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State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505

OIL CONSERVATION DIVISION

February 13, 1995



Conoco, Inc.
10 Desta Drive - Suite 100 W
Midland, Texas 79705-4500

Attention: Jerry W. Hoover

RECEIVED
FEB 14 1995

OIL CON. DIV.
DCL: S

Administrative Order NSL-3483

Dear Mr. Hoover:

Reference is made to your application dated January 20, 1995 for an unorthodox Angles Peak-Gallup Associated Pool oil well location for your existing State Com "AI" Well No. 33E (API No. 30-045-24027) which was drilled in 1981 and completed in the Basin-Dakota Pool at a standard gas well location 1175 feet from the North line and 1180 feet from the West line (Unit D) of Section 32, Township 27 North, Range 9 West, NMPM, San Juan County, New Mexico.

It is our understanding that the Dakota interval will be properly plugged back and said well will be recompleted up-hole to the Undesignated Angles Peak-Gallup Associated Pool, which pursuant to the Special Rules and Regulations for the Angles Peak-Gallup Associated Pool, as promulgated by Division Order No. R-5353, as amended, is unorthodox. Further, the N/2 NW/4 of said Section 32 shall be dedicated to the well to form a standard 80-acre oil spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 2 of said Order No. R-5353, as amended, the above-described unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
New Mexico State Land Office - Santa Fe

VILLAGRA BUILDING - 406 Gallisteo
Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco
Office of the Secretary
827-5950
Administrative Services
827-5925
Energy Conservation & Management
827-5900
Mining and Minerals
827-5970
Oil Conservation
827-7131

Ernie Busch

From: Ernie Busch
To: Mike Stogner
Subject: CONOCO INC (NSL)
Date: Thursday, February 16, 1995 8:15AM
Priority: High

STATE COM AI #33E
1175' FNL; 1180' FWL
D-32-27N-09W
RECOMMEND: APPROVAL

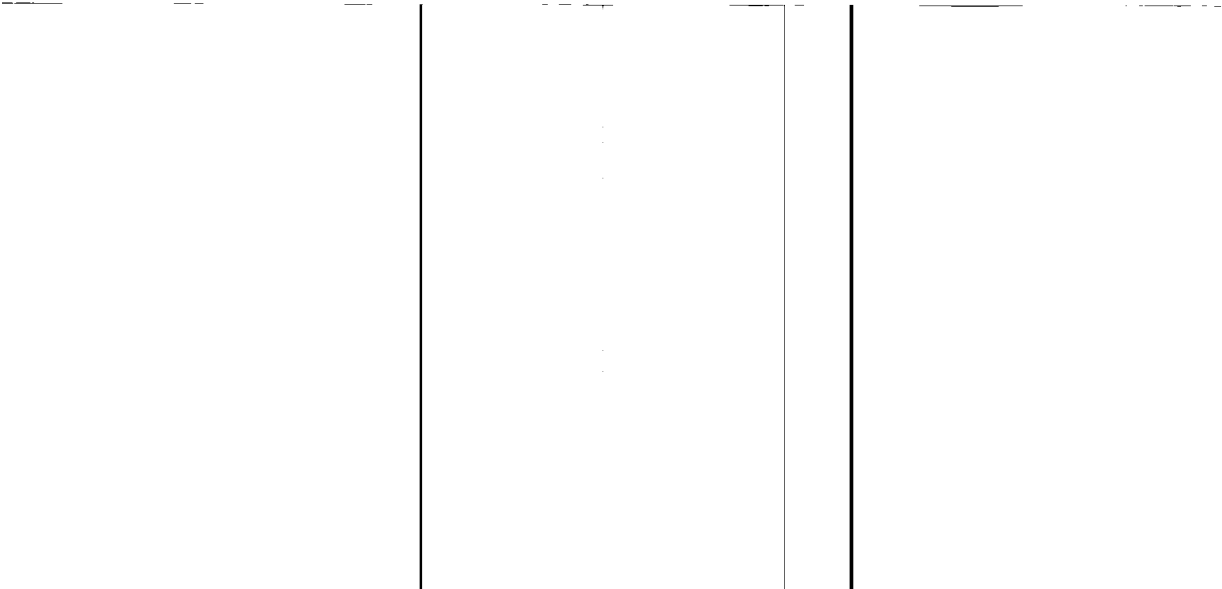
API Well No: 30 45 60039 Eff Date : 01-01-1900 APD Status : A
OGRID Idn : 14021 MARATHON OIL CO
Prop Idn : 6450 OHIO E GOVT
Well No : 001

	U/L	Sec	Township	Range	North/South	East/West	Lot	Idn
	---	---	-----	-----	-----	-----	-----	-----
Surface Locn : A	18	31N	12W	FTG	999 F S	FTG	999 F E	
API County : 45								

Well type : G Ground Level Elevn : 99999 Cable/Rotary : R
Lease type : F State Lease Number :

Prpsd Depth : Prpsd Formation :

PF01 HELP	PF02	-	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08		PF09	PF10 IWCM	PF11 HISTORY	PF12 NXTREC



CONOCO

1/27/95
Midland Division
Exploration Production

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

OIL CONSERVATION DIV.
RECEIVED

1995 JAN 24 AM 8 5

January 20, 1995

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FEB - 1 1995

OIL CON. DIV.
DIST. 3

Mr. William LeMay, Director
State of New Mexico
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87504

RE: Application for an Unorthodox Well Location at
1175' FNL and 1180' FWL of Sec. 32, T-27N, R-9W
for Recompletion of Conoco's State Com AI No. 33E
to the Angels Peak Gallup Associated Pool

Dear Mr. Lemay:

This well was originally drilled and completed in the Dakota formation. The Dakota is depleted at this location and the well is currently shut-in. Within the 320-acre spacing unit established for the Dakota this location was drilled at an orthodox location.

However, the Angels Peak Gallup spacing is 80 acres and a recompletion to this pool with the N/2 NW/4 of Section 32 dedicated to the well makes this location unorthodox with respect to the Southern boundary of the unit.

EXHIBIT A is a copy of the original C-102 showing the orthodox location of the Dakota completion. EXHIBIT B is a new C-102 for the proposed Gallup recompletion. EXHIBIT C is a map showing (a) the proposed well, (b) its spacing unit, and (c) the offset operators.

This unorthodox location does not encroach upon any other operator than Conoco, who operates the tract offsetting the Southern boundary of the proposed 80-acre Gallup unit. As can be seen on EXHIBIT C, which shows all Gallup wells in this area, this recompletion is an attempt to step out to the Northeast of established Gallup production. Such a step out needs to be tested through the use of an existing wellbore rather than drilling.

Approval of this application will not significantly impair correlative rights and will promote the prevention of waste by testing the presence of economic Gallup production in Section 32.

As shown on EXHIBIT C the only identified offset operators other than Conoco are Meridian and Southland (handled by Meridian). Certified notices of this application were sent to these parties and copies of these mailings are also attached as EXHIBIT D.

If there are any questions concerning this application please contact me at (915) 686-6548.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Jerry Hoover", with a long horizontal flourish extending to the right.

Jerry W. Hoover
Sr. Conservation Coordinator

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

CONSERVATION DIVISION
P. O. BOX 2048
SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

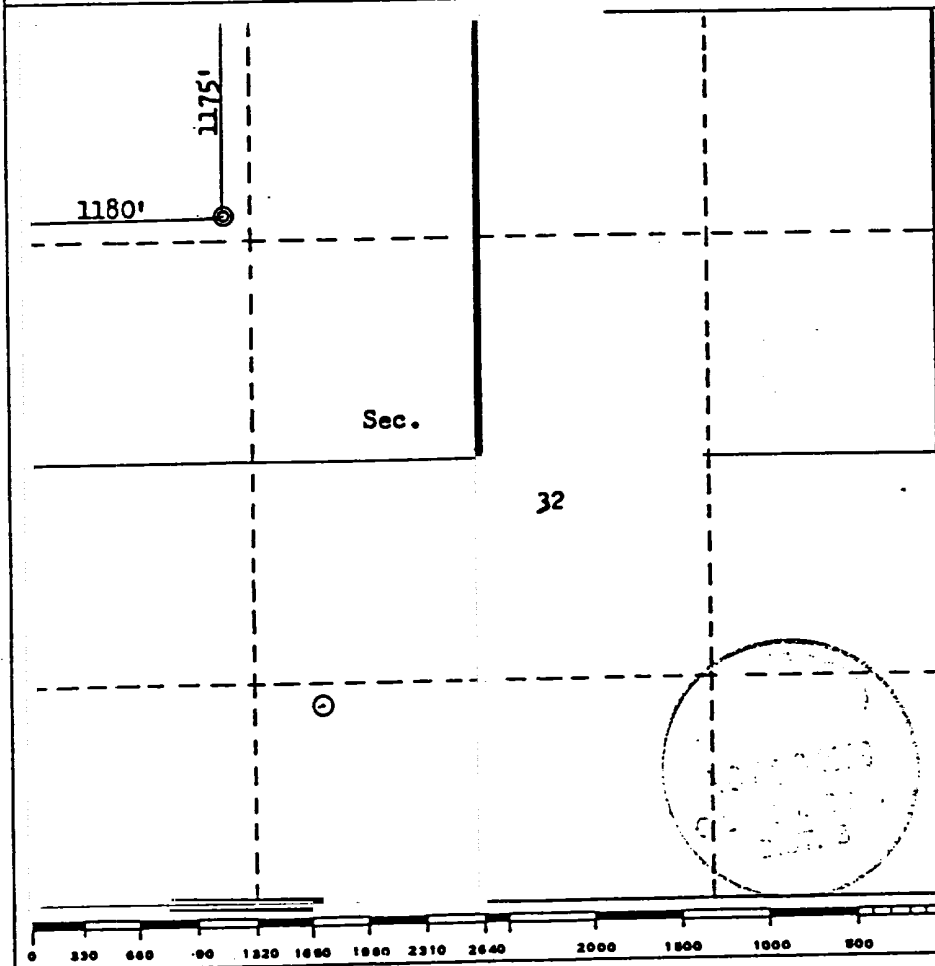
Operator MESA PETROLEUM COMPANY			Lease STATE COM A I		Well No. 33-E
Unit Letter D	Section 32	Township 27N	Range 9W	County San Juan	
Actual Footage Location of Well:					
1175 feet from the North line and		1180 feet from the West line			
Ground Level Elev. 6502	Producing Formation Dakota	Pool Basin Dakota	Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation COMMUNITIZED

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

John Alexander
Name
JOHN ALEXANDER

Position
AGENT

Company
MESA PETROLEUM CO.

Date
November 27, 1979

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 knowledge and belief.

Date Surveyed

November 27, 1979
Registered Professional Engineer
and/or Land Surveyor

Fred B. Kees, Jr.
Certificate No. **3950**

EXHIBIT A

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-24027		Pool Code 2170	Pool Name Angels Peak Gallup
Property Code 003261	Property Name State Com AI		Well Number 33E
OGRID No. 005073	Operator Name CONOCO INC.		Elevation 6502'

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
D	32	27N	9W		1175	North	1180	West	San Juan

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

¹¹ Dedicated Acres 80	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ Order No.
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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

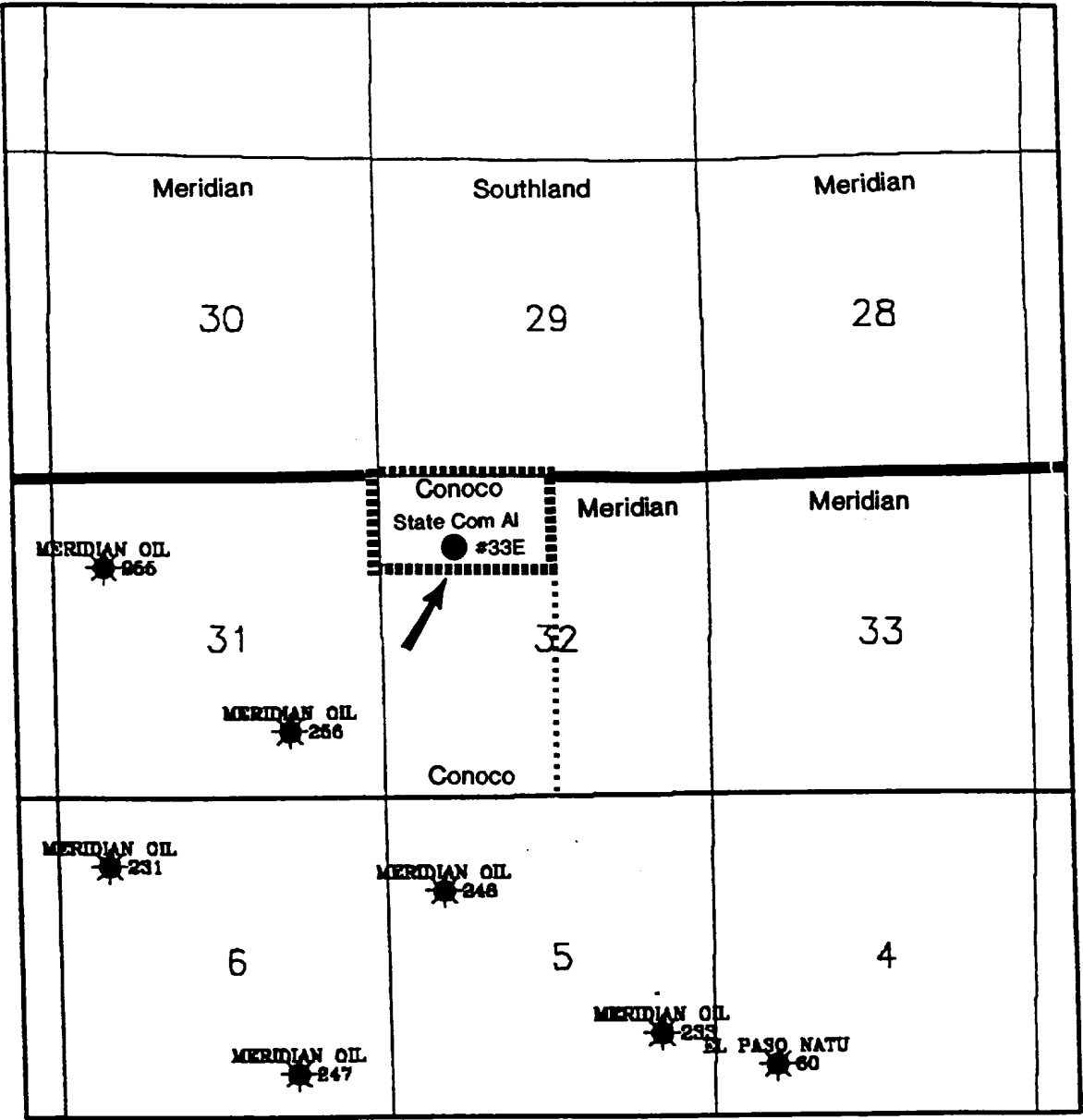
					<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p><i>Jerry W. Hoover</i> Signature Jerry W. Hoover Printed Name Sr. Conservation Coordinator Title 1/20/95 Date</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Date of Survey Signature and Seal of Professional Surveyer:</p> <p>Certificate Number</p>

EXHIBIT B

R9W

T27N

T26N



GALLUP WELLS

EXHIBIT C

Z 111 016 375



**Receipt for
Certified Mail**

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

Sent to	
Meridian Oil	
Street and No.	
P.O. Box 4289	
P.O. State and ZIP Code	
Farmington, NM 87409	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
1/20/95	

PS Form 3800, March 1993

Z 111 016 374



**Receipt for
Certified Mail**

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

Sent to	
Southland Royalty	
P.O. Meridian	
Street and No.	
P.O. Box 4289	
P.O. State and ZIP Code	
Farmington, NM 87409	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
1/20/95	

PS Form 3800, March 1993

EXHIBIT D