

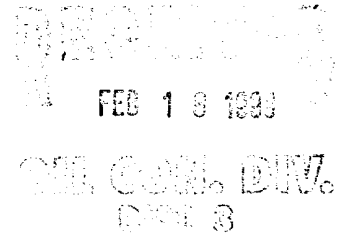


NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

February 16, 1999

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



Administrative Order NSL-4210

Dear Ms. Maddox:

Reference is made to your application dated February 10, 1999 for an exception to the well location requirements provided within the "*Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987, for a non-standard Basin-Dakota infill gas well location in an existing standard 320-acre stand-up gas spacing and proration unit for the Basin-Dakota Pool comprising the E/2 of Section 29, Township 28 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. This unit is currently dedicated to Conoco, Inc.'s San Juan "28-7" Unit Well No. 230 (API No. 30-039-20996), located at a standard gas well location 800 feet from the North line and 1450 feet from the East line (Unit B) of Section 29.

The application has been duly filed under the provisions of New Mexico Oil Conservation Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled at an unorthodox infill gas well location in Section 29 is hereby approved:

San Juan "28-7" Unit Well No. 230-M

2020' FSL & 1900' FEL (Unit J). - 29-28N-7W

Further, both of the aforementioned San Juan "28-7" Unit Well Nos. 230 and 230-M and existing gas spacing and proration unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

Lori Wrotenbery
Director

039-26091

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec /
U. S. Bureau of Land Management - Farmington

CONOCO

Mid-Continent Region
Exploration/Production

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

February 10, 1999

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

Re: Application for Non-Standard Location
Basin Dakota Pool
San Juan 28-7 Unit #230M
2020' FSL & 1900' FEL
Unit Ltr. J, Section 29-T28N-R7W
Rio Arriba County, New Mexico

RECEIVED
FEB 12 1999
OIL CON. DIV.
DIST. 3

Dear Mr. Stogner,

Conoco Inc. plans to drill the above referenced well in 1999. The Basin Dakota pool rules state that this well must be 790' from the quarter section lines. This well is staked 2020' FSL & 1900' FEL. This location places the well only 620' from the northern quarter section line and 740' from the center section line thereby requiring this application for a non-standard location order. The referenced location is an open, 160 acre Dakota infill site. In an effort to prevent waste and too effectively / efficiently develop and produce the 28-7 Unit to its fullest potential, Conoco selected this location to serve two purposes. The location will serve to accommodate both a primary, 160 acre Dakota infill, and an 80 acre Mesaverde infill withdrawal point (per Order No. R-10987-A, issued out of case No. 12069).

Topography, arch, and infrastructure also played a role in limiting our location selection. The ability to access both horizons in a single wellbore will reduce development costs and surface disturbance. Please note that the location is interior to the 28-7 Unit, and does not encroach on any Unit boundaries. An application to downhole commingle (C-107A) Blanco Mesaverde and Basin Dakota will be filed concurrently (per Order No. R-10476-B, issued out of case No. 11815).

Conoco respectfully requests that a non-standard location for the Basin Dakota Pool be issued for the referenced well for the reasons cited above. If there are any questions concerning this application, please feel free to call me at (915) 686-5798.

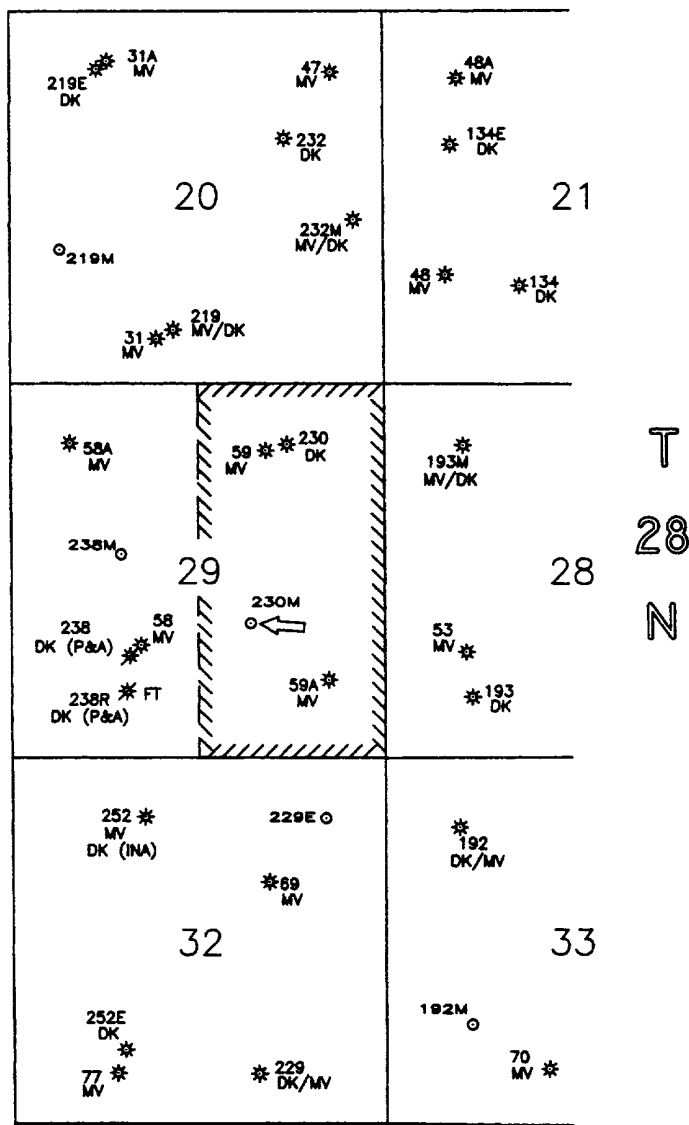
Sincerely,

Kay Maddox


Kay Maddox
Regulatory Agent

cc - Aztec

R 7 W



**SAN JUAN 28-7 UNIT
RIO ARriba CO., NM**

NOTES		<div>  <div>EPNGNA MIDLAND DIVISION</div> </div>	
<p>Conoco operates all wells in the 28-7 Unit, NSL is interior to the 28-7 Unit. Map shows only Mesaverde and Dakota wells. A Basin Dakota NSL is requested in order to accommodate both a primary 160 acre Dakota infill and an '80 acre' Mesaverde infill (per order No. R-10987-A out of case 12069).</p>	DATE: 2/10/99	<div> <div>CONOCO 28-7 UNIT MESAVERDE & DAKOTA PRODUCERS</div> <div>San Juan 28-7 Unit # 230M</div> <div>Basin Dakota Pool Non-Standard Location</div> </div>	
	DRAWN BY: GLG	<div> <div>STATE API COUNTY WELL</div> <div>30 \ 039 \</div> </div>	
	CHECKED BY:	DRAWING	
	APPROVED BY:	28-7_230	
	SCALE: 1" = 2640'	<div> <div>CONOCO INC. OFFICE</div> <div>10 DESTA DRIVE WEST</div> <div>MIDLAND, TEXAS 79705</div> </div>	
<div> <div>STATE PLANE COORDINATES REFERRED TO</div> <div>NAD27 - N.M. WEST</div> <div>STATE PLANE COORDINATES</div> <div>ZONE - 3003</div> </div>			

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

District II
PO Drawer 00, 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
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Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code	*Pool Name
		72319 / 71599	BLANCO MESAVERDE / BASIN DAKOTA
*Property Code	*Property Name		*Well Number
016608	SAN JUAN 28-7 UNIT		230M
*GRID No.	*Operator Name		*Elevation
005073	CONOCO, INC.		6259'

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
J	29	28N	7W		2020	SOUTH	1900	EAST	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	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

¹⁵	5286.60'	5280.00'	29	2020'	1900'	5280.00'	¹⁷ OPERATOR CERTIFICATION
							I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
							Signature
							Mike L. Mankin
							Printed Name
							Right-Of-Way Agent
							Title
							Date 12-21-98
							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.
							OCTOBER 14, 1998
							Date of Survey
							Signature and Seal
							NEALE C. EDWARDS
							NEW MEXICO
							6857
							6857
							Certificate

District I
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		2 Pool Code 72319 / 71599		3 Pool Name Blanco Mesaverde/Basin Dakota	
4 Property Code 016608		5 Property Name San Juan 28-7 Unit			6 Well Number # 230M
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 6259'

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
J	29	28N	7W		2020'	South	1900	East	Rio Arriba

11 Bottom Hole Location If Different From Surface

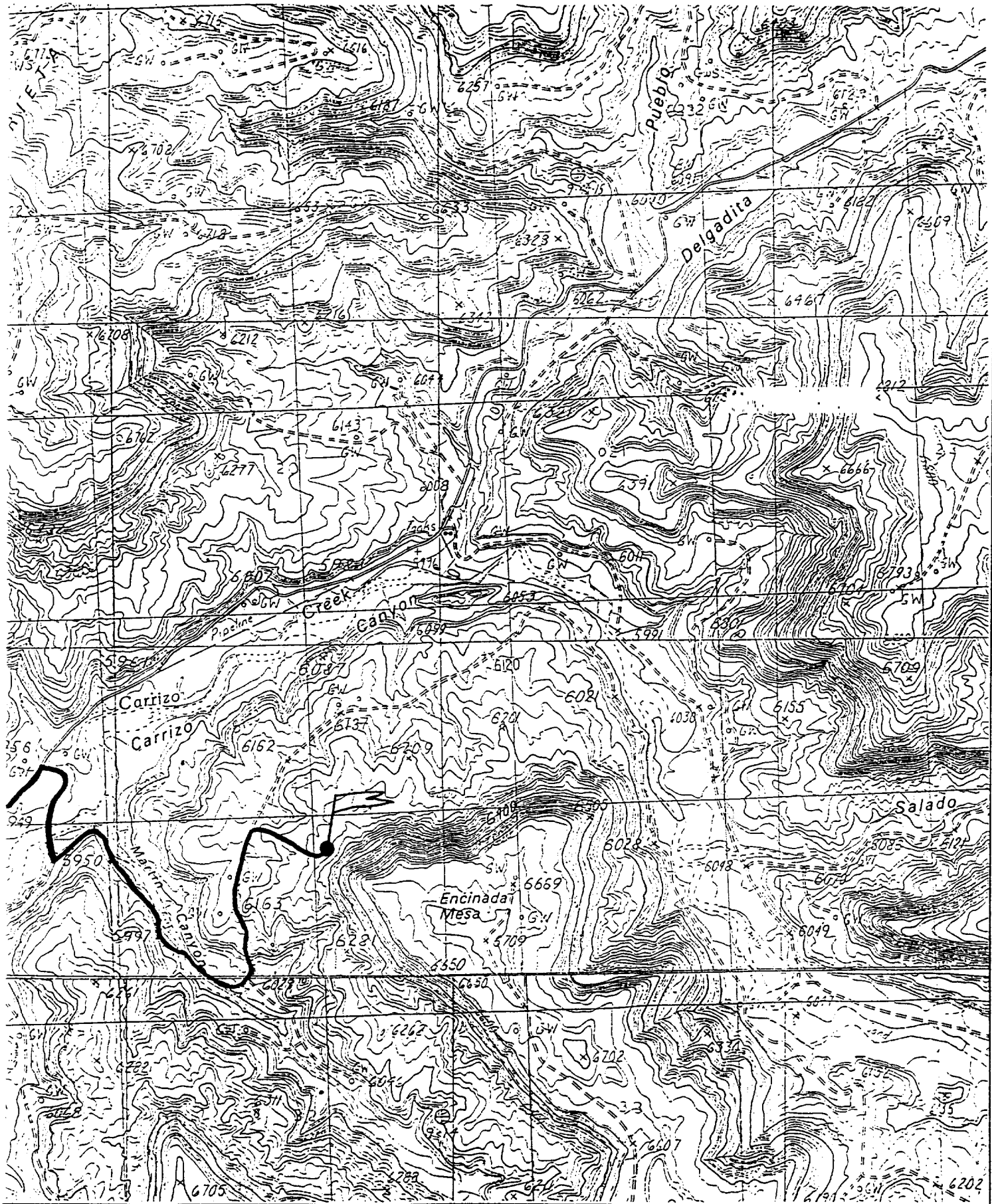
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No. R - 10987 - A
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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

<div>16</div> <div>RECEIVED FEB 12 1999 OIL CON. DIV. DET 3</div>	<div># 59 30-039-07334 MV #59A 30-039-25666</div> <div>890' #59 1750'</div>	<div>17 OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</div> <div>Kay Maddox</div> <div>Signature Kay Maddox</div> <div>Printed Name Regulatory Agent</div> <div>February 8, 1999</div> <div>Date</div>
	<div>#230M 1900'</div>	<div>18 SURVEYOR CERTIFICATION</div> <div>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.</div> <div>February 8, 1999</div> <div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor:</div>
	<div>2020' #59A MV 870' 1190'</div>	<div>Certificate Number</div>

CONOCO, INC. SAN JUAN 28-7 UNIT #230M
2020' FSL & 1900' FEL, SECTION 29, T28N, R7W, N.M.P.M.
RIO ARRIBA, NEW MEXICO



February 10, 1999

San Juan 28-7 Unit Well # 230M

Conoco, Inc. is the sole operator of the 28-7 Unit. This well does not encroach on any outside unit boundary lines therefore there are no offset operators to be notified.



Mid-Continent Region
Exploration/Production

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

February 10, 1999

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

Re: Application for Non-Standard Location
Basin Dakota Pool
San Juan 28-7 Unit #190M
2305' FSL & 2335' FEL
Unit Ltr. J, Section 27-T28N-R7W
Rio Arriba County, New Mexico

RECEIVED
FEB 12 1999
OIL CON. DIV.
DIST. 3

Dear Mr. Stogner,

Conoco Inc. plans to drill the above referenced well in 1999. The Basin Dakota pool rules state that this well must be located 790' from the quarter section lines. This well is staked 2305' FSL & 2335' FEL. This location places the well only 335' from the northern quarter section line and 305' from the center section line thereby requiring this application for a non-standard location order. The referenced location is an open, 160 acre Dakota infill site. In an effort to prevent waste and too effectively / efficiently develop and produce the 28-7 Unit to its fullest potential, Conoco selected this location to serve two purposes. The location will serve to accommodate both a primary, 160 acre Dakota infill, and an 80 acre Mesaverde infill withdrawal point (per Order No. R-10987-A, issued out of case No. 12069). Topography, arch, and infrastructure also played a role in limiting our location selection. The ability to access both horizons in a single wellbore will reduce development costs and surface disturbance. Please note that the location is interior to the 28-7 Unit, and does not encroach on any Unit boundaries. An application to downhole commingle (C-107A) Blanco Mesaverde and Basin Dakota will be filed concurrently (per Order No. R-10476-B, issued out of case No. 11815).

Conoco respectfully requests that a non-standard location for the Basin Dakota Pool be issued for the referenced well for the reasons cited above. If there are any questions concerning this application, please feel free to call me at (915) 686-5798.

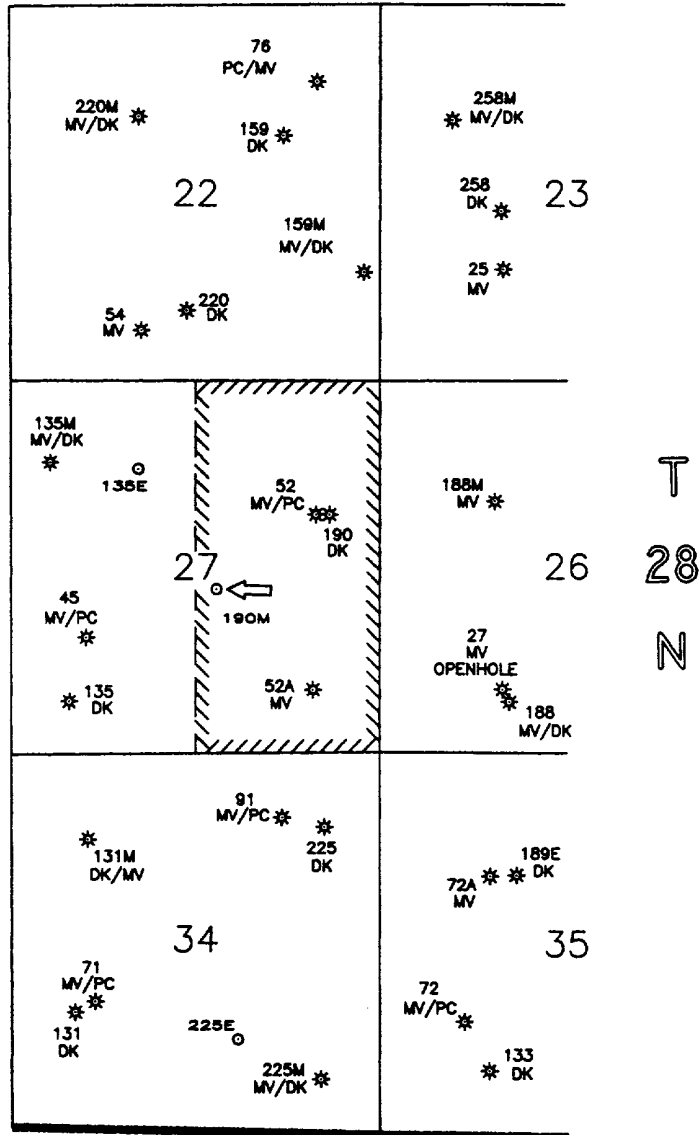
Sincerely,


Kay Maddox

Regulatory Agent

cc - Artec

R 7 W



**SAN JUAN 28-7 UNIT
RIO ARriba CO., NM**

NOTES			<div><div>conoco</div><div>EPNGNA MIDLAND DIVISION</div></div>	
Conoco operates all wells in the 28-7 Unit, NSL is interior to the 28-7 Unit. Map shows only Mesaverde and Dakota wells. A Basin Dakota NSL is requested in order to accommodate both a primary 160 acre Dakota infill and an '80 acre' Mesaverde infill (per order No. R-10987-A out of case 12069).	DATE: 2/10/99	<div>CONOCO 28-7 UNIT MESAVERDE & DAKOTA PRODUCERS San Juan 28-7 Unit # 190M Basin Dakota Pool Non-Standard Location</div>		
	DRAWN BY: GLG			
	CHECKED BY:			
	APPROVED BY:			
	SCALE: 1" = 2640'	<div>STATE<div>API</div>COUNTY<div>WELL</div></div> <div>30 \ 039 \</div>	<div>DRAWING</div> <div>28-7_190</div>	
	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
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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		2 Pool Code 72319 / 71599		3 Pool Name Blanco Mesaverde/Basin Dakota	
4 Property Code 016608		5 Property Name San Juan 28-7 Unit			6 Well Number # 190 M
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 6140'

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
J	27	28N	7W		2305'	South	2335'	East	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 320	13 Joint or Infill	14 Consolidation Code	15 Order No. R - 10987 - A
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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 RECEIVED FEB 12 1999 OIL CON. DIV. DIST. 3	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Kay Maddox Printed Name Regulatory Agent Title February 8, 1999 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. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number	

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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code 72319 / 71599		Pool Name BLANCO MESAVERDE / BASIN DAKOTA	
Property Code 016608	Property Name SAN JUAN, 28-7 UNIT			Well Number 190M	
GRID No. 005073	Operator Name CONOCO, INC.			Elevation 6140'	

¹⁰ Surface Location

UL or lot no. J	Section 27	Township 28N	Range 7W	Lot Idn	Feet from the 2305	North/South line SOUTH	Feet from the 2335	East/West line EAST	County RIO ARriba
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¹¹ Bottom Hole Location If Different From Surface

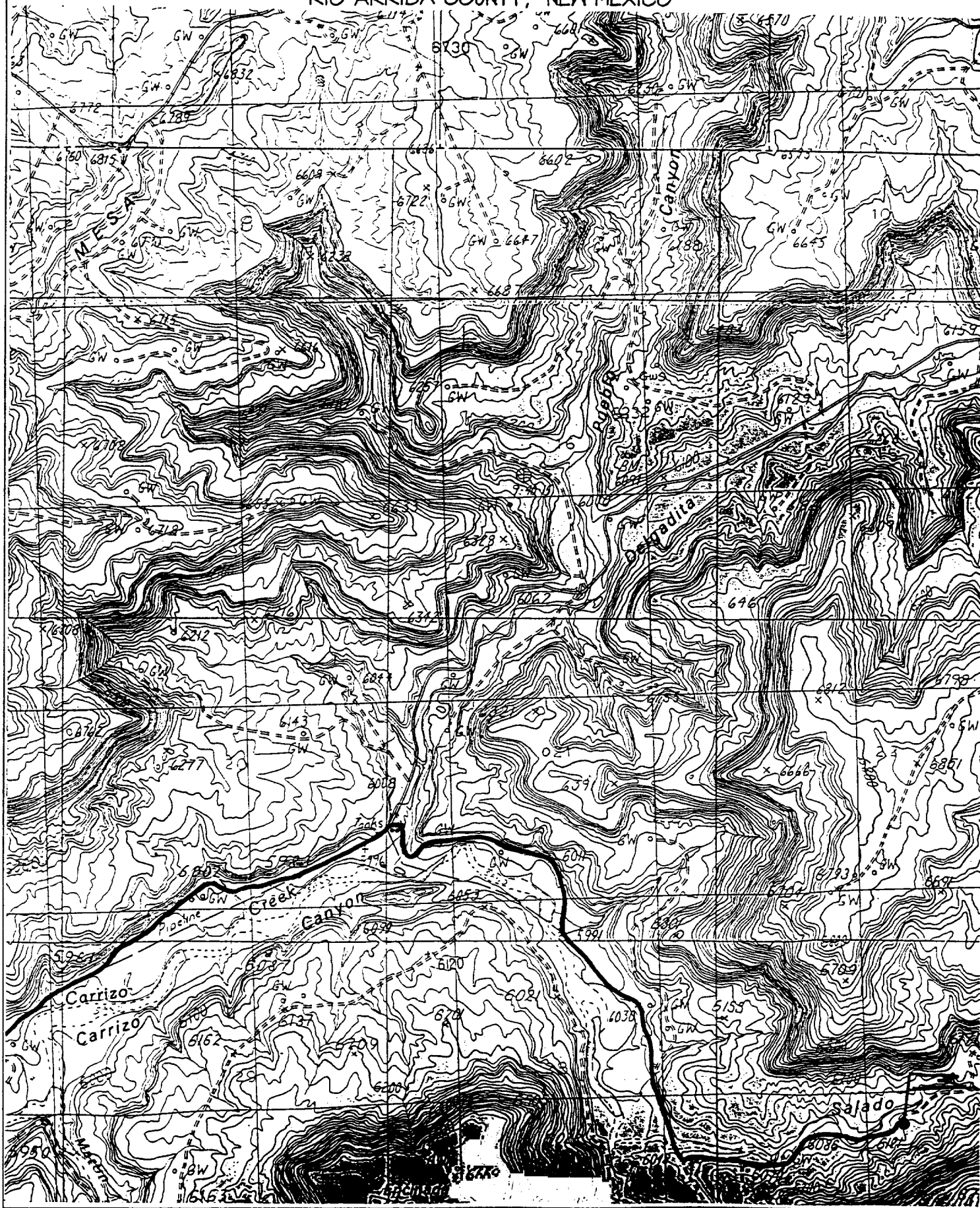
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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<div data-bbox="132 1113 512 1470"><p>RECEIVED FEB 12 1999 OIL CON. DIV. DIST. 3</p></div> <div data-bbox="82 972 1057 1961"><p>Diagram showing well location and acreage dedication plat. The diagram includes a grid with dimensions: 5283.96' (top), 5280.00' (left), 5280.00' (right), and 2305' (bottom). A dashed line indicates a section boundary. A well location is marked with a circle and labeled '27'. A distance of 2335' is indicated from the well to the right boundary.</p></div>	<div data-bbox="1057 972 1526 1961"><p>¹⁷ OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p><p><i>Mike L. Mankin</i> Signature Mike L. Mankin Printed Name Right-Of-Way Agent Title 12-15-98 Date</p><p>¹⁸ SURVEYOR CERTIFICATION</p><p>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.</p><p>NOVEMBER 30, 1998 Date of Survey Signature and Seal of Surveyor <i>Neale C. Edwards</i> NEALE C. EDWARDS NEW MEXICO 6857 Certificate Number</p></div>
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CONOCO, INC. SAN JUAN 28-7 UNIT #190M
2305' FSL & 2335' FEL, SECTION 27, T28N, RTW, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO



February 10, 1999

San Juan 28-7 Unit Well # 190M

Conoco, Inc. is the sole operator of the 28-7 Unit. This well does not encroach on any outside unit boundary lines therefore there are no offset operators to be notified.