



March 22, 2005

Michael E. Stogner Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505 2350 N. Sam Houston Parkway East Suite 300 Houston, Texas 77032 (281) 618-4700 FAX: (281) 618-4757

RECEIVED

MAR 2 0 2005

OIL CONSERVATION DIVISION

Dear Mr. Stogner:

Pursuant to Division Rule 104.F.(2), Southwestern Energy Production Company applies for approval of an unorthodox oil well location for the following well:

Well:

No Bluff State Well No. 6

Location:

1050 feet FNL & 330 feet FWL

Well Unit:

NW4NW4 of Section 36, Township 17 South, Range 27 East,

N.M.P.M., Eddy County, New Mexico

The well will be drilled to test the Glorieta/Yeso formations (Northeast Red Lake Glorieta-Yeso Pool). The pool is spaced on 40 acres, with wells to be located no closer than 330 feet to a quarter-quarter section line. A form C-102 for the well is attached as Exhibit A.

The location is based on engineering reasons. Applicant has drilled two Glorieta/Yeso wells in the W1/2NW1/4 of Section 36 (the No Bluff State Well No. 3, located 2264 feet FNL & 366 feet FWL, and the No Bluff State Well No. 4, located 1765 feet FNL & 330 feet FWL). Based on the evidence presented in Division Case No. 13185, which increased the allowable in the pool, one well will not adequately drain a 40 acre well unit. Therefore, applicant intends to drill three or four wells per well unit. Drilling the well at its proposed location will allow other wells to be located and drilled in such a way as to maximize recovery from the well unit.

Attached as Exhibit B is a land plat. The W1/2NW1/4 of Section 36 is covered by State Lease V-5512, which has common interest ownership as to all depths. The proposed well only encroaches on the interior quarter-quarter section line of the lease, and as a result notice of this application was not provided to any offset interest owners.

Please call if you have any questions. I can be reached at 281-618-4749.

## State of New Mexico

DISTRICT I 1686 N. FRINCH DR., MURRS, NW BREAG Energy. Minerals and Metural Seminarces Department

DISTRICT II 1244 V. GRAND AVENUE, AUTHORA, Mr. SCRIG

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR.

Form C-102 Revised JUNE 10, 2003 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - S Copies

DISTRICT III 1000 Rio Brazos Rd., Astec. NM 67410 Santa Fe, New Mexico 87505

C AMENDED REPORT

| DISTRICT IV   | WELL LOCATION AND ACREAGE DEDICATION PLAT      | AMENDED REPORT     |  |  |  |  |
|---------------|--|--------------------|--|--|--|--|
| API Number    | Pool Code Pool Name                            |                    |  |  |  |  |
| Property Code | Property Code Property Name NO BLUFF STATE COM |                    |  |  |  |  |
| OGRID No.     | SOUTHWESTERN ENERGY PRODUCTION COMPANY         | Elevation<br>3571' |  |  |  |  |

Surface Location

| [ | VL or lot No. | Section | Township      | Range | Lat Idn | Feet from the | North/South line | Peet from the | East/West line | County |
|---|---------------|---------|---------------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 1 | D             | 36      | 17 <b>–</b> S | 27-E  |         | 1050          | NORTH            | 330           | WEST           | EDDY   |

Bottom Hole Location If Different From Surface

|    | Paratit Has Meddott it Miteratic Light attrace |         |             |                    |         |                 |                  |               |                |        |
|----|--|---------|-------------|--------------------|---------|-----------------|------------------|---------------|----------------|--------|
| ſ  | UL or lot No.                                  | Section | Township    | Range              | Lot ldp | Fact from the   | Marth/South line | Page from the | Rest/Vest line | County |
| ١  | 4D 01 100 1141                                 |         |             | annualita.         |         | rear stolls wer | 1                |               | 1 4            | 40000  |
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| ۳  | Dedicated Acres                                | Inlat A | r infill Co | nenlidetion C      | 4- 1    | ler No.         |                  |               |                | ·      |
| -1 | Didition worm                                  |         |             | -Hittianenmenter C | OLD OF  | sac Ma-         |                  |               |                |        |
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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

| 1050  |  | OPERATOR CERTIFICATION  I hereby certify the the information contained herein to true and complete to the best of my knowledge and belief.   |
|-------|--|--|
| 330.0 | GEODETIC COORDINATES                         | Signaturo  |
| 1     | NAD 27 NME                                   | Printed Name   |
|       | Y=652906.8 N<br>X=528916.3 €                 | Title  |
|       | LAT.=32'47'41.62" N<br>LONG.=104'14'21.23" W | SURVEYOR CERTIFICATION   |
|       |  | I hereby cartify that the well togetion chown on this plat was platfed from field nates of actual swarps made by the or under my supervison, and that the sums is true and correct to the best of my balts.  |
|       |  | MARCH 12, 2005  Date Surveys S |
|       |  | Certification (CARX MINERAL 12841  |

