify that the above plat was prepared from
field notes of actual surveys made by me or under my
supervision and that the same are true and correct to the
best of my knowledge and belief.

Date Surveyed JUNE 6, 1956

C. O. Walker
Registered Professional Engineer and/or Land Surveyor

1. Is this well a Dual Comp.

Yes No X

2. If the answer to Question 1

is yes, are there any other dually
completed wells within the
dedicated acreage.

Yes No

Name J. W. Boyd
Position Petroleum Engineer

Representing El Paso Natural Gas Co.

Address Box 997, Farmington, N.M.

NOTE: THIS PLAT IS RE-ISSUED TO SHOW CORRECTED ELEVATION.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

1980
Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

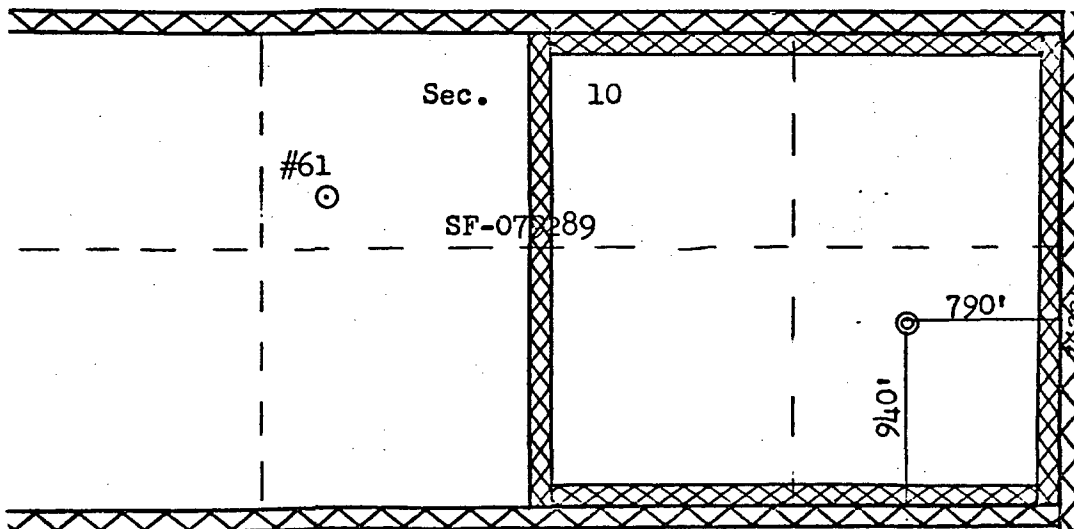
| | | | | | |
|--|--|-----------------|--|----------------------|---|
| Operator EL PASO NATURAL GAS COMPANY | | | Lease SAN JUAN 28-7 UNIT (SF-079289) | | Well No. 61-A |
| Init Letter P | Section 10 | Township 28N | Range 7W | County Rio Arriba | |
| Actual Footage Location of Well: 940 feet from the South line and 790 feet from the East line | | | | | |
| Ground Level Elev: 6572 | Producing Formation MESA VERDE PICTURED CLIFFS | | Pool BLANCO MESA VERDE SO. BLANCO PICTURED CLIFFS EXT. | | Dedicated Acreage: 147.72 & 296.08 Acres |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1,000' = 1"

CERTIFICATION

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

A. G. Guises

Name

Drilling Clerk
Position

El Paso Natural Gas Co.
Company

October 18, 1979
Date

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 knowledge and belief.

Date Surveyed

August 12, 1979

Registered Professional Engineer
and Land Surveyor

Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No. KERR, JR.

3950

RECEIVED

OCT 26 1979

U. S. GEOLOGICAL SURVEY
DURANGO, COLO.