

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

DECEIVE N APR 2 1 1998

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

OIL COM. DIV.

Administrative Order NSL-3998

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 a non-standard Blanco-Mesaverde gas well location for the existing Jicar Illa "22" Well No. 6 (API No. 30-039-20442), located 830 feet from the North line and 670 feet from the East line (Unit A) of Section 22, Township 25 North, Range 4 West, NMPM, Blanco-Mesaverde Pool, Rio Arriba County, New Mexico. This well was initially drilled in 1971 to a total depth of 7,990 feet and completed in the West Lindrith Gallup-Dakota Oil Pool at a standard oil well location within a standard 160-acre oil spacing and proration unit for said interval comprising the NE/4 of said Section 22.

It is our understanding that the Blanco-Mesaverde Pool will be perforated and said well will be recompleted such that production from both intervals will be commingled downhole. Pursuant to the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blanco-Mesaverde Pool," as promulgated by Division Order No. R-8170, as amended, said location is considered to be unorthodox. Further, the E/2 of said Section 22 is to be dedicated to the Blanco-Mesaverde Pool thereby forming a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 2(d) of said special pool rules, the above-described unorthodox gas well location is hereby approved.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc:

New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington

U. S. Bureau of Land Management - Albuquerque

W. Thomas Kellahin, Counsel - Santa Fe

Jimmy D. Carlile, Conoco, Inc. - Midland, Texas



Mid-Continent Region Exploration/Production

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

March 17, 1998

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

RE: Application for Non-Standard Location Jicarilla 22 #6 API # 30-039-20442 DECEIVED N MAR 2 3 1998

OIL CON. DIV.

Dear Mr. Stogner,

The proposed recompletion of this well in the Mesaverde requires a non-standard location order. This well is located in Section 22, T-25-N, R-4-W, A, Rio Arriba County, New Mexico. The well is currently producing from the Lindrith West Gallup/Dakota pool. The Blanco Mesaverde pool rules require a standard location to be 790' from the Section line. This well is located 670' FEL & 830' FNL. We are requesting a non-standard location order be given for the Mesaverde.

As shown on the attached production plot for completions nearest to the Jicarilla 22 #6, estimated recoveries and initial production rates from wells completed in the Mesaverde formation are insufficient to justify drilling stand alone wells. Utilization of the Jicarilla 22 #6 will prevent economic waste by allowing access to the Mesaverde in an existing wellbore. Note that this location is standard as regards to the current Jicarilla 22 #6 completion in the Lindrith West Gallup/Dakota Pool. An application to downhole commingle production utilizing the subtraction allocation method has been filed.

The offset operator plat shows that M&W Petroleum is the only offset operator that could be affected by this non-standard location. Please find enclosed evidence that they have been notified.

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

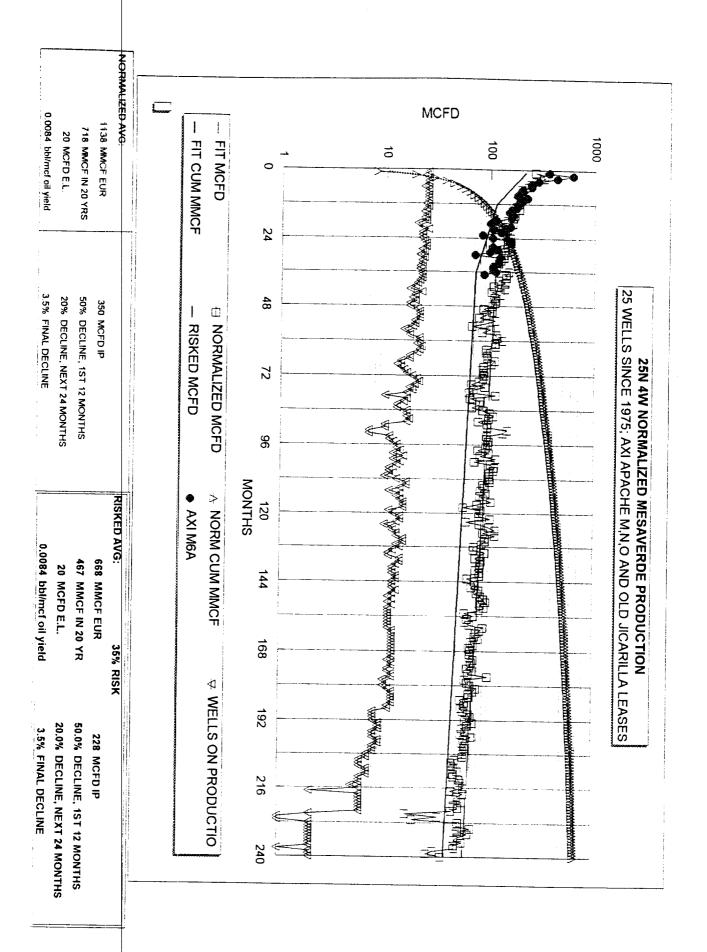
Sincerely,

Kay Maddox

Regulatory Agent/ Conoco, Inc.

KM/

cc: Oil Conservation Division - Aztec



District I PO Box 1980, Hobbs. NM 88241-1980 State of New Mexico Energy, Minerals & Natural Resources Department

Revised February 21, 1994 instructions on back

District II PO Drawer DD, Artesia, NM 88211-0719 OIL CONSERVATION DIVISION District III

PO Box 2088

Submit to Appropriate District Office State Lease - 4 Copies

District IV

1000 Rio Brazos Rd. Aztec, NM 87410

Santa Fe, NM 87504-2088

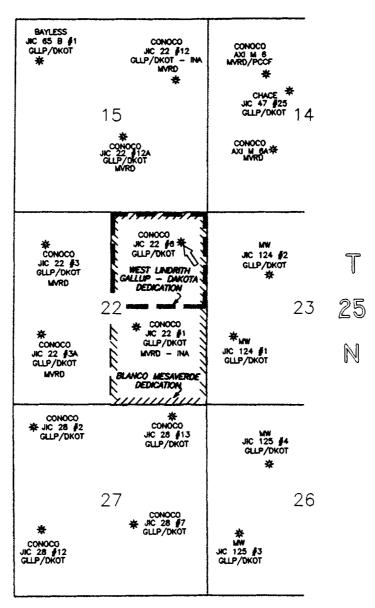
Fee Lease - 3 Copies PO Box 2088, Santa Fe. NM 87504-2088 AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 2 Pool Code 3 Pool Name 30-039-20442 72319 Blanco Mesaverde 4 Property Code 5 Property Name 6 Well Number 003203 Jicarilla 22 7 OGRID No. 8 Operator Name 9 Elevation Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500 005073 7112' GL 10 Surface Location UL or loting. Section Tawnship Range Lot Idn Feet from the North/South line Feet from the East/West line Caunty A 22 25N 4W 830 North 670 East Rio Arriba 11 Bottom Hole Location If Different From Surface UL or lot no Sectio Township Range Lat Idn Feet from the North/South line Feet from the East/West line County 12 Dedicated Acres 13 Joint or Infil 14 Consolidation Code 15 Order No. 320 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 830 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief 670' Signature Kay Maddox Printed Name Regulatory Agent Title 18 SURVEYOR CERTIFICATION I hereby verify that the well location snown 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 hest of my belief. Date of Survey Signature and Seal of Professional Surveyor. Certificate Number

N MITKIGG OIL CONSERVATION COMMISS (WELL LOCATION AND ACREAGE DEDICATION PLAT

Force U=10 Supersede C+124 Effective -1-65

All distances must be from the outer boundaries of the Section

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Continental C		Jicarilla 22	Well ito. 6	
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	olucini, Fermilia Gallup-Dakota	Post West Lindrith Gal	lup-Dakota Dedicated Acreage:	
			achure 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 royally).				
3. If more than one lease of different ownership is dedicated to the well, have the interests of allieurers bear osolidated by communication, unitization, force-pooling, etc? JUN 1 2 1972				
Yes No			OIL CON. COM.	
If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Hear regerse side of this form if necessary.)				
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	¥.		CERTIFICATION V	
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			Position Position	
		! }	Administrative Supervisor Company	
		1	CONTINENTAL OIL COMPANY	
	22		June 8, 1972	
			I hereby certify that the well location shown on this plat was platted 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.	
 				
			Date Surveyed	
		f t	Registered Professional Engineer and/or Land Surveyor	
		1 1		
	- MOT - POS-200524 - POS-4 - POS-4		Certineate No.	



R4W

NOTES		EPNGNA MIDLAND DIVISION	
NOTE: JICARILLA 22 #6 LOCATION IS STANDA	DATE: 3/04/98 DRAWN BY: GLG	CONOCO JICARILLA 22 LEASE MESAVERDE & GALLUP/DAKOTA PRODUCERS	
THE WEST LINDRITH GALLUP-DAKOTA I BUT NON-STANDARD FOR A BLANCO I	POOL, CHECKED BY:	JICARILLA 20 #6 BLANCO MESAVERDE NSL RIO ARRIBA COUNTY, NEW MEXICO	
(POINT LOOKOUT) RECOMPLETION.	APPROVED BY:	STATE COUNTY WELL DRAWING	
	SCALE: 1" = 2640'	30 \ 039 \ 20442 \ 25-4_6	
	STATE PLANE COORDINATES REFERRED TO NAD27 - N.M. WEST STATE PLANE COORDINATES ZONE - 3003	CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705	

Jicarilla 22 #6 API #30-039-20442 Section 22, T-25-N, R-4-W Rio Arriba County, NM

Offset Operators:

M & W Petroleum 200 Post Oak Blvd STE 100 Houston, TX 77056-4400

P 497 374 031

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided. Do not use for International Mail (See reverse)

Post Oak Blud STE 100 S Postage Certified Fee Special Delivery Fee Restricted Delivery Fee Return Receipt Showing to Whom & Date Delivered

Return Receipt Showing to Whom Cate, & Addressee's Address Return Receipt Showing to Whom. TOTAL Postage & Fees \$ Postmark or Date

PS Form **3800**,