

**McELVAIN OIL & GAS PROPERTIES, INC.**

409 ST. MICHAELS DRIVE  
P.O. BOX 2148

SANTA FE, NEW MEXICO 87504-2148

ANNA M. GRIEGO  
EXPLORATION & PRODUCTION ADMINISTRATOR

TELEPHONE 505/982-1935 EXT. 113  
FAX 505/984-3027

June 23, 1997

11820

Mr. Michael E. Stogner  
New Mexico Oil Conservation Commission  
2040 S. Pacheco  
Santa Fe, NM 87505

*RE: Non-Standard Gas Proration Unit  
Stateline Com Well No. 1  
San Juan County, New Mexico*

Dear Mr. Stogner:

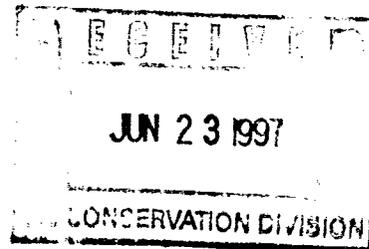
McElvain Oil & Gas Properties, Inc. hereby requests approval of its application for a non-standard gas proration unit for its proposed Stateline Com Well No. 1, located in Irregular Section 7, Township 32 North, Range 9 West, San Juan County, New Mexico. This application is necessitated by a variation of the US Public Lands Survey. Pursuant to the Special Rules for the Blanco Mesaverde Pool, this proration unit is non-standard.

In support of this application please find the Application for Permit to Drill, Well Location Plat, and Offset Operator/Owner Plat and List. If there is any further information required, please contact me.

Sincerely,

*Anna M. Griego*

Anna M. Griego  
Exploration & Production Administrator



Stateline Com No. 1  
Offset Operators/Owners  
San Juan County, New Mexico

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All 12-32N-10W      Burlington Resources Oil & Gas Company  
Attention: Alan Alexander  
P.O. Box 4289  
Farmington, NM 87499-4289

All 13-32N-10W      Burlington Resources Oil & Gas Company  
Attention: Alan Alexander  
P.O. Box 4289  
Farmington, NM 87499-4289

All 18-32N-9W      Burlington Resources Oil & Gas Company  
Attention: Alan Alexander  
P.O. Box 4289  
Farmington, NM 87499-4289

N/2 17-32N-9W      Burlington Resources Oil & Gas Company  
Attention: Alan Alexander  
P.O. Box 4289  
Farmington, NM 87499-4289

AND

Devon Energy Company  
Attention: Bill Penhall  
1500 Mid America Tower  
20 North Broadway, Suite 1500  
Oklahoma City, OK 73102-9951

W/2 8-32N-9W      Phillips Petroleum Company  
Attention: Patrick Noah  
5525 Highway 64, NBU 3007  
Farmington, NM 87401

AND

Williams Production Company  
Attention: Vern Hansen  
One Williams Center  
E. 2<sup>nd</sup> Street  
Tulsa, OK 74172

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.

85079148

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL [X]

DEEPEN [ ]

b. TYPE OF WELL

OIL WELL [ ]

GAS WELL [X]

OTHER [ ]

SINGLE ZONE [X]

MULTIPLE ZONE [ ]

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

21011 Stateline Com #1

9. API WELL NO.

30-045-2444

10. FIELD AND POOL, OR WILDCAT

Blanco Mesaverde

11. SEC., T., R., M., OR BLK AND SURVEY OR AREA

Section 7 T32N, R9W, NMPM

2. NAME OF OPERATOR

McELVAIN OIL & GAS PROPERTIES, INC.

3. ADDRESS AND TELEPHONE NO.

P.O. Box 2148 Santa Fe, New Mexico 87504 (505) 982-1935

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface 800' FSL & 805' FWL Section 7, T32N, R9W, NMPM

RECEIVED JUN - 5 1997

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

15.3 miles northeast of Aztec, New Mexico

OIL CON. DIV. DIST. 3

12. COUNTY

San Juan

13. STATE

New Mexico

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

425'

16. NO. OF ACRES IN LEASE 389.40

17. NO. OF ACRES ASSIGNED TO THIS WELL 288.73

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

NA

19. PROPOSED DEPTH 6433'

20. ROTARY OR CABLE TOOLS ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6949' GL

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

22. APPROX. DATE WORK WILL START

June, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: SIZE OF HOLE, GRADE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows include 12 1/4", 8 3/4", and 6 1/4" hole specifications.

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED

"GENERAL REQUIREMENTS"

McElvain Oil & Gas Properties, Inc. proposes to spud in the Nacimiento Formation and will drill a 12 1/4 hole to 360 feet. 9 5/8" casing will be run and cemented to surface. WOC 12 hours. Test casing and BOPE to 600 psig for 15 minutes. Drill a 8 3/4" hole to 4148' with fresh water mud. No abnormal pressures or poisonous gases are anticipated. Adequate weight material will be on location to control any unforeseen flows from the Fruitland sands. Log well from TD to the base of the surface casing. Run 7" intermediate casing and cement to surface. WOC for 12 hours. Pressure test casing and BOPE to 1500 psig for 15 minutes. Drill a 6 1/4" hole with air & mist to 6433'. Log well from TD to the base of the intermediate casing. Run a 4 1/2" liner from 4028' to TD and cement in place. Move out drilling rig; move in completion unit. Test casing to 2500 psig. Run cased hole correlation logs. Perforate the Mesaverde formation and stimulate with a fresh water based system.

Surface ownership is Federal (BLM).

Access road and pipeline right of way included with this application.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured true vertical depths. Give blowout preventer program, if any.

070 FARMINGTON, NM 97 MAY - 2 PM 3:45 RECEIVED BLM

24. SIGNED [Signature] TITLE AGENT DATE May 2, 1997

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE JUN 03 1997

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

APPROVED BY [Signature] TITLE DATE JUN - 3 1997

Hold C-104 For N.S.P. @ NMOCD

District I  
 PO Box 1980, Hobbs, NM 88241-1980  
 District II  
 PO Drawer DD, Artesia, NM 88211-0719  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
 Energy, Minerals & Natural Resources Department

Form C-10  
 Revised February 21, 1990  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number		2 Pool Code		3 Pool Name	
		72319		Blanco Mesaverde	
4 Property Code		5 Property Name			6 Well Number
		Stateline Com			1
7 OGRID No.		8 Operator Name			9 Elevation
22044		MCELVAIN OIL & GAS PROPERTIES			6949'

10 Surface Location

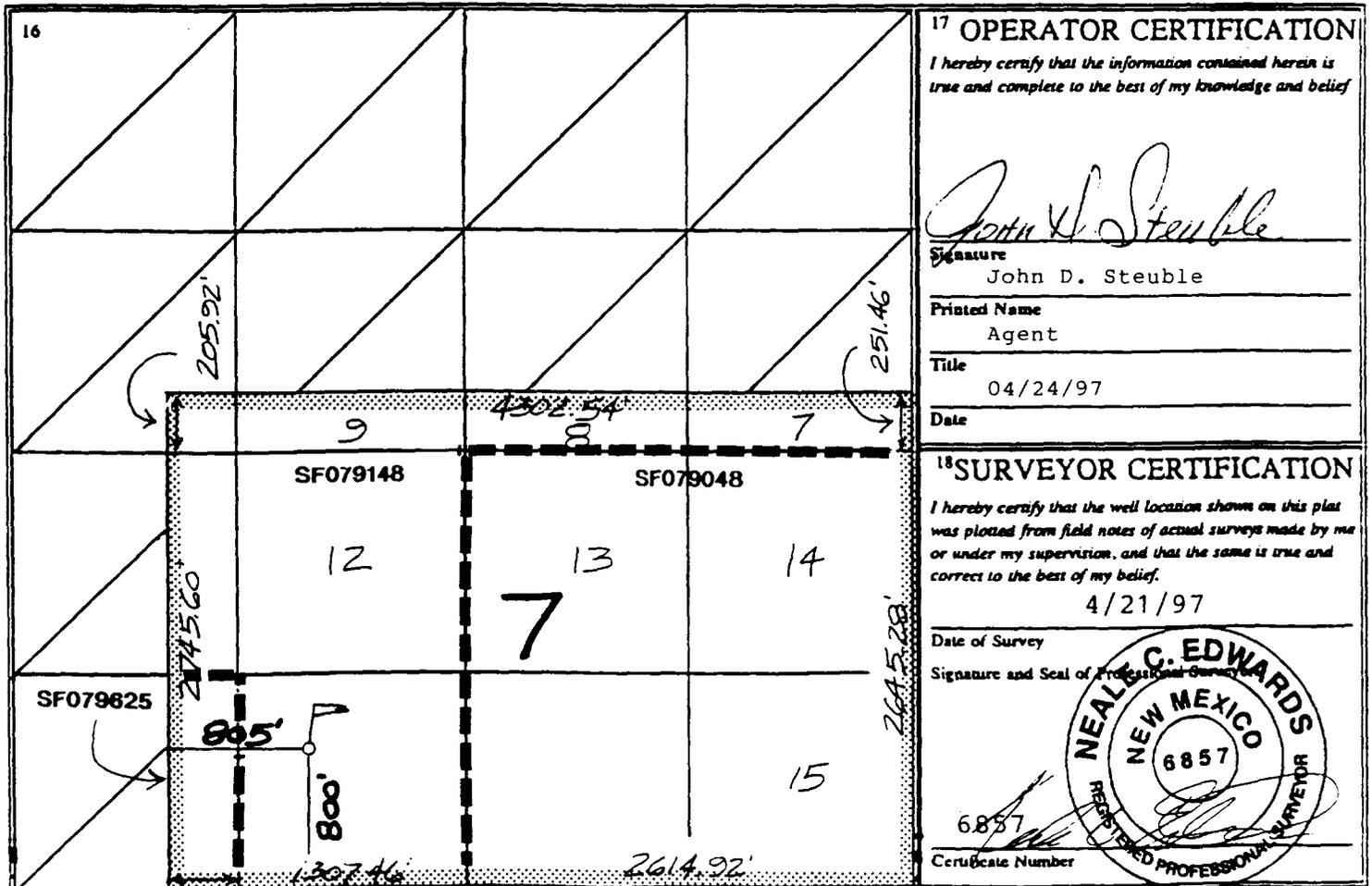
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
N	7	32-N	9-W		800	South	805	West	S.J.

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
288.73			

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

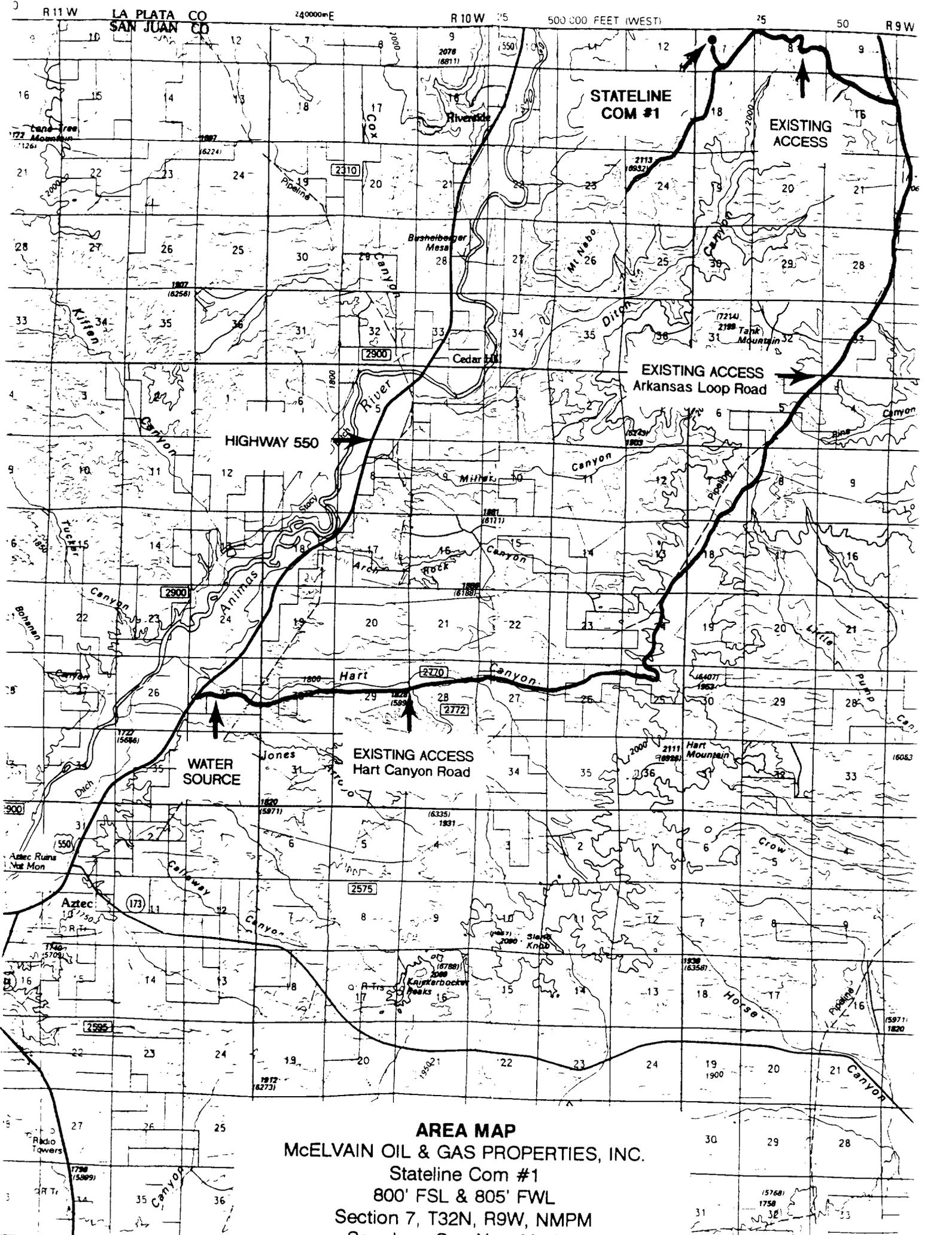
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

*John D. Steuble*  
 Signature  
 John D. Steuble  
 Printed Name  
 Agent  
 Title  
 04/24/97  
 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.

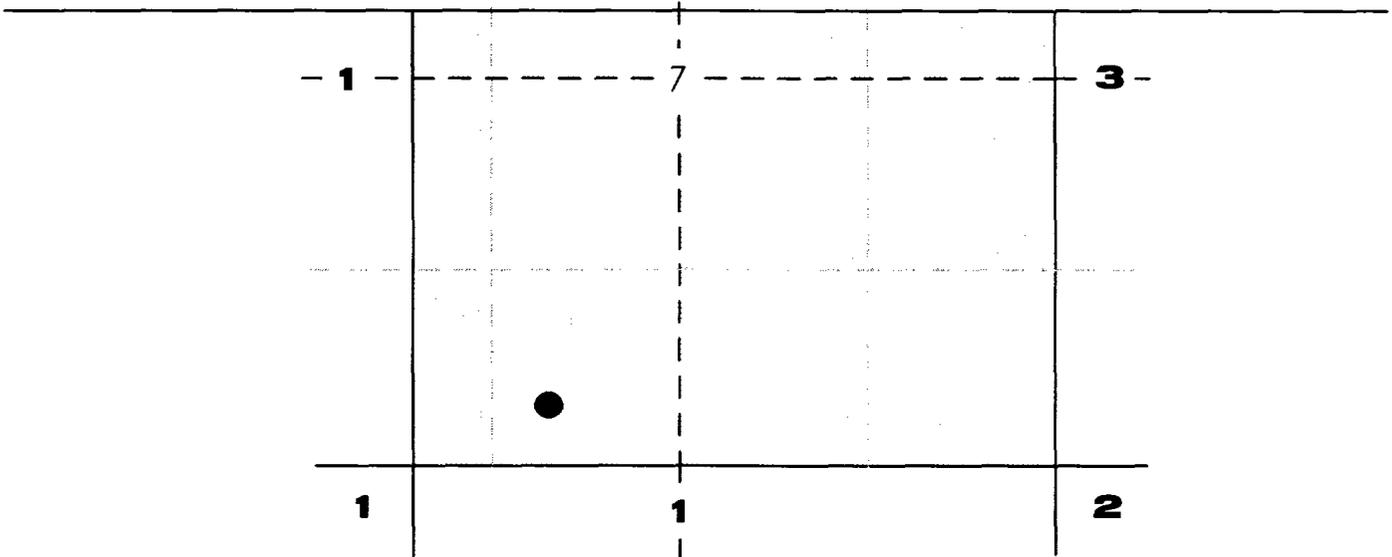
4/21/97  
 Date of Survey  
 Signature and Seal of Professional Surveyor  
 NEALE C. EDWARDS  
 NEW MEXICO  
 6857  
 6857  
 Certificate Number



**AREA MAP**  
**McELVAIN OIL & GAS PROPERTIES, INC.**  
**Stateline Com #1**  
**800' FSL & 805' FWL**  
**Section 7, T32N, R9W, NMPM**  
**San Juan Co., New Mexico**

Stateline Com No. 1  
Offset Operator/Owner Plat  
Mesaverde Formation  
Irregular Section 7, Township 32 North, Range 9 West  
San Juan County, New Mexico

**New Mexico/Colorado State Line**



- 1 BURLINGTON RESOURCES OIL & GAS
- 2 BURLINGTON RESOURCES AND DEVON ENERGY
- 3 WILLIAMS PRODUCTION COMPANY AND PHILLIPS  
PETROLEUM COMPANY

DATE	PROJECT	NUMBER	LOCATION	TYPE
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**

- Engineering Bureau -

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [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 - Directional Drilling  
 NSL  NSP  DD  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

[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] **INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Anna M. Griego  
 Print or Type Name

Anna M. Griego  
 Signature

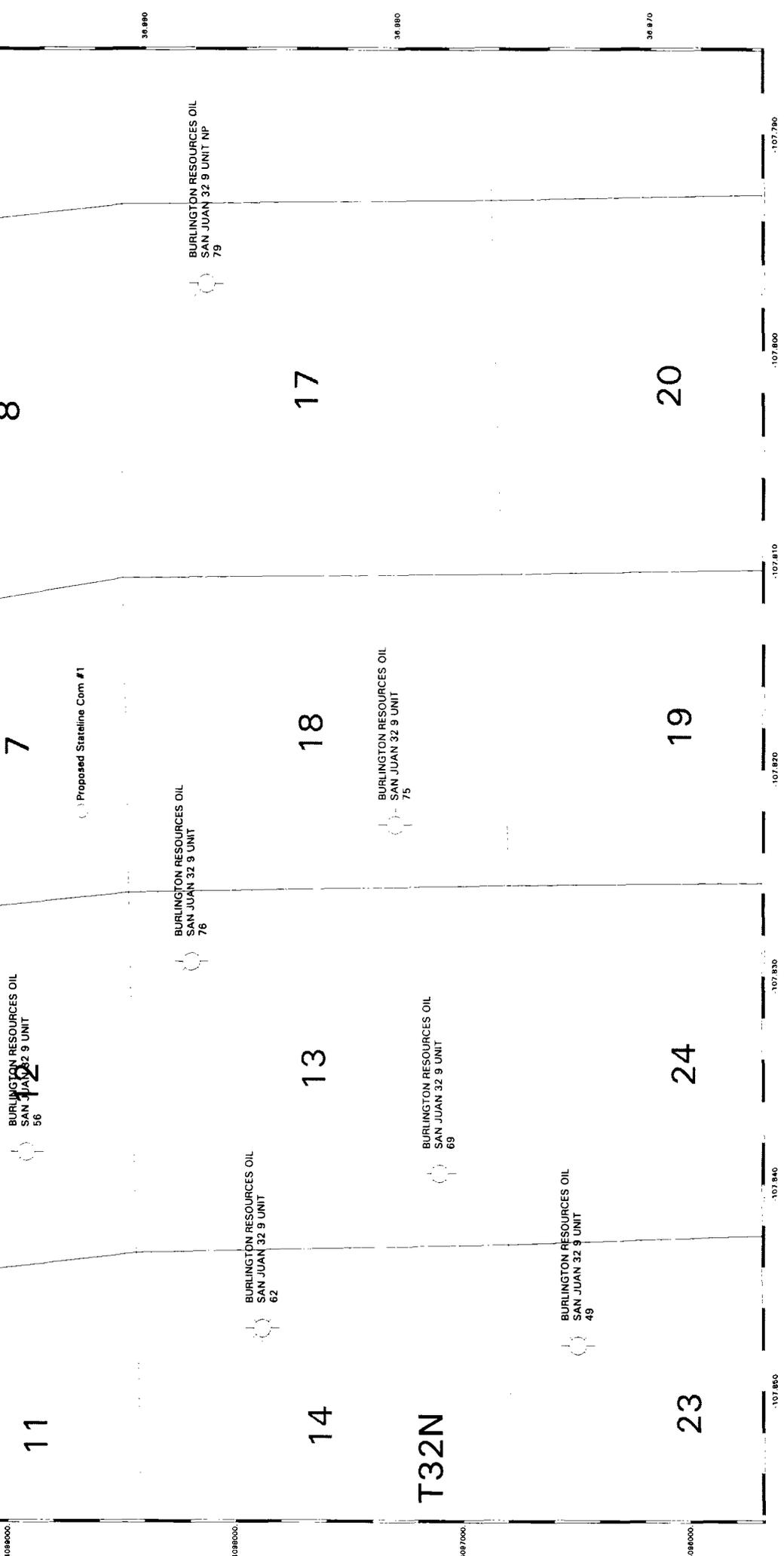
Expl. + Prod. Admin.  
 Title

6/23/97  
 Date

# Colorado/New Mexico Line

R9W

R10W



8

7

11

BURLINGTON RESOURCES OIL  
SAN JUAN 32 9 UNIT  
56

Proposed Stateline Com. #1

BURLINGTON RESOURCES OIL  
SAN JUAN 32 9 UNIT  
76

BURLINGTON RESOURCES OIL  
SAN JUAN 32 9 UNIT  
62

17

18

13

14

BURLINGTON RESOURCES OIL  
SAN JUAN 32 9 UNIT  
75

BURLINGTON RESOURCES OIL  
SAN JUAN 32 9 UNIT  
69

T32N

BURLINGTON RESOURCES OIL  
SAN JUAN 32 9 UNIT  
49

20

19

24

23

T.H. McEwan Oil and Gas  
SAN JUAN COUNTY  
STATELINE COM NO. 1  
Existing Mesaverde Wells

Scale 1:24565.42



780000 781000 782000 783000 784000 785000 786000  
4088000 4089000 4090000 4091000  
371000 36890 36880 36870  
-107850 -107840 -107830 -107820 -107810 -107800 -107790