

**CONOCO**

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May 1, 2000

New Mexico Energy, Minerals & Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Attention: Mr. David Catanach

**RE: San Juan 28-7 #280**  
**San Juan 28-7 Unit**  
**NMOCD Case 12122 Order R-11139**



Dear Mr. Catanach,

1300 P  
This letter is to request that the subject NMOCD Order be amended to reflect the actual drilled location for SJ 28-7 #280 (~~1320'~~ 1300' FSL & 10' FEL of Section 17, T28N-7W) and that the offset Dakota producer to #280, SJ 28-7 #256E, be permitted to continue producing at its current rate. The original #280 location was moved 20' west for the purpose of allowing Conoco an additional Mesaverde recompletion opportunity in the SW/4 of Section 16.

San Juan 28-7 #280 is one of the six Dakota pilot wells included in the original NMOCD order and was permitted as an unorthodox well location at 1320' FSL & 10' FWL of Section 16, T28N-R7W. The order also authorized to downhole commingle Basin-Dakota and Blanco-Mesaverde Gas Pool production within the six pilot infill wells. Each of the six locations was selected to test the Dakota interval in 80-acre locations in the north half of the San Juan 28-7 Unit. As part of the ordinary development of the unit, Conoco is also recompleting various existing Dakota wells to the Mesaverde and producing both zones as downhole-commingled completions, replacing some of the original, open-hole Mesaverde wells. Upon further examination of Sections 16 and 17 following the hearing, moving #280 only 20' west across the section line provided an additional Mesaverde recompletion opportunity in #231E, a Dakota producer located in the SW/4 of Section 16. This recompletion supplants the production from SJ 28-7 #6, a #231E offset open-hole Mesaverde producer.

**San Juan 28-7 #280, cont.**

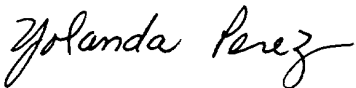
SJ 28-7 #231E was recompleted in February and turned to sales on February 22, 2000 at approximately 760 MCFD. This well is currently producing approximately 500 MCFD from the Mesaverde and 50 MCFD from the Dakota. #280 is now drilled and testing the Dakota interval. After testing, the Mesaverde interval will be completed and commingled with the Dakota.

Offsetting #280 in the SE/4 of Section 17, #256E is currently producing approximately 85 MCFD from the Dakota. Since Sections 16 and 17 are completely covered by the Dakota Participating Area, Conoco respectfully requests that the NMOCD permit the continued production of the #256E from the Dakota, and, amend the Dakota Pilot Order (NMOCD Order #R-11139) to reflect the change in #280's location. Since these sections are also interior to the unit and no offset operators and/or interest owners will be affected, correlative rights will continue to be protected with this request.

Thank you for your consideration of this request. Should you have any questions, please contact me at (281) 293-1613 or Marc Shannon at (281) 293-6564.

Sincerely yours,

CONOCO INC.

A handwritten signature in black ink that reads "Yolanda Perez". The signature is fluid and cursive, with the first name "Yolanda" and last name "Perez" clearly distinguishable.

Yolanda Perez  
Sr. Regulatory Analyst  
Lobo/San Juan Asset

Cc: NMOCD - Aztec