

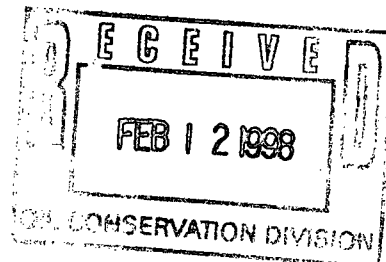


NSL 3/4/98

Mid-Continent Region
Exploration/Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

February 8, 1998



Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87504

RE: Application For Non-Standard location
For San Juan 28-7 # 199E to Avoid Drastic Relief in
Topography & Archaeological Sites

Dear Mr. Stogner,

This proposed Mesaverde/Dakota well has been staked at a non-standard location of 385' FSL & 2155' FWL, Section 18, T28N, R7W, Rio Arriba County as shown by the attached C-102. Blanco Mesaverde and Basin Dakota pool rules require a standard location to be located no closer than 790' to the south section line and 790' from the center section line. This staked location is only 385' from the south section line and 485' from the center section line. Please note that this non-standard location encroaches on the center half section line rather than towards the west section line, the 28-7 unit edge. Conoco, Inc. is sole operator of the San Juan 28-7 Unit.

Figure 2A is a topo map showing the steepness of the Prieta Mesa and evidence that a road to access this well site would cause extensive environmental surface damage. Please find attached a letter from the BLM stating why they feel that a non-standard location is necessary. Attached is a statement from the Neale C. Edwards Survey Company also stating the reasons for our request of a non-standard location.

The proposed well will be completed and tested separately on the Mesaverde and Dakota formations and eventually downhole commingled following adequate testing and approval for commingling. The offset operator plat shows the operators that could be affected by this non-standard location and enclosed is evidence that they have been notified.



Mid-Continent Region
Exploration/Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

A non-standard location order is requested based on the reasons given in the following attachments. If there are further questions concerning this application please call me at (915) 686-5798.

Sincerely,

A handwritten signature in cursive script that reads "Kay Maddox".

Kay Maddox
Regulatory Agent

cc: Oil Conservation Division - Aztec
William J LeMay, Director - OCD, Santa Fe



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:

SF-078497A

3162.3-1 (07600)

JAN 22 1998

Conoco Incorporated
Attention: Mike Mankin
10 Desta Drive, Suite 430E
Midland, TX 79705

Dear Mr. Mankin:

This is in reference to the placement of the proposed San Juan 28-7, Unit no. 199E, Mesaverde/Dakota well, located 385 FSL, 2155 FWL, sec. 18, T. 28 N., R. 7 W., lease no. SF-078497A. After working to find a suitable location within the windows established by the New Mexico Oil Conservation Commission, we suggest you submit for a non-standard location. A suitable orthodox location was not found because of topographical constraints and considerable environmental surface damage that would have been created with the construction of the pad and access road. The proposed pad was located on a narrow, wooded, sandstone bench that had not been previously disturbed. In order to reach the location a steep access road would of been required down off the top of Prieta Mesa to the proposed site. This would have created extensive damage to the resources in the area. In addition, the proposed location would have opened up prime wildlife habitat that had not been previously disturbed.

A nonstandard location directly across the canyon would be more suitable. The bench across the canyon has already been disturbed by the existing Conoco well, the San Juan 28-7, Unit no. 32A. Access to the nonstandard location can be extended beyond the 32A well without requiring major dirt work and resource damage. While critical cover for wildlife will be removed for the construction of the road and well pad at the nonstandard location, the bench is wide enough to leave a tree screen that will provide some protective cover.

In the past it has been discussed that non-standard locations would probably be proposed more frequently as the more desirable locations are developed. It is our desire to find the best possible locations for new wells and access roads being proposed with minimal environmental impacts. Therefore we will be glad to support your non-standard proposal for the San Juan 28-7, Unit no. 199E well to the NMOCC.

If there is any way we can be of further assistance, please contact Jackie Neckels of the Environmental Compliance Staff at (505) 599-6323.

Sincerely,

Ruben Sanchez
Senior Technical Advisor,
Environmental Compliance

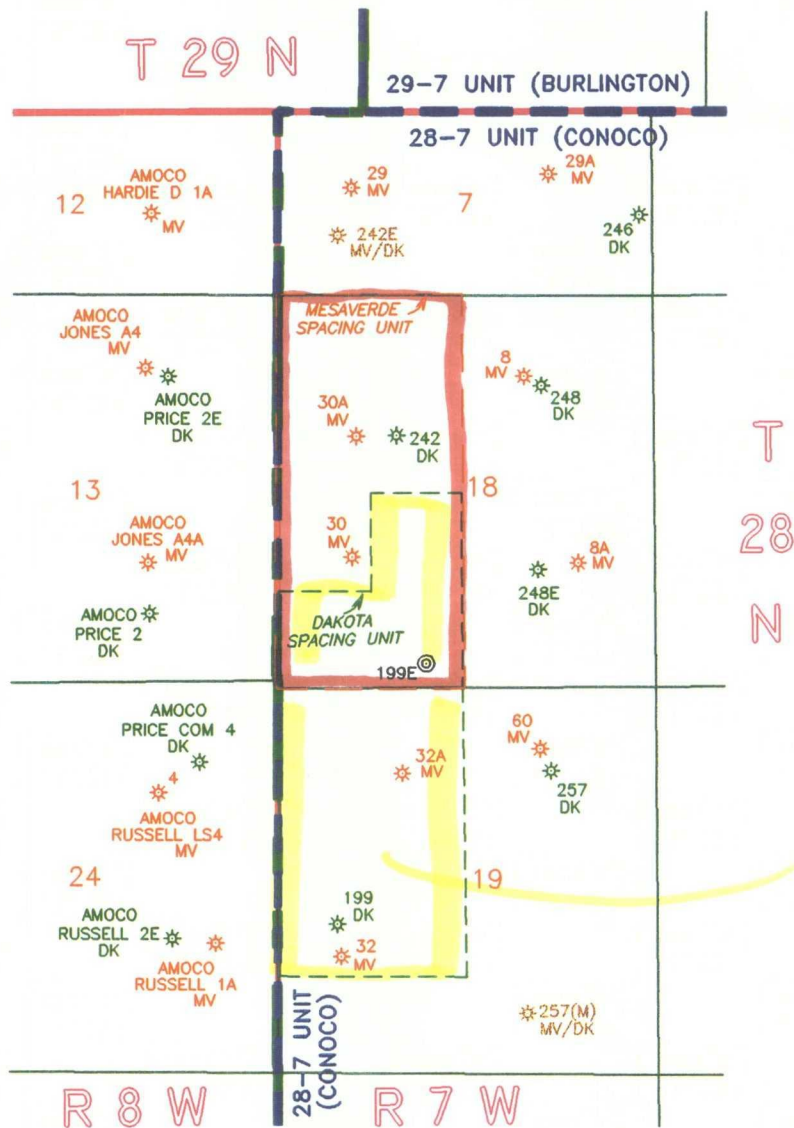
DECEMBER 5, 1997

CONOCO, INC.
SAN JUAN 28-7 UNIT #199E
385' FSL, 2155' FWL,
SEC.18, 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 #199E IS THE DRASTIC RELIEF IN THE TOPOGRAPHY WHICH EXISTS IN THIS AREA. THE DRASTIC RELIEF IN TOPOGRAPHY LENDS ITSELF TO BOTH POOR SITE FOR LOCATION & STEEP ACCESS WHICH IS DIFFICULT TO ADEQUATELY MAINTAIN. FURTHERMORE, SIGNIFICANT AMOUNTS OF ARCHEOLOGY WERE DISCOVERED IN THE AREA OF THIS PERSPECTIVE WELL LOCATION. FOR THESE REASONS, THE LOCATION STAKED AT 385' FSL 2155' FWL WILL HOPEFULLY BE ACCEPTABLE.



SAN JUAN 28-7 UNIT **RIO ARRIBA CO., N.M.**

NOTES		<div> <div>conoco</div> <div>EPNGNA MIDLAND DIVISION</div> </div>		
<p>CONOCO OPERATES ALL MESAVERDE AND DAKOTA WELLS WITHIN THE 28-7 UNIT.</p> <p>MAP SHOWS ONLY MESAVERDE AND DAKOTA WELLS</p>	DATE: 02/06/98	<div> <div>CONOCO 28-7 UNIT MESAVERDE & DAKOTA PRODUCERS San Juan 28-7 Unit #199E Non-Standard Location</div> <div> <div>STATE^{API}COUNTY</div> <div>039 \ 30</div> </div> <div>DRAWING</div> <div>28-7_199</div> </div>		
	DRAWN BY: GLG			
	CHECKED BY:			
	APPROVED BY:			
	<p>SCALE: 1" = 2640'</p> <p>STATE PLANE COORDINATES REFERRED TO NAD27 - N.M. WEST STATE PLANE COORDINATES ZONE - 3003</p>		<p>CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705</p>	

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

☐ 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 199E
7 OGRID No. 005073		8 Operator Name CONOCO, INC.			9 Elevation 6730

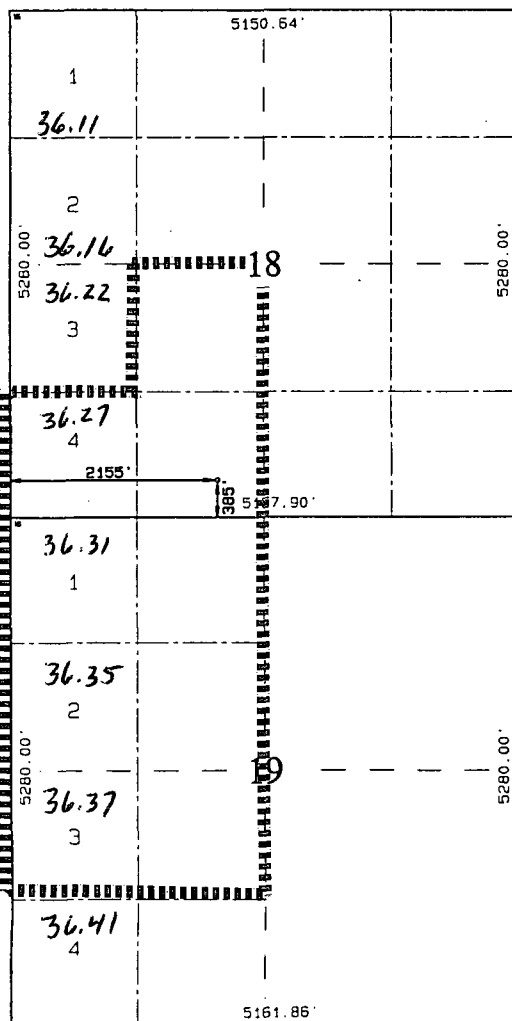
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	18	28N	7W		385	South	2155	West	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 320		13 Joint or Infill I		14 Consolidation Code		15 Order No. R2948 Non-standard Dakota only			

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



17 OPERATOR CERTIFICATION

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

Signature

Mike L. Mankin

Printed Name

Right-Of-Way Agent

Title

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.

DECEMBER 5, 1997

Date of Survey

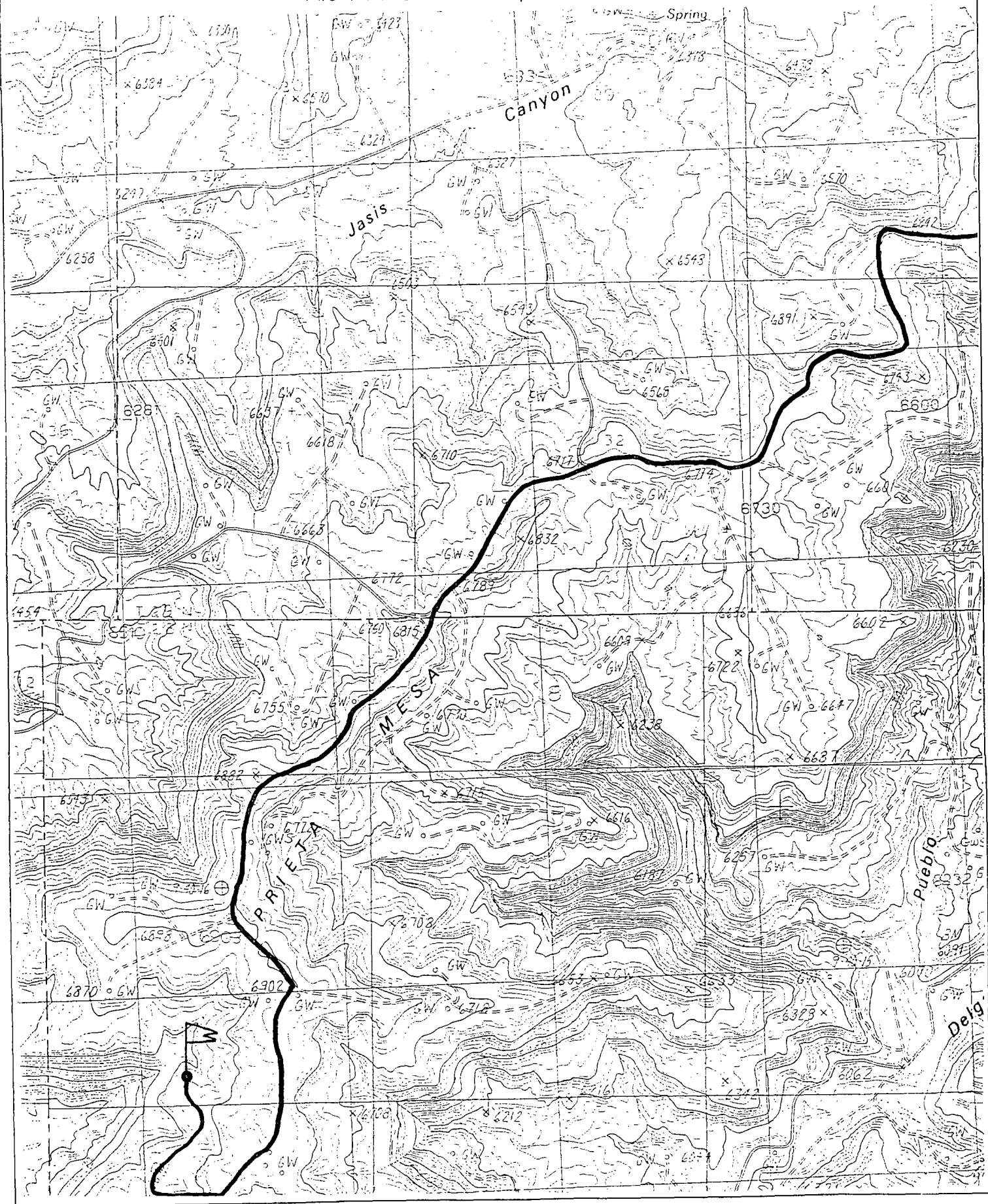
Signature and Seal of Professional Surveyor



Certificate

CONOCO, INC. SAN JUAN 28-7 #199E

385' FSL 2155' FWL SEC 18, T28N, RTW
RIO ARriba COUNTY, NEW MEXICO



San Juan 28-7 Unit well # 199-E
Section 18, T-28-N, R-7-W, N
Rio Arriba County, New Mexico

RE: Non-Standard Location Request

Offset Operator:

Amoco Prod. Co.
PO Box 2071
Denver, CO 80201

P 497 374 050

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	Amoco Prod. Co.
Street & Number	PO Box 2071
Post Office, State, & ZIP Code	Denver, CO 80201
Postage	\$
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	notification of NYL-199E

PS Form 3800 April 1995

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3272
Order No. R-2948

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR NON-STANDARD GAS PRORA-
TION UNITS, BASIN-DAKOTA GAS POOL,
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 30,
1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of August, 1965, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, El Paso Natural Gas Company, seeks
approval of 51 non-standard gas proration units in the Basin-
Dakota Gas Pool, Rio Arriba County, New Mexico, in the following
area:

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM
Sections 7 through 13, 24 and 25, and
33 through 36

TOWNSHIP 28 NORTH, RANGE 6 WEST, NMPM
Sections 7 through 12, 18 and 19, and
30 through 34

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM
Sections 7 through 12, 18 and 19, and
30 through 36

CASE No. 3272

Order No. R-2948

(3) That a standard gas proration unit in the Basin-Dakota Gas Pool consists of 320 acres, and that each of the proposed non-standard units exceeds 320 acres.

(4) That non-standard units are necessary in the subject area due to variations in legal subdivisions of the U. S. Public Land Survey.

(5) That the non-standard units created in the subject area should approximate 320 acres, insofar as is practicable, in order to afford to the owner of each property in the Basin-Dakota Gas Pool the opportunity to produce his just and equitable share of the gas in the pool, and otherwise prevent waste and protect correlative rights.

(6) That non-standard gas proration units approximating 320 acres, insofar as is practicable, should be created in the subject area, and that the subject application should otherwise be denied.

IT IS THEREFORE ORDERED:

(1) That the following-described non-standard gas proration units in the Basin-Dakota Gas Pool are hereby approved:

RIO ARriba COUNTY, NEW MEXICO
TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM

Unit	Acres	Description
1	322.96	Section 7: Lots 1, 2, 3, and 4 and S/2 S/2 Section 8: SW/4 SW/4
2	313.42	Section 8: Lots 1, 2, 3, and 4, SE/4 SW/4, and S/2 SE/4 Section 9: Lot 4 and SW/4 SW/4
3	322.35	Section 9: Lots 1, 2, and 3, SE/4 SW/4, and S/2 SE/4 Section 10: Lot 4 and S/2 SW/4
4	321.61	Section 10: Lots 1, 2, and 3 and S/2 SE/4 Section 11: Lot 4, S/2 SW/4, and SW/4 SE/4

-3-

CASE No. 3272

Order No. R-2948

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM (CONT.)

Unit	Acres	Description
5	310.19	Section 11: Lots 1, 2, and 3 and SE/4 SE/4 Section 12: Lots 3 and 4, S/2 SW/4, and SW/4 SE/4
6	342.30	Section 12: Lots 1, 2, and 5 Section 13: Lots 1 and 2, W/2 NE/4, and NW/4 SE/4
7	327.36	Section 13: Lots 3 and 4 and SW/4 SE/4 Section 24: Lots 1 and 2 and W/2 NE/4
8	329.09	Section 24: Lots 3 and 4 and W/2 SE/4 Section 25: Lots 1 and 2 and NW/4 NE/4
9	316.76	Section 25: Lots 3 and 4, SW/4 NE/4 and W/2 SE/4 Section 36: Lot 1 and NW/4 NE/4
10	330.74	Section 36: Lots 2, 3, 5, 6, 7, and 8 and NW/4 SE/4
11	345.39	Section 36: Lot 4, NE/4 NW/4, S/2 NW/4, SW/4 NE/4, and N/2 SW/4 Section 35: Lot 1
12	330.92	Section 36: NW/4 NW/4 Section 35: Lot 2, NE/4, and N/2 SE/4
13	345.82	Section 35: Lots 3 and 4, NE/4 NW/4, S/2 NW/4, and N/2 SW/4 Section 34: Lot 1
14	326.42	Section 35: NW/4 NW/4 Section 34: Lot 2, NE/4, and N/2 SE/4
15	329.70	Section 34: W/2
16	325.46	Section 33: E/2

-4-

CASE No. 3272

Order No. R-2948

TOWNSHIP 28 NORTH, RANGE 6 WEST, NMPM

Unit	Acres	Description
1	353.10	Section 12: Lots 1, 2, 3, and 4 and S/2 S/2 Section 11: Lot 1 and SE/4 SE/4
2	353.83	Section 11: Lots 2, 3, and 4, S/2 SW/4, and SW/4 SE/4 Section 10: Lots 1 and 2 and S/2 SE/4
3	354.79	Section 10: Lots 3 and 4 and S/2 SW/4 Section 9: Lots 1, 2, and 3, SE/4 SW/4, and S/2 SE/4
4	356.16	Section 9: Lot 4 and SW/4 SW/4 Section 8: Lots 1, 2, 3, and 4 and S/2 S/2
5	326.18	Section 7: Lots 1, 2, 3, 4, and 5, SE/4 SW/4, and S/2 SE/4 Section 18: Lot 1 and NE/4 NW/4
6	328.37	Section 18: Lots 2, 3, and 4, SE/4 NW/4, and E/2 SW/4 Section 19: Lots 1 and 2 and E/2 NW/4
7	328.77	Section 19: Lots 3 and 4 and E/2 SW/4 Section 30: Lots 1, 2, and 3, E/2 NW/4, and NE/4 SW/4
8	334.79	Section 30: Lot 4 and SE/4 SW/4 Section 31: Lots 1, 2, 3, 4, and 5, E/2 NW/4, and NE/4 SW/4
9	326.29	Section 31: E/2
10	325.23	Section 32: W/2
11	325.04	Section 32: E/2
12	325.59	Section 33: W/2
13	325.02	Section 33: E/2
14	324.69	Section 34: W/2
15	324.63	Section 34: E/2

-5-

CASE No. 3272

Order No. R-2948

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM

Unit	Acres	Description
1	321.22	Section 12: Lots 1, 2, 3, and 4 and S/2 S/2 Section 11: Lot 1
2	333.76	Section 11: Lots 2, 3, and 4 and S/2 S/2 Section 10: Lot 1 and SE/4 SE/4
3	331.55	Section 10: Lots 2, 3, and 4, S/2 SW/4, and SW/4 SE/4 Section 9: Lots 1 and 2 and SE/4 SE/4
4	338.02	Section 9: Lots 3 and 4, S/2 SW/4, and SW/4 SE/4 Section 8: Lots 1, 2, and 3 and SE/4 SE/4
5	313.00	Section 8: Lot 4, S/2 SW/4, and SW/4 SE/4 Section 7: Lot 1, SE/4 SW/4, and S/2 SE/4
6	331.11	Section 7: Lots 2, 3, 4, and 5 Section 18: Lots 1, 2, and 3 and E/2 NW/4
7	345.30	Section 18: Lot 4 and E/2 SW/4 Section 19: Lots 1, 2, and 3, E/2 NW/4, and NE/4 SW/4
8	342.17	Section 19: Lot 4 and SE/4 SW/4 Section 30: Lots 1, 2, 3, and 4, E/2 NW/4, and NE/4 SW/4
9	316.50	Section 30: SE/4 SW/4 Section 31: Lot 1, E/2 NW/4, and NE/4
10	339.73	Section 31: Lots 2, 3, 4, 5, 6, and 7, NE/4 SW/4, and N/2 SW/4
11	315.36	Section 32: W/2
12	315.68	Section 32: E/2
13	316.00	Section 33: W/2
14	316.32	Section 33: E/2

-6-

CASE No. 3272

Order No. R-2948

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM (CONT.)

Unit	Acres	Description
15	318.40	Section 34: W/2
16	324.70	Section 35: W/2
17	327.70	Section 35: E/2
18	328.82	Section 36: W/2
19	328.06	Section 36: E/2

(2) That the subject application is otherwise hereby denied.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

GUYTON B. HAYS, Member

S E A L

A. L. PORTER, JR., Member & Secretary

esr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4042

Order No. R-2948-A

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR AN AMENDMENT TO ORDER
NO. R-2948, RIO ARRIBA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 5, 1969,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 11th day of February, 1969, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That by Order No. R-2948, dated August 16, 1965, the
Commission approved several non-standard gas proration units in
the Basin-Dakota Gas Pool, Rio Arriba County, New Mexico, among
them the following:

TOWNSHIP 28 NORTH, RANGE 6 WEST, NMPM

Unit	Acres	Description
12	325.59	Section 33: W/2
13	325.02	Section 33: E/2

-2-

CASE No. 4042

Order No. R-2948-A

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMMP

Unit	Acres	Description
16	324.70	Section 35: W/2
17	327.70	Section 35: E/2

(3) That the applicant, El Paso Natural Gas Company, now seeks amendment of Order No. R-2948 to change the acreage dedication comprising the above-described non-standard gas proration units to comprise the following acreage:

TOWNSHIP 28 NORTH, RANGE 6 WEST, NMMP

Unit	Acres	Description
12	320	Section 33: N/2
13	330.71	Section 33: S/2

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMMP

Unit	Acres	Description
16	320	Section 35: N/2
17	332.40	Section 35: S/2

(4) That the N/2 of said Section 33 has been admitted to the participating area for the Dakota formation of the San Juan 28-6 Unit.

(5) That the S/2 of said Section 35 has been admitted to the participating area for the Dakota formation of the San Juan 28-7 Unit.

(6) That each participating area should coincide with a proration unit.

(7) That approval of the subject application will allow each of the aforesaid participating areas to coincide with a proration unit and will afford the applicant the opportunity

CASE No. 4042

Order No. R-2948-A

to produce its just and equitable share of the gas in the Basin-Dakota Gas Pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That Order No. R-2948, dated August 16, 1965, is hereby amended by deleting therefrom the following-described non-standard gas proration units in the Basin-Dakota Gas Pool, Rio Arriba County, New Mexico:

TOWNSHIP 28 NORTH, RANGE 6 WEST, NMPM

Unit	Acres	Description
12	325.59	Section 33: W/2
13	325.02	Section 33: E/2

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM

Unit	Acres	Description
16	324.70	Section 35: W/2
17	327.70	Section 35: E/2

and substituting in lieu thereof the following-described gas proration units:

TOWNSHIP 28 NORTH, RANGE 6 WEST, NMPM

Unit	Acres	Description
12	320	Section 33: N/2
13	330.71	Section 33: S/2

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM

Unit	Acres	Description
16	320	Section 35: N/2
17	332.40	Section 35: S/2

-4-

CASE No. 4042

Order No. R-2948-A

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

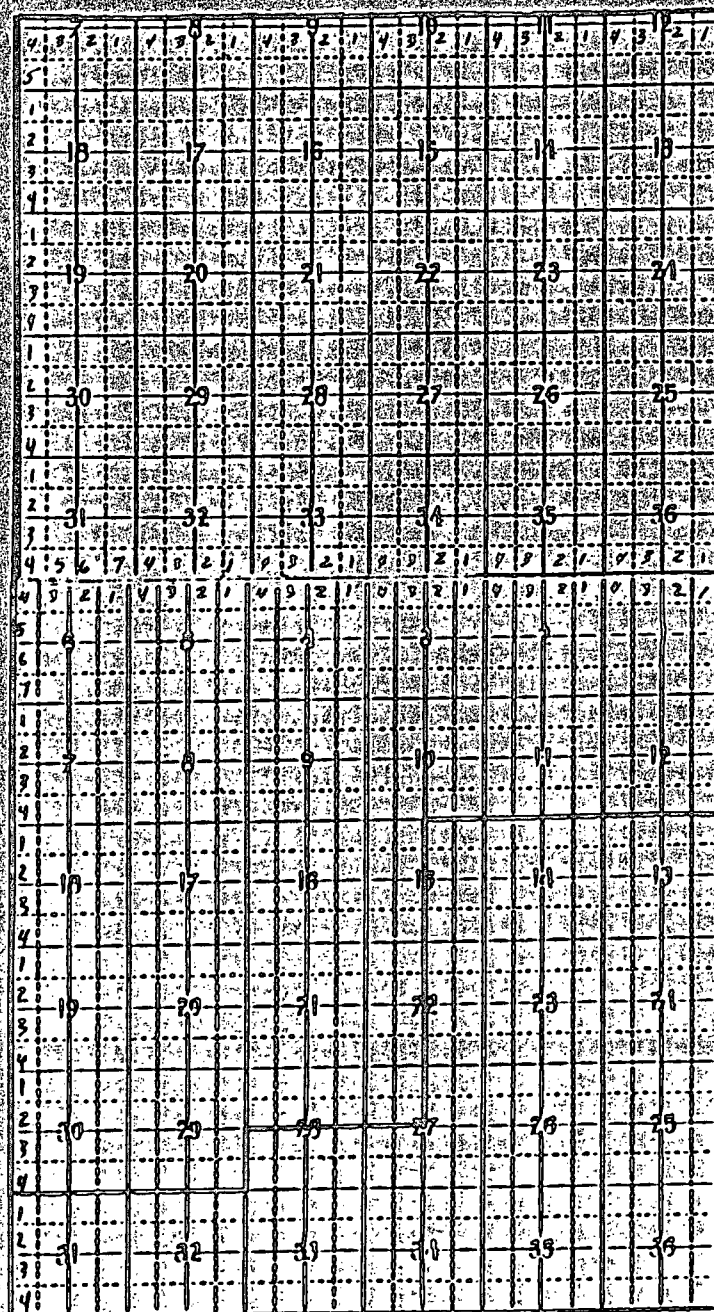
esr/

SAN JUAN 28-7

RIO ARRIBA COUNTY
NEW MEXICO

No. 14-08-001-459

EFFECTIVE 1-29-53



28 N

27 N

7 W