

## NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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

February 16, 1999

Conoco, Inc. 10 Desta Drive – Suite 100 W Midland, Texas 79705-4500 Attention: Kay Maddox 9-30-339-36-17-4

Administrative Order NSL-4209

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 27, 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. 190 (API No. 30-039-20590), located at a standard gas well location 1840 feet from the North line and 800 feet from the East line (Unit H) of Section 27.

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 27 is hereby approved:

San Juan "28-7" Unit Well No. 190-M 2305' FSL & 2335' FEL (Unit J).

Further, both of the aforementioned San Juan "28-7" Unit Well Nos. 190 and 190-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

LW/MES/kv

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

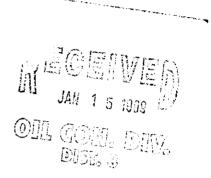


Mid-Continent Region Exploration/Production

January 12, 1999

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

RE: Application for Non-Standard Location San Juan 28-7 Unit Well #190M Section 27, T-28-N, R-7-W 2305' FSL & 2335' FEL Rio Arriba County, NM Conoco Inc. 10 Desta Drive, Suite 100W Midland, TX 79705-4500 (915) 686-5400



Dear Mr. Stogner,

Conoco Inc plans to drill the above referenced well in 1999. The referenced location is an open, 160-acre Dakota site. In an effort to prevent economic waste and too effectively / efficiently develop the 28-7 Unit to its fullest potential Conoco selected this wellsite location to serve two purposes. The location will serve to accommodate both a primary 160 acre Dakota infill, and a "100 acre" Mesaverde infill withdrawal point (pursuant to an order to be issued out of Burlington's case CD –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 thereby making Conoco the only offset operator. The downhole commingling application ((C-107A) will be filed concurrently to obtain permission to commingle the Blanco Mesaverde and Basin Dakota in this well.

Conoco respectfully requests that a non-standard location order be issued for the above referenced well based on the reasons given in the preceding paragraph. If there are any further questions concerning this application please call me at (915) 686-5798.

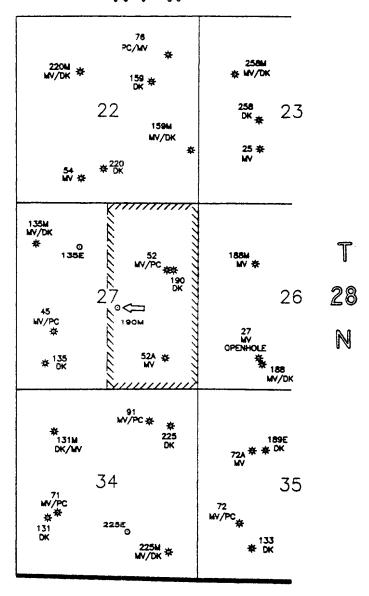
Sincerely,

KayiMaddox Regulatory Agent

Cc: Oil Conservation Division – Aztec

Bureau of Land Management - Farmington

## R 7 W



### SAN JUAN 28-7 UNIT RIO ARRIBA CO., NM

NOTES		(conoco) EPNO			
Conoco operates all wells in the 28-7 Unit, NSL is interior to the 28-7 Unit. Map shows only Mesaverde and Dakota wells. NSL is requested in order to accommodate both a primary 160 acre Dakota infill and a '100 acre' Mesaverde infill (Pursuant to an order to be issued out of case 12069).	DATE: 1/7/99	MIDLAND	DIVISION		
	201111	CONOCO 28-7 L MESAVERDE & DAKOTA			
	CHECKED BY:	San Juan 28−7 Unit # 190M Non-Standard Location			
	APPROVED BY:	API STATE COUNTY WELL	DRAWING		
	SCALE: 1" = 2640'	30 \ 039 \	28-7_190		
	STATE PLANE COORDINATES REFERRED TO NAD27 N.M. WEST STATE PLANE COORDINATES ZONE 3003	CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705			

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

District II 90 Orawer OD, Artesia, NM 88211-0719

District III 1000 Rio Brazos Rd., Aztec, NM 87410

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

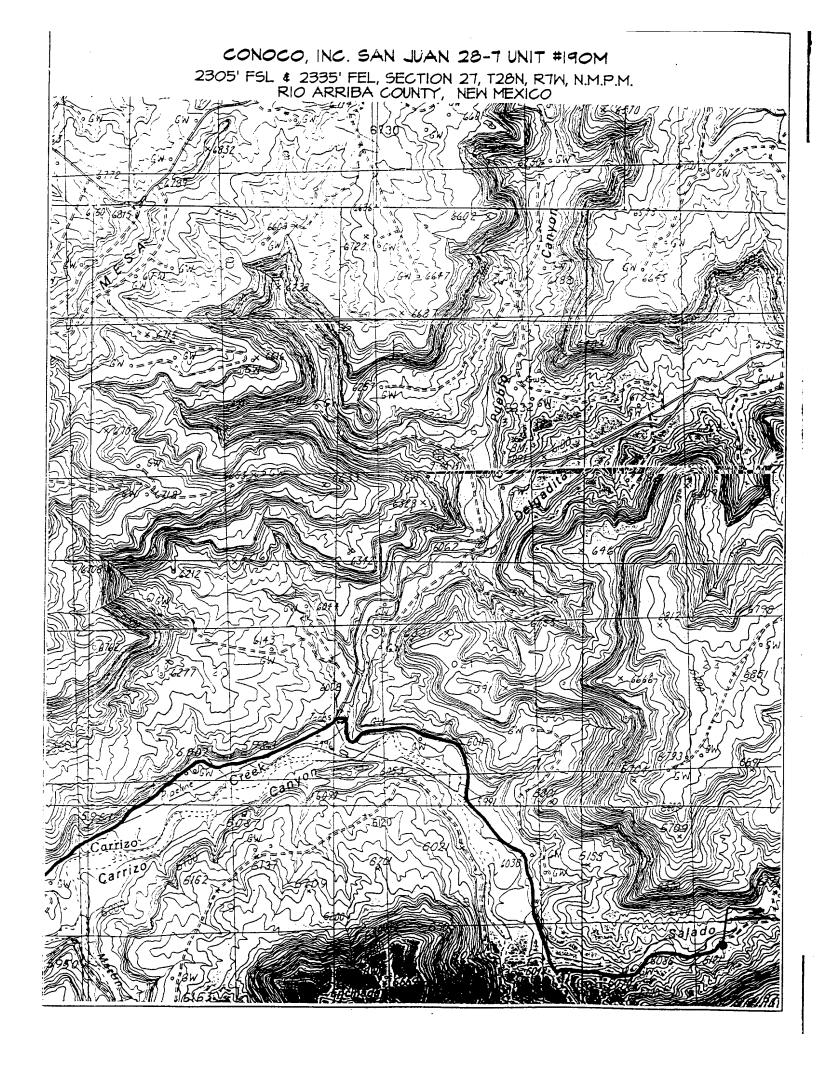
# State of New Mexico Energy, Minerals & Natural Resources Department

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

PO Box 2088.	Santa Fe.	NM 87504-	-2088							HEED HERON	
			WELL	LOCAT	ION AN	) AC	REAGE DEDI	CATION PL	_AT		
'API Number 'Pool 72319 /										11/27	
*Property	I		/	J13 / .	ì	perty		ESAVERUE /	/ BASIN DAKOTA Well Number		
0166				<u> </u>		-	8-7 UNIT			190M	
OGRIO No. 005073					'Operator Name CONOCO, INC.					*Elevation 6140	
					<sup>10</sup> Surfa		ocation		<u>-</u> -L		
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UL or lot no.	Section	Township	Range	Lot Ion	Feet from		North/South line	Feet from the	East/West lin	County	
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								3.2			
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			5280.	2305'				Date of Signature and	Survey C. E.	SANDS WOULD	



#### **DECEMBER 5, 1998**

CONOCO, INC.
SAN JUAN 28-7 UNIT #190M
2305' FSL, 2335' FEL,
SECTION 27, T28N, R7W, NMPM
RIO ARRIBA COUNTY, NM

TO WHOM IT MAY CONCERN @ CONOCO, INC:

### REASONS FOR NON-STANDARD LOCATION:

THE ONLY REASON FOR THE NON-STANDARD STAKING OF THE SAN JUAN 28-7 UNIT #190M IS THE TEAM OF CONOCO GEOLOGISTS HAVE REQUESTED TO BE AT THIS LOCATION DUE TO THE FINDINGS OF A SEISMIC STUDY AND POSSIBLE MODIFICATIONS TO THE LEGAL WINDOWS AS A RESULT OF FUTURE DOWN SPACING. MOREOVER, THE REQUESTED FOOTAGES WERE LEGAL; HOWEVER, THE LOCATION WOULD HAVE BEEN ON AN EXTREMELY STEEP SIDE-SLOPE. IN CONCLUSION, THE LOCATION STAKED AT 2305' FSL AND 2335' FEL IS AS CLOSE TO THE REQUESTED FOOTAGES AS POSSIBLE.