

DATE IN 12/16/07	SUSPENSE	ENGINEER BROOKS	LOGGED IN 12/16/07	TYPE NSL	APP NO. PKUR0734049509
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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



M 36 DRLG CO INC.  
Schlosser #101  
5770

**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.

DANA L. DELVENTHAL  
Print or Type Name

Dana J. Delventhal  
Signature

AGENT  
Title

12/5/07  
Date

ddelventhal@qwest.net  
e-mail Address

RECEIVED  
2007 DEC 6 PM 12:26

RECEIVED

2007 DEC 4 AM 11 41

November 29, 2007

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Re: Non-Standard Location  
M & G Drilling Company, Inc. (141852)  
Schlosser 3 No. 101  
Basin Fruitland Coal (71629)  
3E-27N-11W San Juan Co., NM  
API: 30-045-32581

Dear Sirs:

M & G Drilling Company, Inc. requests administrative approval for a non-standard gas well location in the Basin Fruitland Coal pool for its Schlosser 3 No. 101 well.

The Schlosser 3 No. 101, a N/2 dedication, was staked in an unorthodox location due to extremely rough topography as shown on the enclosed topographic map. In order to place the well in an accessible location, the well was staked 2400' FNL, encroaching 420' South of the standard drilling window. M & G Drilling Company, Inc. is also the leaseholder of Basin Fruitland Coal rights in the S/2 of Section 3 of Township 27 North, Range 11 West, thus the location only impacts M & G Basin Fruitland Coal rights and no offset owners are affected.

Please find enclosed a C102 plat showing the location of the well, a topographic map, and a map showing that no offset owners are affected by the unorthodox location.

If you have any questions or need additional information, please give me a call at (505) 326-4125. Thank you for your consideration in this matter.

Sincerely,



Dana L. Delventhal  
Agent

DISTRICT I  
1825 N. Freach Dr., Hobbs, N.M. 88240

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

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

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 15, 2000

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 30-045-32581	*Pool Code 21629	*Pool Name BASIN FRUITLAND CORL
*Property Code	*Property Name SCHLOSSER 3	*Well Number 101
*OGRID No. 141852	*Operator Name M & G DRILLING COMPANY INC.	*Elevation 6168'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	3	27-N	11-W		2400	NORTH	1305	WEST	SAN JUAN

<sup>11</sup> 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 320 1/2		*Joint or Infill Y		*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

16

FD. 2 1/2" BC. 1913 GLO	S 89-52-44 W 5289.6' (C)	LOT 4	LOT 3	LOT 2	LOT 1
N 00-00-07 E 2656.0' (M)		2400'			
1305'	LAT. = 36°36'18" N. (NAD 83) LONG. = 107°59'45" W. (NAD 83)				
FD. 2 1/2" BC. 1913 GLO					

17 OPERATOR CERTIFICATION

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

Mike Pippin  
Signature

MIKE PIPPIN  
Printed Name

AGENT-PETR. ENGR.  
Title

9-11-04  
Date

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.

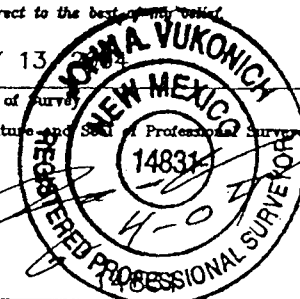
MAY 13

Date of Survey

Signature and Seal

Professional Surveyor

Certificate Number



108°01'00" W

108°00'00" W

WGS84 107°59'00" W

M&G DRILLING COMPANY INC.

SCHLOSSER 3 No. 101

2400 FNL 1305 FWL

SEC. 3, T-27-N, R-11-W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO

79' NEW ACCESS

Canyon

36°38'00" N

36°38'00" N

36°37'00" N

36°37'00" N

36°36'00" N

36°36'00" N

M&G DRILLING CO. INC. - SCHLOSSER 3 No. 101

LAT: 36.36.18 N (NAD 83)

LONG: 107.59.45 W (NAD 83)

79' NEW ACCESS

108°01'00" W

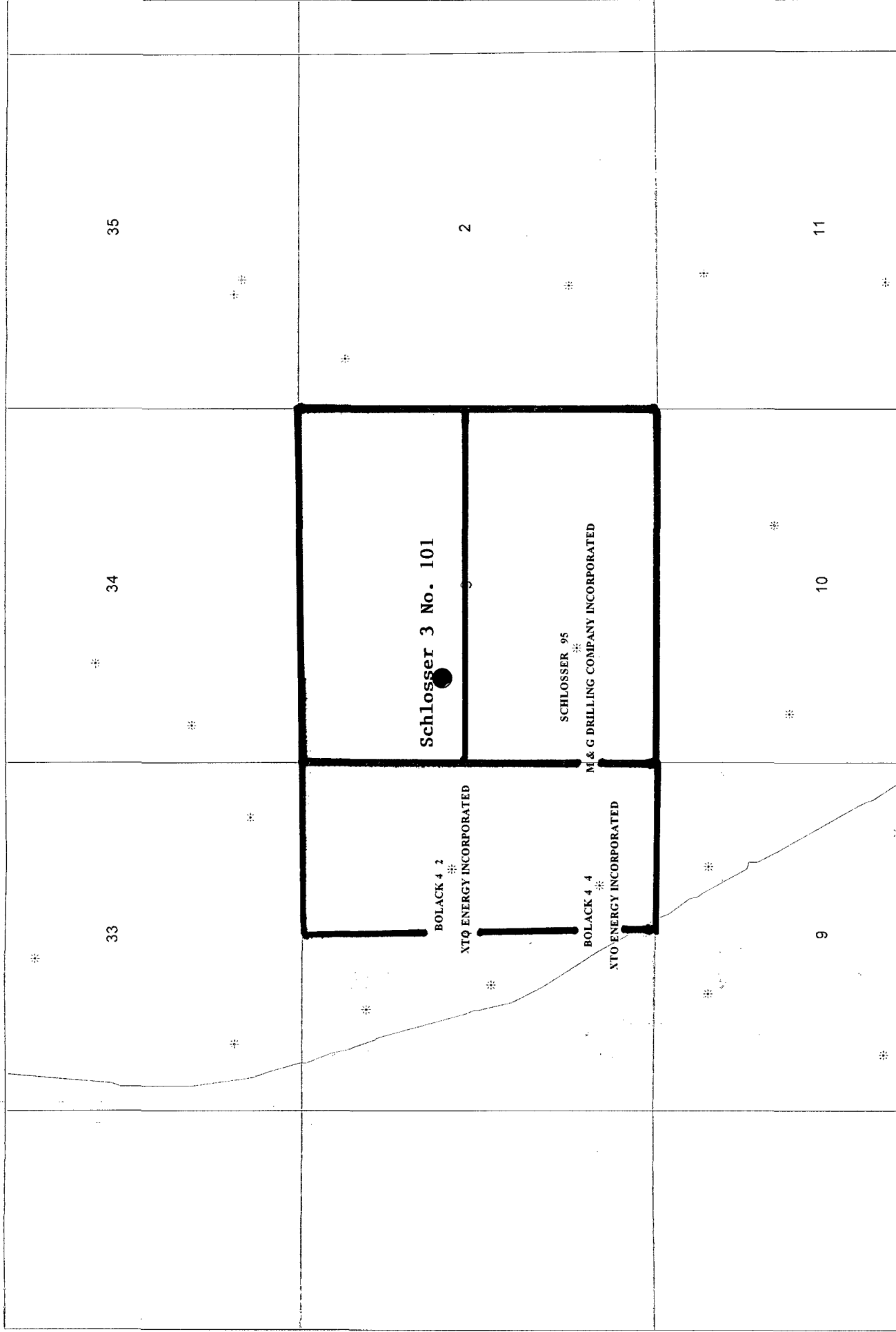
108°00'00" W

WGS84 107°59'00" W

0 1000 FEET 0 500 1000 METERS

Map created with TOPO!® ©2002 National Geographic (www.nationalgeographic.com/topo)

PAGE #11



December 5, 2007

Bureau of Land Management  
Farmington District Office  
1235 La Plata Highway, Suite A  
Farmington, NM 87401

Dear Sirs:

M & G Drilling Company, Inc. has requested administrative approval from the New Mexico Oil Conservation Division for a non-standard location for the Schlosser 3 No. 101 well. A copy of this application is enclosed.

This well was staked 420' south of the standard drilling window because of extremely rough topography. M & G Drilling Company, Inc. is also the lease holder of the Basin Fruitland Coal rights in the S/2 of Section 3; thus the non-standard location encroaches on M & G Drilling Company holdings and no other lease holders are affected. All of Section 3 is covered by Federal Lease No. NMSF078673, so lease boundaries are unaffected also.

If you have any questions or need additional information, please give me a call at (505) 326-4125. Thank you for your consideration in this matter.

Sincerely,



Dana L. Delventhal  
Agent

**Brooks, David K., EMNRD**

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**From:** Brooks, David K., EMNRD  
**Sent:** Friday, January 18, 2008 10:41 AM  
**To:** 'ddelventhal@qwest.net'  
**Subject:** M&G Drilling Co. Inc., Schlosser No. 101 - NSL Application

Dear Ms. Delventhal

I have before me the referenced application for approval of a non-standard location.

You state that "M&G Drilling Company, Inc. is also the leaseholder of the Basin Fruitland Coal rights in the S/2 of Section3."

IF M&G owns 100% of the operating rights in the Fruitland in the S/2, or if operating rights ownership in the S/2 is identical to that in the N/2, your conclusion is correct that no notice of this application is required. However, if there is any difference in operating rights ownership, notice to all owners of operating rights in the S/2 would be required.

Please confirm specifically that either M&G is 100% owner in the S/2, or ownership is identical to the N/2.

Thanks in advance for you attention.

David K. Brooks  
Legal Examiner  
505-476-3450

1/18/2008

**Brooks, David K., EMNRD**

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**From:** Dana L. Delventhal [ddelventhal@qwest.net]  
**Sent:** Friday, January 25, 2008 1:36 PM  
**To:** Brooks, David K., EMNRD  
**Subject:** RE: M&G Drilling Co. Inc., Schlosser No. 101 - NSL Application

Dear Mr. Brooks:

I have confirmed that M & G Drilling has a 100% working interest in both the N/2 and the S/2 of Section 3, so ownership is identical. Please let me know if you need me to confirm this in a letter or if you need any additional information. Thank you for your help.

Dana L. Delventhal

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**From:** Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]  
**Sent:** Friday, January 18, 2008 10:41 AM  
**To:** ddelventhal@qwest.net  
**Subject:** M&G Drilling Co. Inc., Schlosser No. 101 - NSL Application

Dear Ms. Delventhal

I have before me the referenced application for approval of a non-standard location.

You state that "M&G Drilling Company, Inc. is also the leaseholder of the Basin Fruitland Coal rights in the S/2 of Section3."

IF M&G owns 100% of the operating rights in the Fruitland in the S/2, or if operating rights ownership in the S/2 is identical to that in the N/2, your conclusion is correct that no notice of this application is required. However, if there is any difference in operating rights ownership, notice to all owners of operating rights in the S/2 would be required.

Please confirm specifically that either M&G is 100% owner in the S/2, or ownership is identical to the N/2.

Thanks in advance for you attention.

David K. Brooks  
Legal Examiner  
505-476-3450

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1/25/2008



**Well File Search - Select API Number to View**

Please select the API Number you wish to view from the list below by clicking the radio button next to the API Number. Then click the "Continue" button to see the thumbnails for the API you selected.

The search results are broken out by groups of 25 on each page. Switching pages can be done by clicking the "Next 25" or "Previous 25" links.

10 Records Found

Displaying Screen 1 of 1

- | API Number  | ULSTR                   | Footages            |
|---|-------------------------|---------------------|
| <input type="radio"/> 3004506770                  | <del>M -3-27N-11W</del> | 790 FSL & 790 FWL   |
| Well Name & Number: PRE-ONGARD WELL No. 002       |                         |                     |
| Operator: PRE-ONGARD WELL OPERATOR                |                         |                     |
| <input type="radio"/> 3004506782                  | <del>A -3-27N-11W</del> | 990 FSL & 990 FWL   |
| Well Name & Number: PRE-ONGARD WELL No. 010       |                         |                     |
| Operator: PRE-ONGARD WELL OPERATOR                |                         |                     |
| <input type="radio"/> 3004506900                  | <del>A -3-27N-11W</del> | 1110 FNL & 1010 FEL |
| Well Name & Number: SCHLOSSER WN FEDERAL No. 006  |                         |                     |
| Operator: CONOCOPHILLIPS COMPANY                  |                         |                     |
| <input type="radio"/> 3004524276                  | <del>C -3-27N-11W</del> | 865 FNL & 1520 FWL  |
| Well Name & Number: SCHLOSSER WN FEDERAL No. 002E |                         |                     |
| Operator: CONOCOPHILLIPS COMPANY                  |                         |                     |
| <input type="radio"/> 3004524457                  | <del>P -3-27N-11W</del> | 790 FSL & 1120 FEL  |
| Well Name & Number: SCHLOSSER WN FEDERAL No. 006E |                         |                     |
| Operator: CONOCOPHILLIPS COMPANY                  |                         |                     |
| <input type="radio"/> 3004526145                  | <del>K -3-27N-11W</del> | 1835 FSL & 1720 FWL |
| Well Name & Number: SCHLOSSER WN FEDERAL No. 002R |                         |                     |
| Operator: CONOCOPHILLIPS COMPANY                  |                         |                     |
| <input type="radio"/> 3004529481                  | <del>N -3-27N-11W</del> | 1190 FSL & 1650 FWL |
| Well Name & Number: SCHLOSSER No. 095             |                         |                     |
| Operator: M & G DRLG CO INC                       |                         |                     |
| <input type="radio"/> 3004529486                  | <del>G -3-27N-11W</del> | 1850 FNL & 1735 FEL |
| Well Name & Number: SCHLOSSER No. 096             |                         |                     |
| Operator: M & G DRLG CO INC                       |                         |                     |
| <input type="radio"/> 3004532496                  | <del>G -3-27N-11W</del> | 1955 FNL & 1875 FEL |
| Well Name & Number: SCHLOSSER No. 101S            |                         |                     |
| Operator: M & G DRLG CO INC                       |                         |                     |
| <input type="radio"/> 3004532581                  | <del>E -3-27N-11W</del> | 2400 FNL & 1305 FWL |
| Well Name & Number: SCHLOSSER No. 101             |                         |                     |
| Operator: M & G DRLG CO INC                       |                         |                     |

10 Records Found

Displaying Screen 1 of 1

[Continue](#)[Go Back](#)