



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

March 31, 1999

Phillips Petroleum Company
5525 Highway 64 – NBU 3004
Farmington, New Mexico 87401
Attention: Scott Prather

RECEIVED
APR - 5 1999

OIL CON. DIV.
DIST. 3

30-039-22728

Administrative Order NSL-4249

Dear Mr. Prather:

Reference is made to your application dated March 29, 1999 for an exception to the well location requirements provided within the "*Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by New Mexico Oil Conservation Division ("Division") Order No. R-10987, for a non-standard infill gas well location in an existing standard 320-acre stand-up gas spacing and proration unit for the Basin-Dakota Pool comprising the W/2 of Section 23, Township 30 North, Range 5 West, NMPM, Rio Arriba County, New Mexico. This unit is currently dedicated to Phillips Petroleum Company's San Juan "30-5" Unit Well No. 83 (API No. 30-039-22728), located a standard gas well location 1480 feet from the South line and 950 feet from the West line (Unit L) of Section 23.

The application has been duly filed under the provisions of 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 23 is hereby approved:

San Juan "30-5" Unit Well No. 83-M
230' FNL & 1440' FWL (Unit C)

Further, both of the aforementioned San Juan "30-5" Unit Well Nos. 83 and 83-M and existing gas spacing and proration unit will be subject to all existing rules,

Administrative Order NSL-4249
Phillips Petroleum Company
March 31, 1999
Page 2

regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery", followed by a stylized monogram or set of initials.

Lori Wrotenbery
Director

LW/MES/kv

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

Remarks: The subject application further requested approval for this well at an unorthodox infill gas well location in the Blanco-Mesaverde Pool. Pursuant to the recently revised "*Special Rules for the Blanco-Mesaverde Pool*", as promulgated by Division Order No. R-10987-A (see copy attached) this request is deemed unnecessary.



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

March 29, 1999

State of New Mexico
Oil Conservation Division
2040 South Pacheco
Sant Fe, New Mexico 87505

Attn: Mr. Michael Stogner

**RE: REQUEST FOR ADMINISTRATIVE APPROVAL OF UNORTHODOX WELL LOCATION
SAN JUAN 30-5 UNIT #83M WELL
W/2 SECTION 23-30N-5W
RIO ARRIBA COUNTY, NEW MEXICO
PHILLIPS CONTRACT C40454**

Dear Mr. Stogner:

Phillips Petroleum Company (Phillips) as Operator of the captioned well, respectfully requests administrative approval of an unorthodox well location for said well.

Phillips proposes to drill the San Juan 30-5 Unit #83M well at a location of 230' FNL & 1440' FWL of Section 23-30N-5W, Rio Arriba County, New Mexico. This well will be located in the Basin Dakota and Blanco Mesaverde Pools and will have the W/2 of Section 23 designated as the drillblock. This location is necessary due to topographical considerations and prevention of unnecessary resource damage and is at the request of the Carson National Forest. For your benefit in reviewing this request, we are providing the following:

1. A letter from the Jicarilla Ranger District, Carson National Forest
2. An APD packet for the subject well (Form C-102 included)
3. A topographical plat of the area
4. A nine section plat exhibiting offset operators

This drill block is located within the confines of the San Juan 30-5 Unit and is completely surrounded by drillblocks operated by Phillips. Per the District OCD office in Aztec, it is our understanding that the 20 day notice period can be waived due to Phillips operating all offsetting drillblocks. We respectfully ask that if possible, the waiting period be waived and this request be expedited.

We thank you for your considerate attention to this request and should you need additional information or clarification on this matter, please do not hesitate to contact the undersigned.

Very Truly Yours,

Scott Prather, CPL
Senior Landman
San Juan Area
(505) 599-3410

RECEIVED
MAR 31 1999

OIL CON. DIV.
DIST. 3

cc: J. L. Mathis@ C40464
Ernie Busch - OCD, Aztec
San Juan 30-5 Unit Owners



United States
Department of
Agriculture

Forest
Service

Southwestern Region 3
Carson National Forest
Jicarilla Ranger District

664 East Broadway
Bloomfield, New Mexico 87413
505-632-2956
FAX 505-632-3173

File Code: 2820

Date: 3/24/99

Patsy Clugston
Phillips Petroleum
5525 Highway 64, NBU 3004
Farmington, NM 87401

RE: Unorthodox location for wells: SJ 30-5 #111, SJ 30-5 #112, SJ 30-5 #83M

Dear Ms. Clugston,,

The Jicarilla Ranger District, Carson National Forest is requesting you apply for an unorthodox location as follows, as discussed by your company representative and Camela Hooley of this office:

SJ 30-5 #111, T30N R5W Sec.13, 860'FSL/1375'FWL
SJ 30-5 #112, T30N R5W Sec.12, 1190'FSL/1730'FEL
SJ 30-5 #83M, T30N R5W Sec.23, 230'FNL/1440'FWL

The mineral operator is required to comply with other applicable regulations such as the Endangered Species Act and the Archeological Resources Protection Act under 36CFR228.112(c). The operator is also required under 36CFR228.108(c) to minimize or prevent damage to surface resources. The Carson National Forest Management Plan states that surface resource impacts will be minimized when administering mineral resources.

The following conditions apply which require an unorthodox location:

| | |
|---|---|
| <u>#112</u> | Archeological resources prevent locating the well in an orthodox location. |
| <u>#111, #112, 83M</u> | Topography prevents locating the well in an orthodox location. |
| <u> </u> | Threatened/endangered species concerns prevent locating the well in an orthodox location. |
| <u>#111, #112, #83M</u> | Prevention of unnecessary resource damage requires the location be unorthodox. |
| (Previously disturbed area or existing road available outside the drilling window.) | |

Thank you for your cooperation in this matter.

Mark Catron
District Ranger



Caring for the Land and Serving People

Printed on Recycled Paper



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☒

2. NAME OF OPERATOR

Phillips Petroleum Company

3. ADDRESS AND TELEPHONE NO.

5525 Highway 64, NBU 3004, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

Unit C 230' FNL & 1440' FWL

At proposed prod. zone

Same as above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drg. unit line, if any)

16. NO. OF ACRES IN LEASE

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
8350'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

22. APPROX. DATE WORK WILL START*
1st quarter 1999

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------------|-----------------|---------------|--------------------|
| | | | | |
| | | | | |
| | | | | |

PRELIMINARY
DRAFT

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED _____ TITLE _____ DATE _____

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____

TITLE _____

DATE _____

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NOS Format

| | | | |
|---|--|--|---|
| NOTICE OF STAKING (Not to be used in place of Application for Permit to Drill Form 3160-3) | | 6. Lease Number SF-078738 | |
| 1. Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other (Specify) | | 7. If Indian, Allottee or Tribe Name | |
| 2. Name of Operator PHILLIPS PETROLEUM COMPANY | | 8. Unit Agreement Name San Juan 30-5 Unit | |
| 3. Name of Specific Contact Person Richard Allred 505-599-3403 | | 9. Farm or Lease Name | |
| 4. Address & Phone No. of Operator or Agent 5525 Hwy. 64, NBU 3004, Farmington, NM 87401 | | 10. Well No. #83M | |
| 5. Surface Location of Well Unit C, 230' FNL & 1440' FWL Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) Topographical or other acceptable map showing location, access road, and lease boundaries | | 11. Field or Wildcat Name Blanco Mesaverde & Basin Dakota | |
| 15. Formation Objective (s) Basin Dakota | | 16. Estimated Well Depth +/- 8350' | 13. County, Parish or Borough Rio Arriba |
| | | 14. State N.M. | |

17. Additional Information (as appropriate; must include surface owner's name, address, and telephone number).

Carson National Forest

18. Signed

Patsy Cluzette

Title

Regulatory Assistant

Date

03/24/99

Note: Upon receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

Operators must consider the following prior to the onsite:

- a) H2S Potential
- b) Cultural Resources (Archaeology)
- c) Federal Right of Way or Special Use Permit

District I
 191 New 1988, Hobbs, NM 88241-1988
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-102
 Revised October 18, 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 | | * Pool Code | | * Pool Name | |
| * Property Code | | * Property Name SAN JUAN 30-5 | | | * Well Number 83M |
| * OGRID No. | | * Operator Name PHILLIPS PETROLEUM COMPANY | | | * Elevation 6551' |

10 Surface Location

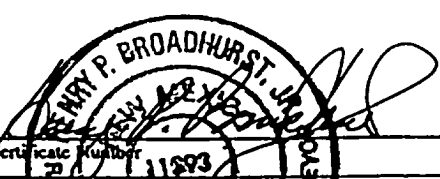
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| C | 23 | 30N | 5W | | 230' | NORTH | 1440' | WEST | RIO ARriba |

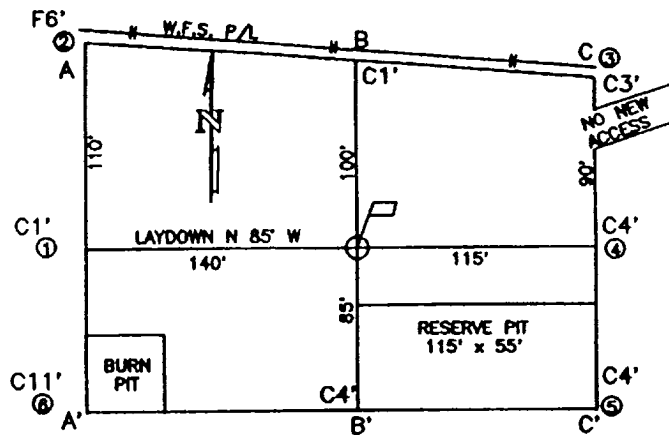
11 Bottom Hole Location If Different From Surface

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

| | | | |
|-------------------|-------------------|----------------------|-------------|
| * Dedicated Acres | * Joint or Infill | * Consolidation Code | * 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

| | | | | | |
|---|-------|------|----------|----------|--|
| 16 | 1440' | 230' | N89°43'E | 5278.68' | 17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief |
| <div style="text-align: center;"> <p>RECEIVED</p> <p>MAR 31 1999</p> <p>OIL CON. DIV.</p> <p>DIST. 3</p> <p>SECTION 23</p> </div> | | | | | Signature |
| | | | | | Printed Name |
| 5280.00' | | | | | Title |
| | | | | | 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. |
| | | | | | 03/11/99 Date of Survey |
| | | | | | Signature and Seal of Professional Surveyor: |
| | | | | |  |
| | | | N89°50'E | 5273.40' | |



ELEVATION A-A'

C/L

| | | | | |
|------|--|--|--|--|
| 6571 | | | | |
| 6561 | | | | |
| 6551 | | | | |
| 6541 | | | | |
| 6531 | | | | |

B-B'

C/L

| | | | | |
|------|--|--|--|--|
| 6571 | | | | |
| 6561 | | | | |
| 6551 | | | | |
| 6541 | | | | |
| 6531 | | | | |

C-C'

C/L

| | | | | |
|------|--|--|--|--|
| 6571 | | | | |
| 6561 | | | | |
| 6551 | | | | |
| 6541 | | | | |
| 6531 | | | | |

COMPANY: PHILLIPS PETROLEUM COMPANY

LEASE: SAN JUAN 30-5 UNIT No.83M

FOOTAGE: 230' FNL. 1440' FWL UNIT C

SEC. 23 TWN. 30-N RNG. 05-W N.M.P.M.

COUNTY, RIO ARRIBA STATE, N.M.

ELEVATION: 6551

LATITUDE: 36-48-18

LONGITUDE: 107-19-50



PHILLIPS PETROLEUM COMPANY
FARMINGTON, NEW MEXICO

SURVEYED: 3/11/99

REV. DATE:

APP. BY H.B.

DRAWN BY: T.G.

DATE DRAWN: 3/15/99

FILE NAME: P006101

UNITED
FIELD SERVICES INC.

P.O. BOX 3651
FARMINGTON, NM 87499
OFFICE: (505)334-0408

PHILLIPS PETROLEUM COMPANY

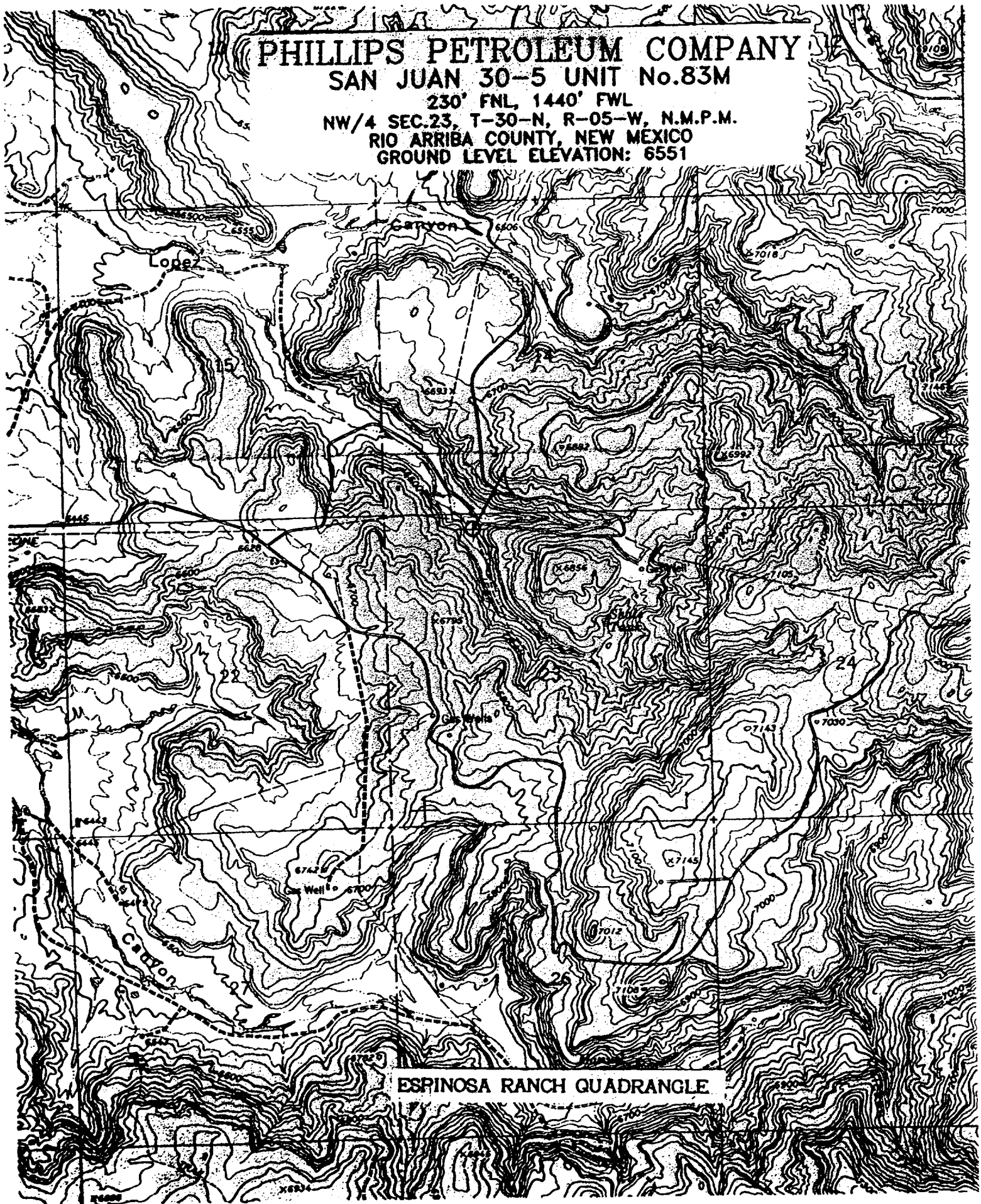
SAN JUAN 30-5 UNIT No.83M


230' FNL, 1440' FWL

NW/4 SEC.23, T-30-N, R-05-W, N.M.P.M.

RIO ARriba COUNTY, NEW MEXICO

GROUND LEVEL ELEVATION: 6551



| | | | | |
|--|--|---|--|----|
| | 15 PHILLIPS PETROLEUM COMPANY | PHILLIPS PETROLEUM COMPANY | 14 PHILLIPS PETROLEUM COMPANY | 13 |
| | 22 PHILLIPS PETROLEUM COMPANY |  #83m | 23 PHILLIPS PETROLEUM COMPANY | 24 |
| | 27 PHILLIPS PETROLEUM COMPANY | PHILLIPS PETROLEUM COMPANY | 26 PHILLIPS PETROLEUM COMPANY | 25 |

OWNERSHIP PLAT
OF
NINE SPACING UNITS
SURROUNDING
W/2 SECTION 23-30N-5W
RIO ARriba COUNTY, NEW MEXICO