



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

April 13, 1998

RECEIVED  
APR 21 1998

OIL CON. DIV.  
DIST. 3

Conoco, Inc.  
10 Desta Drive - Suite 100W  
Midland, Texas 79705-4500  
Attention: Kay Maddox

*Administrative Order NSL-3999*

Dear Ms. Maddox:

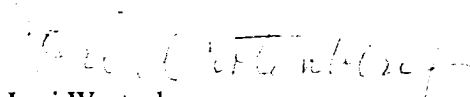
Reference is made to your application dated March 17, 1998 and to the records of the Division in Santa Fe concerning Conoco, Inc.'s request for an unorthodox gas well location in the Blanco-Mesaverde, Basin-Dakota, and Otero-Chacra Pools for the existing Jicarilla "K" Well No. 17 (30-039-20433) located 1450 feet from the South line and 2140 feet from the West line (Unit K) of Section 12, Township 25 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

The S/2 of said Section 12, being a standard 320-acre gas spacing and proration unit for the Blanco-Mesaverde and Basin-Dakota Pools and the SW/4 of said Section 12 being a standard 160-acre gas spacing and proration unit for the Otero-Chacra Pool, are to be dedicated to said well.

It is our understanding that Conoco, Inc. intends to downhole commingle the Blanco-Mesaverde, Basin-Dakota, and Otero-Chacra Pools in said well under authority of Division Administrative Order DHC-1613, dated August 15, 1997.

By the authority granted me under the provisions of Rule 2(d) of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blanco-Mesaverde Pool/Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-8170, as amended, and Division General Rule 104.F(2) the above-described unorthodox gas well location for the Jicarilla "K" Well No. 17 is hereby approved.

Sincerely,

  
Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec  
U. S. Bureau of Land Management - Farmington  
W. Thomas Kellahin, Counsel - Santa Fe  
Jimmy D. Carlile, Conoco, Inc. - Midland, Texas  
File: DHC-1613



Mid-Continent Region  
Exploration/Production

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

March 17, 1998

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

RECEIVED  
MAR 23 1998  
OIL CON. DIV.  
DIST. 3

RE: Application for Non-Standard Location  
Jicarilla K #17  
API # 30-039-20433

Dear Mr. Stogner,

The Conoco, Inc. Jicarilla K #17 is located 1450' FSL & 2140' FWL of Section 12, T-25-N, R-5-W, Rio Arriba County, New Mexico. This location is non-standard towards the interior center-line of Section 12 by some 290' (standard set-back would be at least 790' from the center-line, or 1850' FWL). Note that Conoco's Jicarilla K lease covers all of Sections 1,2,11, and 12, T-25-N, R-5-W.

A search of Conoco's well files and records at NMOCD yielded no positive indications that the original operator (Southern Union) ever applied for a non-standard location order for the Basin Dakota or Otero Chacra Pools. Additionally, while Conoco filed for approval to downhole commingle the Chacra, Dakota & Mesaverde (attached copy of Administrative Order DHC - 1613) and filed notice of intent to recomple with the BLM (approved 6-24-97, copy attached); Conoco failed to apply for a non-standard location order for the Jicarilla K #17.

For unknown reasons, Southern Union did not stake the K #17 at a standard location near the Jicarilla K #9 Pictured Cliffs well (located 990' FSL & 990' FWL of Section 12). Regardless of reasoning, Southern Union drilled the K #17 in a canyon cutting Wild Horse Mesa (see attached topo), as far west as possible, at the foot of a steep topographic rise. No other restrictions to location selection (cultural or infrastructure related) are apparent.

Conoco, Inc. was premature in performing the Mesaverde recompletion without obtaining approval for the pre-existing, non-standard location, and regrets this oversight. Please note that the location is non-standard towards the interior center line of a 640 acre tribal lease with identical working, net and royalty interests in both the east and west halves of the Section. Utilizing the existing wellbore to access Mesaverde reserves will prevent economic waste by allowing access to reserves that would not otherwise be economic. Conoco, Inc. respectfully requests a non-standard location order be granted for the existing Jicarilla K #17 new Blanco Mesaverde pool completion, and for the pre-existing completions in the Basin Dakota and Otero Chacra pools.



Mid-Continent Region  
Exploration/Production

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

-2-

The offset operator plat shows that Amoco <sup>& Burlington Resources</sup> is the only offset operator that could be affected by this non-standard location. Please find enclosed evidence that they have been notified of this application.

A non-standard location order is requested based on the reasons given in the preceding paragraphs. 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/ Conoco, Inc.

KM/

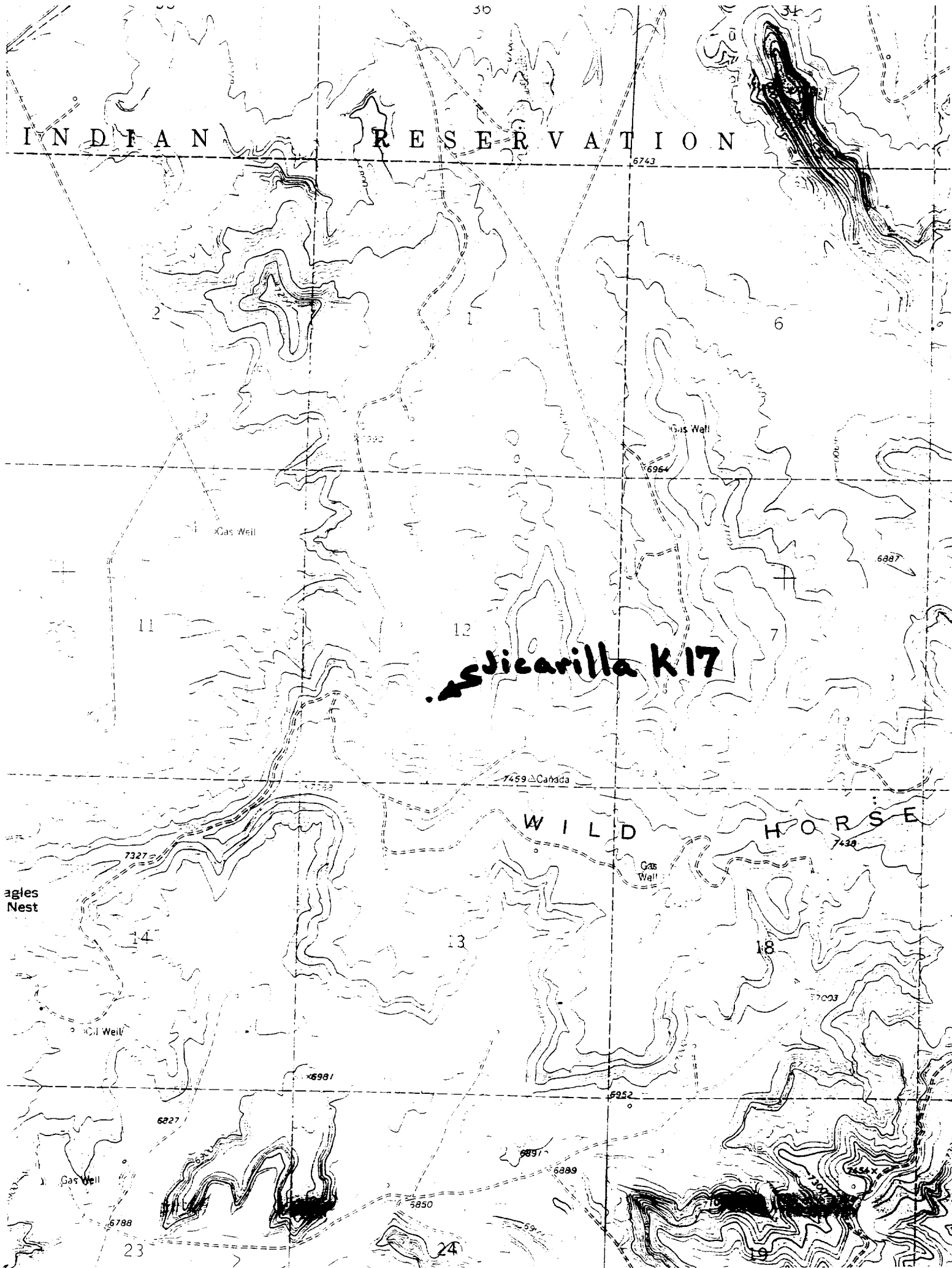
cc: Oil Conservation Division - Aztec

INDIAN RESERVATION

Asicarilla K17

WILD HORSE

agles  
Nest



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

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

Form C-102

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-20433		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 18022		5 Property Name Jicarilla K			6 Well Number 17
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 6953

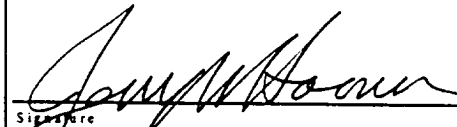
#### 10 Surface Location

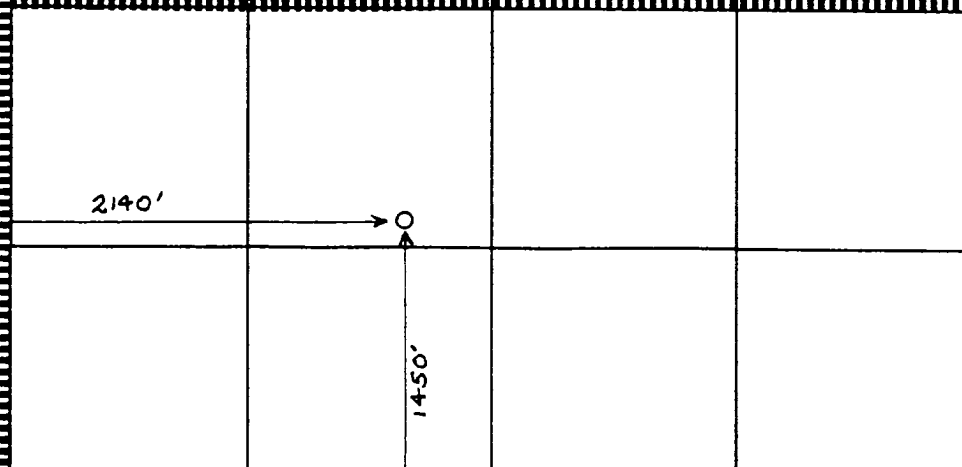
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	12	25N	5W		1450	South	2140	West	Rio Arriba

#### 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 S/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

16				17 OPERATOR CERTIFICATION			
				I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief			
				Signature 			
				Printed Name Jerry W. Hoover			
				Title Sr. Conservation Coordinator			
				Date 6/12/97			
				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.			
				Date of Survey			
				Signature and Seal of Professional Surveyor			
				Certificate Number			



**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

Operator <b>SOUTHERN UNION PRODUCTION COMPANY</b>		Lease <b>JICARILLA #145</b>		Well No. <b>17</b>
Unit Letter <b>K</b>	Section <b>12</b>	Township <b>25 NORTH</b>	Range <b>5 WEST</b>	County <b>RIO ARriba</b>
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> <span><b>1450</b> feet from the <b>SOUTH</b> line and</span> <span><b>2140</b> feet from the <b>WEST</b> line</span> </div>				
Ground Level Elev. <b>6953.0</b>	Producing Formation <b>DAKOTA</b>	Pool <b>Basin Dakota</b>	Dedicated Acreage: <b>5/2 - 320</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

( ) Yes ( ) No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non standard unit, eliminating such interests, has been approved by the Commission.

**CERTIFICATION**

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

ORIGINAL SIGNED BY

**B. R. VANDERSLICE**

Name

**B. R. VANDERSLICE**

Position

**AREA SUPERINTENDENT**

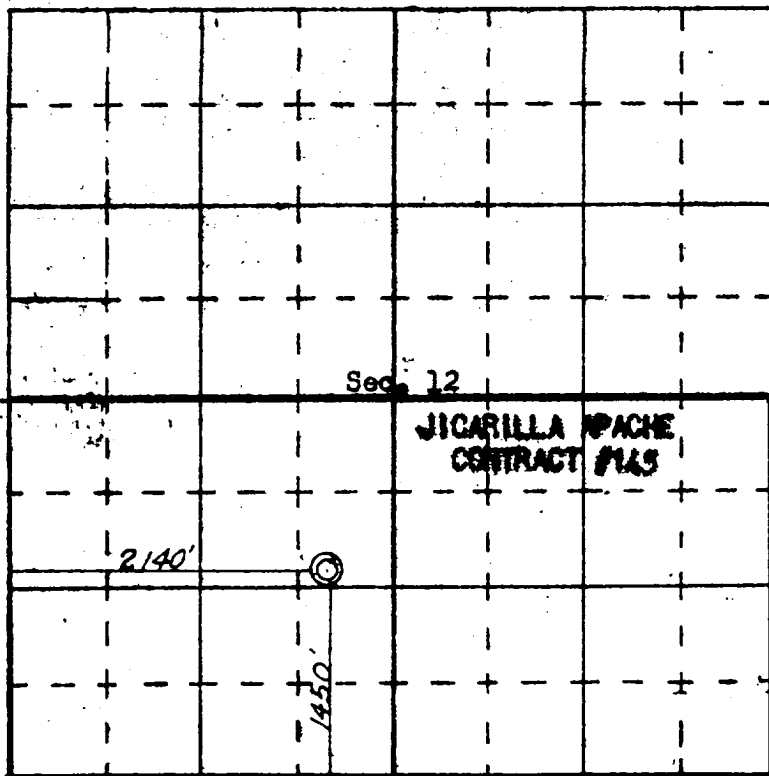
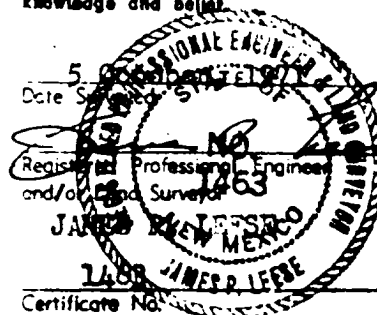
Company

**SOUTHERN UNION PRODUCTION**

Date

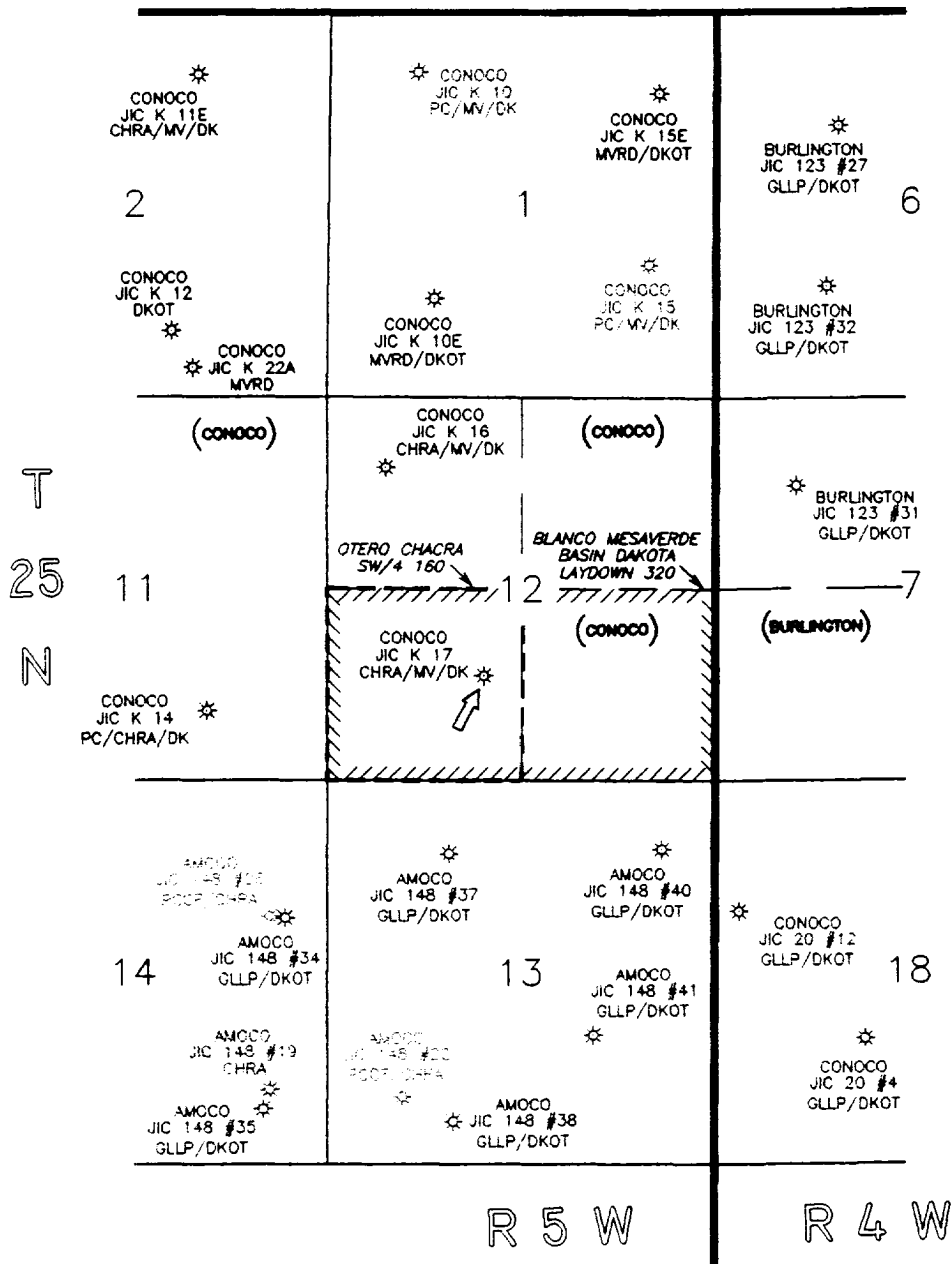
**OCTOBER 7, 1971**

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 and belief.



SCALE—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.



# NOTES

## NOTE:

No record could be found of original operator filing for NSL for Basin Dakota or Otero Chacra. Conoco now filing for both, along with Blanco Mesaverde. DHC approved per Administrative Order DHC-1613.

DATE: 3/18/98

DRAWN BY: GLG

CHECKED BY:

APPROVED BY:

SCALE: 1" = 2640'

STATE PLANE COORDINATES REFERRED TO  
NAD27 - N.M. WEST  
STATE PLANE COORDINATES  
ZONE - 3003



EPNGNA  
MIDLAND DIVISION

CONOCO JICARILLA K 17  
Chacra/Mesaverde/Dakota Producers  
Non Standard Location For Otero Chacra  
Blanco Mesaverde, & Basin Dakota

STATE	API	COUNTY	WELL
30	\	039	\ 20433

DRAWING
JIC_K17

CONOCO INC. OFFICE  
10 DESTA DRIVE WEST  
MIDLAND, TEXAS 79705

Jicarilla K #17  
API # 30-039-20433  
Section 12, T-25-N, R-5-W  
Rio Arriba County, NM

RE: Non-standard location Request

**Offset Operator:**

Amoco  
PO Box 800  
Denver, CO 80201

Burlington Resources  
PO Box 4289  
Farmington, NM 87499

P 497 374 048

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Burlington Resources
Street & Number	PO Box 4289
Post Office, State, & ZIP Code	Farmington, NM 87499

P 497 374 049

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Amoco
Street & Number	PO Box 800
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	

PS Form 3800, April 1995





NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

ADMINISTRATIVE ORDER DHC-1613

Conoco Inc.  
10 Desta Drive  
Suite 100W  
Midland, Texas 79705-4500

Attention: Mr. Jerry W. Hoover

*Jicarilla "K" No. 17  
API No. 30-039-20433  
Unit K, Section 12, Township 25 North, Range 5 West, NMPM,  
Rio Arriba County, New Mexico.  
Blanco-Mesaverde (Prorated Gas - 72319)  
Basin-Dakota (Prorated Gas - 71599) and  
Otero-Chacra (Gas - 82329) Gas Pools*

Dear Mr. Hoover:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Production from the subject well shall be allocated as follows:

Total gas production from the Basin-Dakota and Otero-Chacra Gas Pools shall be determined utilizing the mid-year average production forecast submitted by the applicant as an attachment to the downhole commingling application. Gas production from the Blanco-Mesaverde Gas Pool shall be determined by subtracting Basin-Dakota and Otero-Chacra Gas Pool production from the well's total monthly gas production. The allocation of production to the Basin-Dakota and Otero-Chacra Gas Pools shall be in accordance with the following formula:

*Administrative Order DHC-1613*

*Conoco Inc.*

*August 15, 1997*

*Page 2*

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POOL	OIL %	GAS %
Basin-Dakota Gas Pool	100%	73%
Otero-Chacra Gas Pool	0%	27%

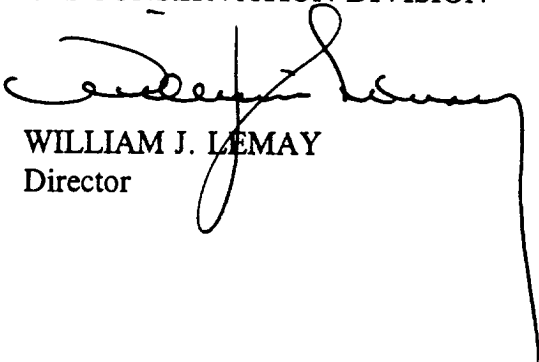
The allocation method established herein may be altered at some time subsequent to initiating downhole commingling operations upon request by the operator and for good cause shown.

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 15th day of August, 1997.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY  
Director

S E A L

WJL/DRC

cc: Oil Conservation Division - Aztec  
Bureau of Land Management-Farmington

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

5. Lease Designation and Serial No.

CONT 145

6. If Indian, Allottee or Tribe Name

Jicarilla

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Jicarilla K No. 17

9. API Well No

30-039-20433

10. Field and Pool, or Exploratory Area

Blanco Mesaverde

11. County or Parish, State

Rio Arriba, NM

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

CONOCO INC.

3. Address and Telephone No.

10 DESTA DR. STE. 100W, MIDLAND, TX. 79705-4500 (915) 686-5424

4. Location of Well (Footage, Sec., T. R. M. or Survey Description)

1450' FSL & 2140' FWL  
Sec. 12, T-25N, R-5W

1. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent  
☐ Subsequent Repon  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment  
☒ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☐ Other

- ☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracrunng  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note: Repon result of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

It is proposed to recomplete this well to the Blanco Mesaverde and downhole with the Chacra & Dakota by the following procedure:

1. Perforate Mesaverde at 5461'-5677' with 23 holes.
2. Treat perforations with 600 gals 15% HCl
3. Install 2-7/8" frac liner from 4140'-4240' to straddle Chacra completion.
4. Slick water frac new Mesaverde perforations.
5. POOH with 2-7/8" frac liner

An application to downhole commingle the Chacra, Mesaverde, and Dakota has been filed. When DHC approval has been received, the above work will be done and all three zones downhole commingled.

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

Signed

Jerry W. Hoover

Title

Sr. Conservation Coordinator

Date

6/12/97

(This space for Federal or State office use)

Approved by

Title

for Chief, Lands and Mineral Resources

Date

JUL 24 1997

Conditions of approval if any