

DATE 8/27/03	SUSPENSE 9/24/03	ENGINEER MS	LOGGED IN LR	TYPE NSC	APP NO. PLR0323950601
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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.

PEGGY COLE
 Print or Type Name

Signature

Title

Date

e-mail Address

RECEIVED

AUG 27 2003

Oil Conservation Division

REGULATORY Supr. 8-25-03
 pcole@br-inc.com

BURLINGTON RESOURCES

SAN JUAN DIVISION

Sent Federal Express

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

Re: Hardie A #1B
930'FNL, 2160'FWL, Section 26, T-29-N, R-8-W, San Juan County
30-045-31139

RECEIVED
AUG 27 2003
Oil Conservation Division

Dear Mr. Stogner:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for the Blanco Mesaverde.

The subject well was staked at this location due to geology as explained on the attachment and terrain. Steep cliffs that surround a majority of the area within the legal spacing window for the Mesaverde make access improbable. We also cannot place the well within the legal window for the Blanco Mesaverde without being too close to the interpreted drainage pattern of the Hardie A #1A (30-045-22829) located at 1790'FNL, 790'FWL of Section 26.

Production from the Mesaverde is to be included in a 320 acre gas spacing and proration unit comprising of the west half of Section 26 and is to be dedicated to the Hardie A #1 (30-045-07759) Mesaverde well located at 990'FSL, 1850'FWL of Section 26 and to the Hardie A #1A (30-045-22829) located at 1790'FNL, 790'FWL of Section 26.

The following attachments are for your review:

- Approved application for Permit to Drill, sundry notice for location change and C-102 at referenced location
- Offset operators/owners plat
- Geologic explanation
- Aerial photograph of Section 26 and topographic map

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,


Peggy Cole
Regulatory Supervisor

WAIVER

BP America Production Company hereby waives objection to Burlington Resources' application for a non-standard location for the Hardie A #1B as proposed above.

By: _____ Date: _____

Xc: Bureau of Land Management
NMOCD – Aztec District Office

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number NMSF-078416 Unit Reporting Number
1b. Type of Well GAS	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 Hardie A 9. Well Number 1B
4. Location of Well 1645' FNL, 2580' FWL, Latitude 36° 42.0, Longitude 107° 38.7	10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 26, T-29-N, R-8-W API # 30-045- <u>31139</u>
14. Distance in Miles from Nearest Town 12 miles from Blanco	12. County San Juan 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1645'	
16. Acres in Lease	17. Acres Assigned to Well 320 W/2
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 1251'	
19. Proposed Depth 5613'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6346' GR	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <u><i>Regina Call</i></u> Regulatory/Compliance Supervisor	<u>7-26-02</u> Date

PERMIT NO.

APPROVAL DATE

APPROVED BY *DJ Manabeles*

TITLE

AFM

DATE

3-13-03

Archaeological Report to be submitted

Threatened and Endangered Species Report to be submitted

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

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

OPERATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

1. Type of Well
GAS

2. Name of Operator

BURLINGTON

RESOURCES OIL & GAS COMPANY LP

3. Address & Phone No. of Operator

PO Box 4289, Farmington, NM 87499 (505) 326-9700

4. Location of Well, Footage, Sec., T, R, M

930' FNL, 2160' FWL, Sec.26, T-29-N, R-8-W, NMPM

5. Lease Number
NMSF-078416

6. If Indian, All. or
Tribe Name

7. Unit Agreement Name

8. Well Name & Number
Hardie A #1B

9. API Well No.
30-045-31139

10. Field and Pool
Blanco Mesaverde

11. County and State
San Juan Co, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment

Type of Action

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other -

☒ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut off

☐ Conversion to Injection

13. Describe Proposed or Completed Operations

The subject well has been moved to 930' FNL, 2160' FWL from 1645' FNL, 2580' FWL due to terrain and geology. Attached is a new C-102 plat, pipeline plat, Multi-point Surface Use plan, and cut and fill diagram.

14. I hereby certify that the foregoing is true and correct.

Signed
no

Title Regulatory Supervisor Date 8/25/03

(This space for Federal or State Office use)

APPROVED BY

Title

Date

CONDITION OF APPROVAL, if any:

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

DISTRICT II
811 South First, Artesia, N.M. 88210

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-31139	² Pool Code 72319	³ Pool Name Blanco Mesaverde
⁴ Property Code 7085	⁵ Property Name HARDIE A	⁶ Well Number 1B
⁷ GRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	⁹ Elevation 6361'


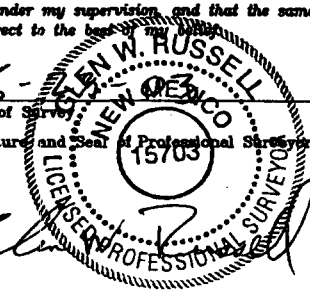
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	26	29-N	8-W		930'	NORTH	2160'	WEST	SAN JUAN

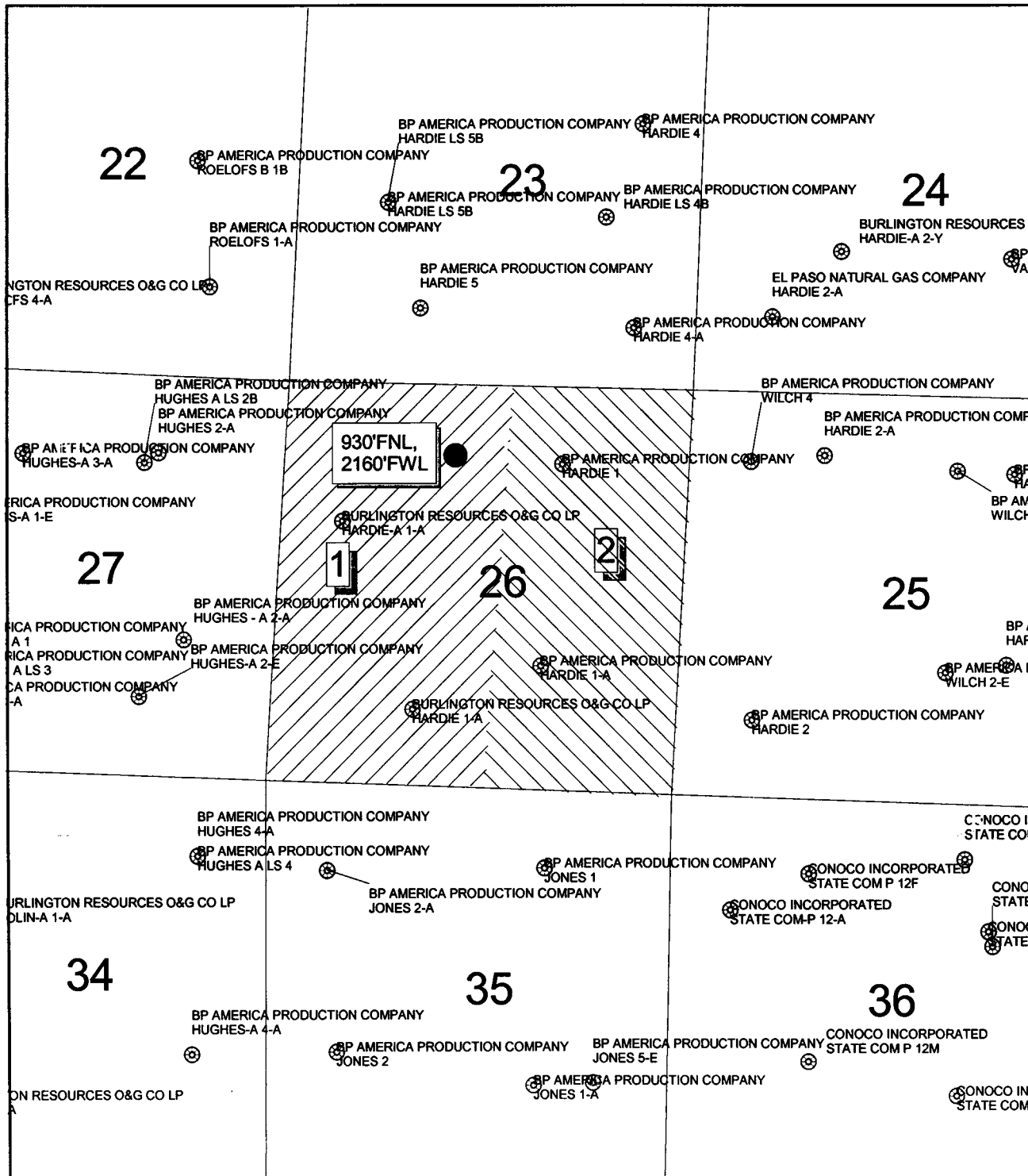
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres MV-W/320					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

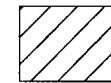
<div>FD 3 1/4" B.L.M. BC 1955</div> <div>S 89-32-43 E 2614.95' (M)</div> <div>2160'</div> <div>930'</div> <div>S 01-21-33 W 2599.41' (M)</div> <div>NMSF-078416</div> <div>Hardie "A" #1A 30-045-22829 1790' FNL-790' FNL</div>	<div>FD 3 1/4" B.L.M. BC 1955</div> <div>LAT: 36°42.0760'N. (NAD 27) LONG: 107°38.8098'W. (NAD 27)</div>	<div>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <div> Signature Peggy Cole Printed Name Regulatory Supervisor Title Date</div></div>
<div>FD 3 1/4" B.L.M. BC 1955</div>	<div>26</div> <div>Reissued to show amended location</div>	<div>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 knowledge. <div> Date of Survey Signature and Seal of Professional Surveyor Glen W. Russell 15703 Certificate Number</div></div>

Standard 640-acre Section

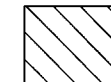


1 Burlington Resources Oil & Gas Company LP
Operator and Working Interest Owner
PO Box 4289
Farmington, New Mexico 87499

2 BP America Production Company
Attn: Bryan Anderson OSO Engineer
West Lake 1 Room 19-144
501 Westlake Park Blvd
Houston, Texas 77079



Proposed Well



Offset Operator



BURLINGTON RESOURCES



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600 0 600 1200 Feet

BURLINGTON RESOURCES

San Juan Division

Hardie A #1B

Section 26, T-29-N, R-8-W

Offset Operator/Owner Plat

Nonstandard Location

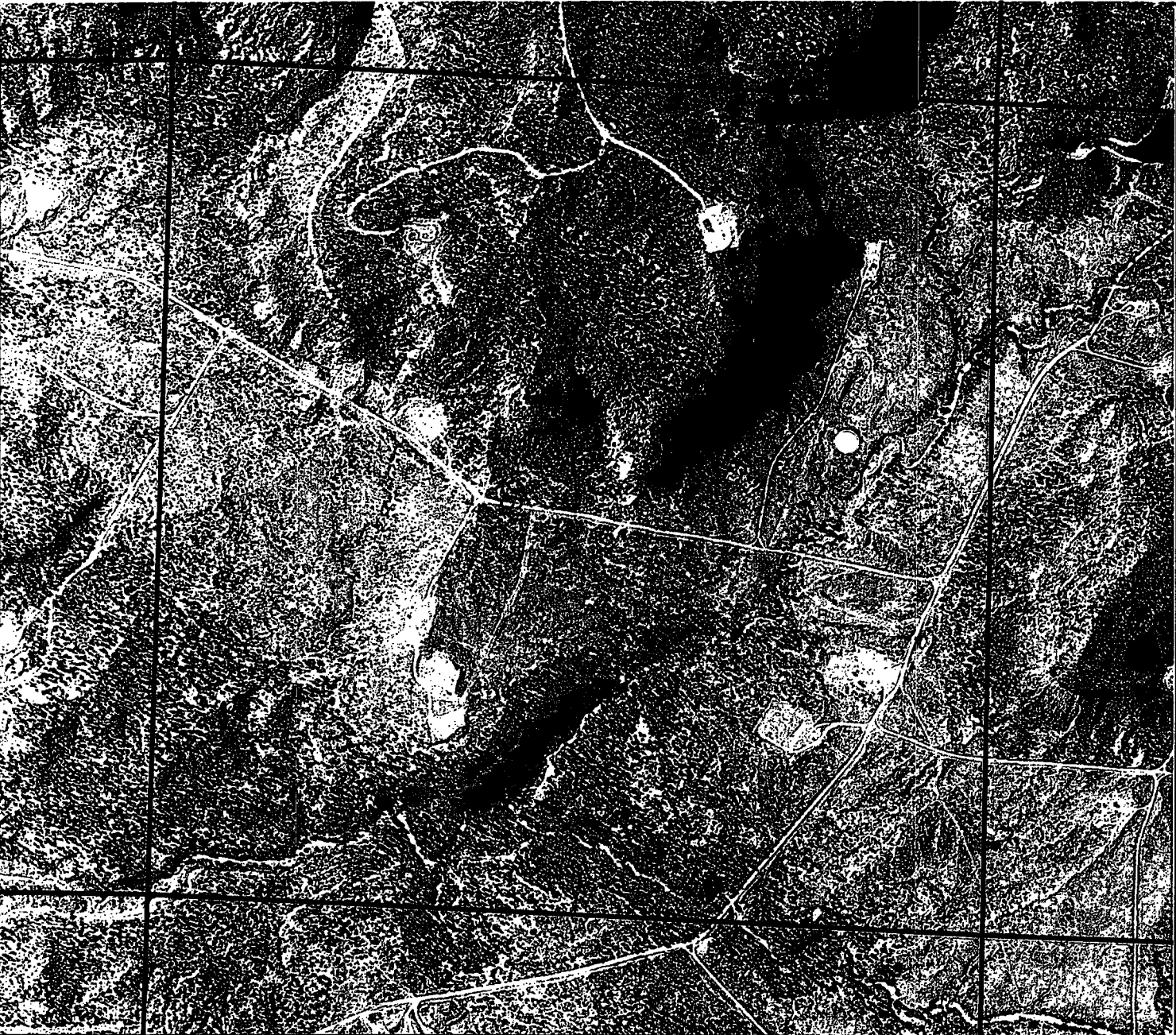
Mesaverde Formation

Transverse Mercator
State Plane - 1927 ; New Mexico, East 1:23752

Prepared By: Nancy Oltmanns Date: 8/11/2003

File No: Revised:

File Name: s:\public\nxo\hardie a #1b.apr



○ 930' FNL, 2160' FWL

- ☐ Counties
- ☐ San Juan Federal Units
- ☐ Town Outlines
- ☐ Sections
- ☐ Townships



BURLINGTON RESOURCES  **PLAT**

300 0 300 600 Feet

BURLINGTON RESOURCES

San Juan Division

Hardie A #1B
930' FNL, 2160' FWL
Sec. 26, T-29-N, R-8-W

Transverse Mercator
 UTM - 1827 ; Zone 13

1:11557

Prepared By: Nancy Olmams

Date: 08/20/2003

File No: _____

Revised: _____

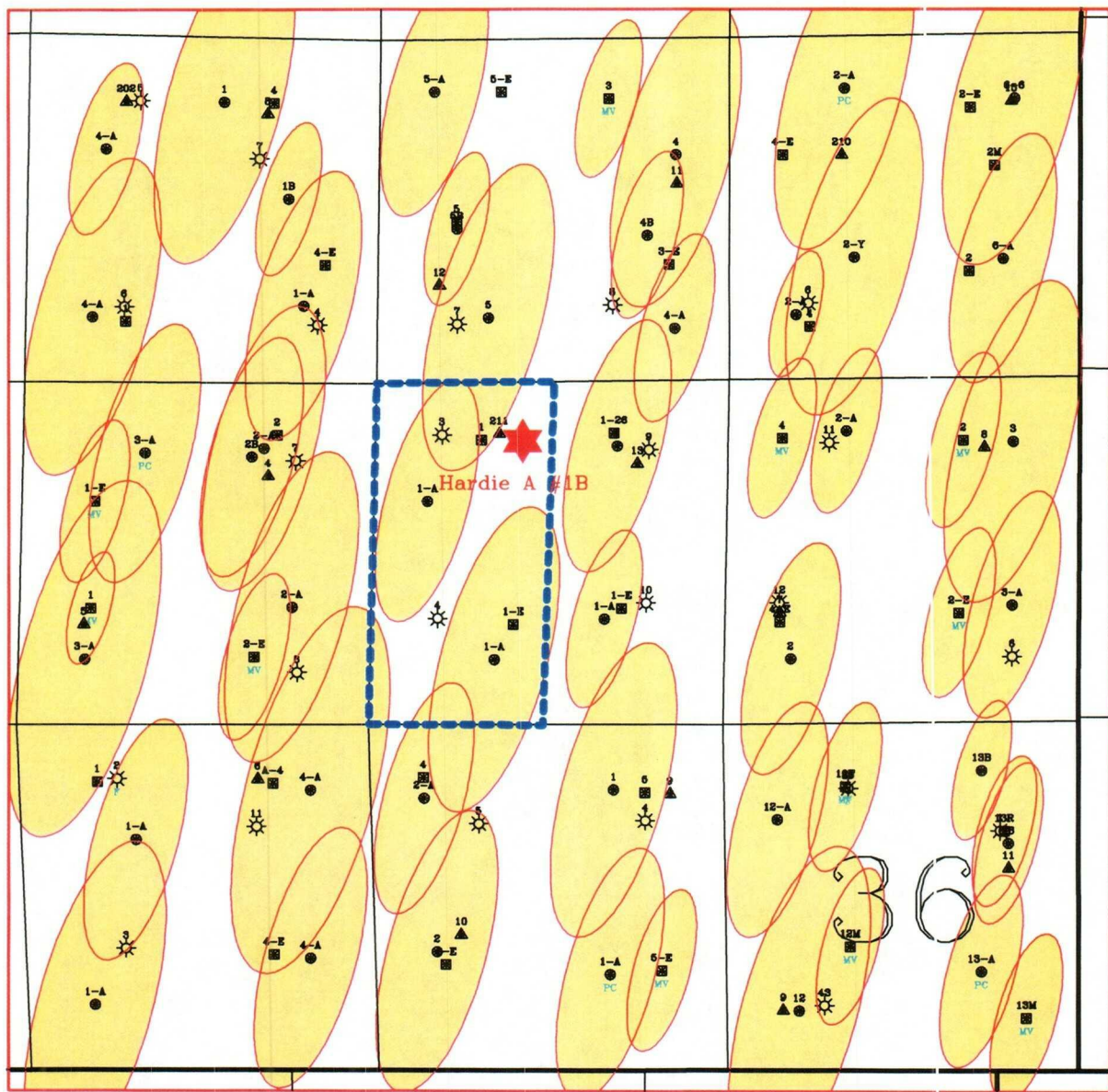
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Proposed Hardie A Well Number 1B
930' FNL & 2160' FWL
Section 26, T29N, R8W
San Juan County, New Mexico
Blanco Mesaverde Pool
Estimated TD 5613'

The Mesaverde spacing unit for the Hardie A 1B is the W/2 of Section 26-T29N-R8W. The proposed test is staked at a non-standard Mesaverde gas well location within the spacing unit (located approximately 455' from east edge of spacing unit). The Hardie A 1B will be the third Mesaverde well completed in the 320-acre spacing unit. Every effort was made to locate the proposed test at a standard Mesaverde gas well location in the NW/4 of Section 26 that would also not create significant Mesaverde drainage area overlap with the Hardie A 1A, located in the SW/4NW/4 (1790 FNL, 790 FWL) of Section 26-T29N-R8W. Unfortunately, it was not possible to find such a surface location due to topographic restrictions and other complications. The proposed test cannot be placed on the cliffs located in the SE/4NW/4 of Section 26. Any possible location requiring an access road to cross these same cliffs will not be approved by the BLM.

The location of the proposed test was selected to optimize recovery from the Mesaverde Group. The primary control on productivity in the Mesaverde is the density of natural fractures. Fracture orientation ranges from due north to north 30 degrees east. Gas drainage areas are elliptical in shape with the long axis parallel to the direction of fracture orientation. A drainage ellipse map of the project vicinity indicates that undeveloped gas reserves remain to be exploited by the Hardie A 1B in the E/2NW/4 of Section 24-T29N-R8W. The drainage ellipse map is based upon data derived from a larger study of the entire Blanco Mesaverde Pool (estimated ultimate recovery calculated for all wells in the Blanco Mesaverde Pool, original gas in place values calculated for entire Blanco Mesaverde Pool, etc.). It should be noted that successful 80-acre Mesaverde development has occurred in the 9-section area surrounding the proposed test over the past 4 years. BP Amoco has completed ten 80-acre Mesaverde infill producers, and Conoco has completed four 80-acre Mesaverde infill producers in the 9-section area surrounding the proposed Hardie A 1B.

The Hardie 1 is a Dakota producer located in the NE/4NW/4 (870 FNL, 1580 FWL) of Section 26 operated by Conoco. If operator rights for the Mesaverde (BR) and Dakota (Conoco) were not split in the NW/4 of Section 26, a Mesaverde recompletion and subsequent commingling with Dakota could be conducted at the Hardie 1.



- Existing Mesaverde
- ★ Astec Federal #1M
- Mesaverde Spacing Unit

Hardie A #1B
 Sec 26 T29N R8W
 Blanco Mesaverde

J Dehart
 5/03

