



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

BETTY RIVERA

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

October 24, 2002

Conoco, Inc.

10 Desta Drive - Suite 100W

Midland, Texas 79705

Attention: Kay Maddox

m-kay.Maddox@USA.Conoco.com

Telefax No. (915) 686-5780

*Administrative Order NSL-4798 (SD)*

Dear Ms. Maddox:

Reference is made to the following: (i) your application (*application reference No. pKRV0-226629261*) that was submitted to the New Mexico Oil Conservation Division ("Division") on September 20, 2002; (ii) the Division's initial response by e-mail from Mr. Michael E. Stogner, Engineer/Chief Hearing Officer in Santa Fe on September 25, 2002 informing you that the notification in this matter was inadequate; (iii) your voice mail messages for Mr. Stogner on September 26 and 27, 2002; (iv) your e-mail response of Tuesday, October 1, 2002 informing Mr. Stogner that proper notification had been submitted and a copy of this notice would be mailed to the Division; (v) your letter dated September 30, 2002 (received on October 4, 2002) with the required information to complete this application; and (vi) the Division's records in Santa Fe: all concerning Conoco, Inc.'s request for an exception to Rule 4 (a) of the "*Special Rules and Regulations for the Oil Center-Blinbry Pool*," as promulgated by Division Order No. R-2408, as amended, for an off-pattern non-standard infill oil well location within an existing standard 80-acre stand-up oil spacing and proration unit comprising Lots 9 and 16 of irregular Section 4, Township 21 South, Range 36 East, NMPM, Oil Center-Blinbry Pool (47960), Lea County, New Mexico. This unit is currently dedicated to Conoco, Inc.'s Meyer "B-4" Well No. 24 (API No. 30-025-04485) located at a standard oil well location 3450 feet from the North line and 660 feet from the East line (Lot 9/Unit I) of irregular Section 4.

The subject application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, and the applicable provisions of the rules governing the Oil Center-Blinbry Pool.

By the authority granted me under the provisions of the special pool rules governing the Oil Center-Blinbry Pool and Division Rule 104.F (2), the following described well that Conoco, Inc. commenced drilling in June, 2002 and has subsequently completed as an infill well within the Oil Center-Blinbry Pool at an off-pattern non-standard oil well location in irregular Section 4 is hereby approved:

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**Meyer "B-4" Well No. 34  
3520' FSL & 660' FEL (Lot 16/Unit P)  
(API No. 30-025-35885).**

Further, both the aforementioned Meyer "B-4" Wells No. 24 and 34 are to be simultaneously dedicated to the subject 80-acre unit.

IT SHALL BE NOTED HOWEVER THAT Conoco, Inc., as a prudent operator, must recognize that a well location is unorthodox prior to its drilling and completion and not wait until the well is ready to produce to seek the necessary regulatory exceptions. If, any future application by Conoco, Inc. for an unorthodox location is not filed in a more timely fashion, all such subsequent applications will be subject to the Division's hearing process until further notice.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Lori Wrotenberg  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division – Hobbs  
U. S. Bureau of Land Management – Carlsbad  
W. Thomas Kellahin, Legal Counsel for Conoco, Inc. – Santa Fe