

# NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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

May 20, 1998

Conoco, Inc. 10 Desta Drive - Suite 100W Midland, Texas 79705-5400 Attention: Kay Maddox

OIL CON. DIV.

Administrative Order NSL-4038

Dear Ms. Maddox:

Reference is made to your application dated April 17, 1998 for an off-pattern non-standard Basin-Fruitland coal gas well location for Conoco, Inc.'s existing Delhi Taylor "D" Well No. 1-E (API No. 30-045-23796), located 900 feet from the North and West lines (Lot 4/Unit D) of Section 3, Township 26 North, Range 11 West, NMPM, Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico. According to the well records on file with the New Mexico Oil Conservation Division in Santa Fe, the Delhi Taylor "D" Well No. 1-E was initially drilled in 1979 by Tenneco Oil Company and completed at a standard infill gas well location in the Basin-Dakota Pool within a standard 320.01-acre gas spacing and proration unit comprising Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of said Section 3.

It is our understanding that the Dakota interval is to be abandoned and said well will be plugged back and recompleted up-hole into the Basin-Fruitland Coal (Gas) Pool. This location, pursuant to the "Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool," as promulgated by Division Order No. R-8768, as amended, is considered to be unorthodox. Further, the W/2 equivalent of said Section 3 is to be dedicated to said well in order to form a standard 320.01-acre gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

By the authority granted me under the provisions of Rule 8 of said special pool rules, the above-described unorthodox coal gas well location for the Delhi Taylor "D" Well No. 1-E is hereby approved.

Sincerely,

Director

LW/MES/kv

New Mexico Oil Conservation Division - Aztec cc:

U. S. Bureau of Land Management - Farmington



Mid-Continent Region Exploration/Production Conoco Inc. 10 Desta Drive, Suite 100W Midland, TX 79705-4500 (915) 686-5400

April 17, 1998

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

RE: Application for Unorthodox Coal Location Delhi Taylor D #1E API # 30-045-23796 Section 3, T-26-N, R-11-W, D San Juan, New Mexico



Dear Mr. Stogner,

Conoco's Delhi Taylor D #1E is located in Section 3, T-26-N, R-11-W, 900 FNL & 900 FWL. San Juan County, New Mexico. In addition to standard 790' set back requirements, orthodox locations for 320 acres spaced Fruitland Coal requires that locations be situated in the NE/4 and/or SW/4 of any given section. The Delhi Taylor D #1E meets set back requirements but is situated in the NW/4 of Section3: an orthodox location would be in the SW/4.

In order to prevent economic waste by allowing access to Basin Fruitland Coal reserves in an existing wellbore, Conoco respectfully requests that a NW/4, unorthodox location be approved for completion in the Basin Fruitland Coal Pool.

The offset operator plat shows that Larry F. Neely, Amoco, Merrion Oil & Gas, Burlington Resources, and Louis-Dreyfus are the offset operators that could be affected by this unorthodox location. Please find enclosed evidence that they have been notified of this application.

An unorthodox 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

Km/

Cc: Oil Conservation Division – Aztec
Bureau Land Management-Farmington

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NOTES		[COOCCO]	IGNA DIVISION		
NOTE:	DATE: 4/27/98	CONOCO			
	DRAWN BY: GLG	DELHI TAYLOR D #1E UNORTHODOX LOCATION APPLICATION RIO ARRIBA COUNTY, NEW MEXICO			
	CHECKED BY:				
	APPROVED BY:	API STATE COUNTY WELL	DRAWING		
	SCALE: 1" = 2640'	30 \ 039 \ 237960	DTAY_D1E		
	STATE PLANE COORDINATES REFERRED TO NAD27 - N.M. WEST STATE PLANE COORDINATES ZONE - 3003	CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705			

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

District III

State of New Mexico Energy, Minerals & Natural Resources Department

Revised February 21, 1994 instructions on back

Submit to Appropriate District Office State Lease - 4 Copies

Certificate Number

District II PO Drawer DD. Artesia, NM 88211-0719 OIL CONSERVATION DIVISION PO Box 2088 1000 Rio Brazos Rd. Aztec, NM 87410 Santa Fe, NM 87504-2088

Fee Lease - 3 Copies ■ AMENDED REPORT

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

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