

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

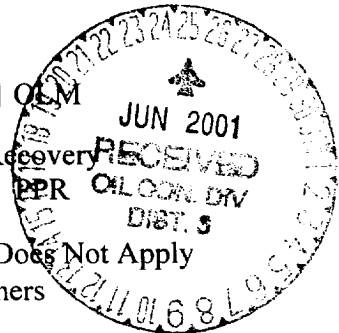
[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR



[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Certification

I hereby certify that I, or personnel under my supervision, have reviewed the applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common.

I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jim Ball
 Print or Type Name

Signature

Senior Land Specialist 6/20/01
 Title Date

wjball@ppco.com
 e-mail Address



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

June 20, 2001

Oil Conservation Division
State of New Mexico
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Attn: Mr. Michael E. Stogner
Chief Hearing Officer/Engineer



RE: APPLICATION FOR ADMINISTRATIVE APPROVAL
OF UNORTHODOX WELL LOCATION
SAN JUAN 31-6 UNIT #6M WELL
UNIT K, W/2 SECTION 1-30N-7W
RIO ARRIBA COUNTY, NEW MEXICO

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 31-6 Unit #6M well at a location of 1615' FSL & 2490' FWL of Section 1-30N-7W, Rio Arriba County, New Mexico. This will be a commingled well located in the Basin Dakota and Blanco Mesaverde Pools and will have the W/2 of Section 1 designated as the drillblock for both the Mesaverde and Dakota formations. This is an orthodox location for the Mesaverde as per Order No. R-10987-A and is an 80 acre infill well for the Mesaverde Pool. However, this is not an orthodox location for the Dakota Pool, as currently established.

The major basis for this location selection was archaeological considerations, and to some degree topographical concerns. Spacing of the Mesaverde infill to optimize drainage was also considered. The cost savings realized from drilling multiple formation wells improves the economics and reduces surface disturbance. The most viable alternative to recover Dakota reserves is to drill Dakota/Mesaverde commingled wells. Utilization of 80 acre Mesaverde infill wells accomplishes this, however it precludes drilling the well at a standard Dakota location.

For your benefit in reviewing this request, we are providing the following:

1. Form C-102
2. A topographical plat of the area
3. A nine section plat exhibiting offset operators
4. A copy of a letter from La Plata Archaeological Consultants.

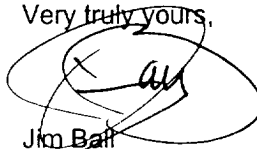
APC #
p.t., No APD

MR. MICHAEL STOGNER
APPLICATION FOR ADMINISTRATIVE APPROVAL OF UNORTHOD WELL LOCATION
SAN JUAN 31-6 UNIT #6M WELL
JUNE 20, 2001
PAGE 2

This drillblock is located within the confines of the San Juan 31-6 Unit. Phillips is the Operator of this unit. The offset operators have been furnished with three (3) copies of this correspondence by certified mail and are requested to furnish your office with a Waiver of Objections, keep one (1) copy for their records, and return on (1) copy to our office.

We appreciate and thank you for your 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,

A handwritten signature in black ink, appearing to read "Jim Ball", is written over a circular stamp. The signature is fluid and cursive.

Jim Ball
Senior Land Specialist
San Juan Area
(505) 599-3410

cc: J. L. Mathis (r)C40453
Frank Chavez-OCD, Aztec
Offset operators


_____ hereby waives objection to Phillips Petroleum Company's application for a Dakota unorthodox location for the San Juan 31-6 Unit 6M well as proposed above.

BY: _____

DATE: _____

San Juan 31-6 Unit #6M
Unit K, 1615' FSL & 2490' FWL
Section 1, T31N, R6W

Off-set Operators

R7W			R6W		
35		36		31	
Devon Energy Production Co., L.P. 20 N. Broadway Ave. Ste 1500 Oklahoma City, OK 73102-8296		Devon Energy Production Co., L.P. 20 N. Broadway Ave. Ste 1500 Oklahoma City, OK 73102-8296		Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM	
2		1		6	
Devon Energy Production Co., L.P. 20 N. Broadway Ave. Ste 1500 Oklahoma City, OK 73102-8296				Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM	
11		12		7	
Burlington Resources P.O. Box 4289 Farmington, NM 87499		Burlington Resources P O. Box 4289 Farmington, NM 87499		Burlington Resources P.O. Box 4289 Farmington, NM 87499	
R7W			R6W		



May 29, 2001

Mr. Richard Allred
Phillips Petroleum
5525 Highway 64 NBU 3004
Farmington, NM 87401

RE: Proposed SJ 31-6 Unit #6M well pad

Dear Richard:

In April and May, 2001, archaeologists working for La Plata Archaeological Consultants attempted to find a suitable location for your proposed SJ 31-6 Unit #6M well pad. The well is proposed to be located in the SW $\frac{1}{4}$ of Section 1, T30N, R7W. A large archaeological site (LA72968) was previously recorded near the center of the SW $\frac{1}{4}$ of Section 1 in 1989 during surveys conducted at that time for Fruitland well pads proposed by Meridian Oil (now Burlington Resources). The site (LA72968) is a large Anasazi Pueblo I habitation that measures almost 1000 ft in length (N-S) by up to 600 ft in width (E-W), pretty much taking up a large portion of the center of the quarter section. The site is considered by the BLM to be eligible for nomination to the National Register of Historic Places.

A general reconnaissance was made to the east of the site in an attempt to find a buildable location that avoids this site or other unrecorded sites. The topography drops off steeply to the east of site LA72968 and only a small area at the base of a mesa, within the legal Dakota Formation window, appears to be suitable for construction. This area, at about 2000 FWL and 1650 FSL, was found to contain a previously unrecorded archaeological site that will be recommended as eligible for nomination to the National Register of Historic Places.

Further reconnaissance in this area resulted in finding an area clear of archaeological sites and with suitable topography, but situated just east of the legal drilling window. The proposed SJ 31-6 Unit #6M well is currently staked in this latter area..

If you or anyone else have any questions about the reconnaissance we conducted within the SW $\frac{1}{4}$ of Section 1 (T30N/R7W), please let me know.

Sincerely,

Steven L. Fuller

Proposed well
SW/4 Sec 1 T30N, R1W
Rio Arriba Co. NM.

Please note Arch problems
in both NE and SW
corners of Drilling
Window.

SW corner also has
a PL and Power
line

Please note Topo
problems

State of New Mexico
191 Box 1980, Hobbs, NM 88241-1980
District II
211 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

Revised October 18, 19
Instructions on how to
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 71599		3 Pool Name Basin Dakota	
4 Property Code 009259		5 Property Name SAN JUAN 31-6 UNIT			6 Well Number 6M
7 OGRID No. 017654		8 Operator Name PHILLIPS PETROLEUM COMPANY			9 Elevation 6328

10 Surface Location

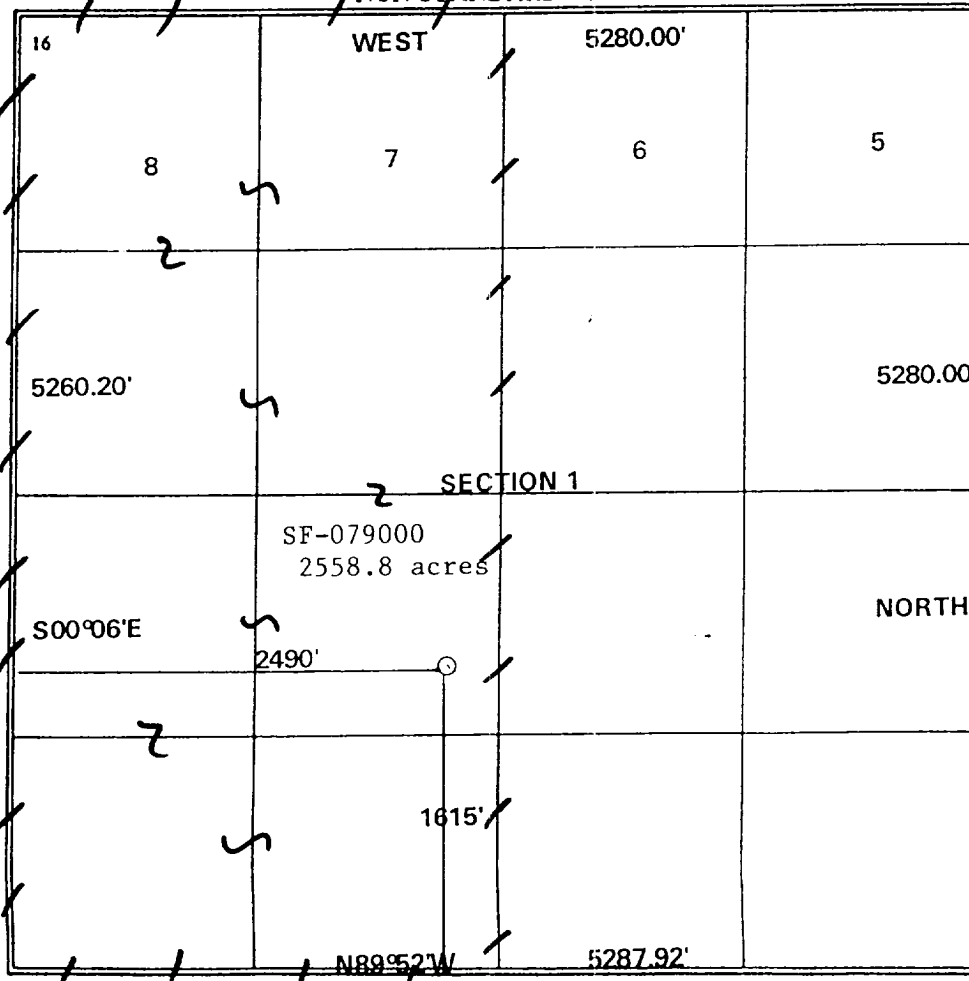
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	1	30N	7W		1615'	SOUTH	2490'	WEST	RIO ARriba

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
K									

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
319.10 W/2	Y	U	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

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

Patsy Clugston
Signature
Patsy Clugston
Printed Name
Sr. Regulatory/Proration Clerk
Title
June 18, 2001
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.

04/18/01

Date of Survey
Signature and Seal of Professional Surveyor:

[Signature]
Certificate Number
11273
BROADHURST
PROFESSIONAL SURVEYOR

DEVON ENERGY PRODUCTION COMPANY, L.P.

CERTIFIED MAIL



7099 3400 0020 0911 8014

DEVON ENERGY PRODUCTION COMPANY, L.P.
Attn: Janet Woolridge
20 NORTH BROADWAY, SUITE 1500
OKLAHOMA CITY, OK 73102-8260

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

DEVON ENERGY PRODUCTION COMPANY, L.P.
Attn: Janet Woolridge
20 NORTH BROADWAY, SUITE 1500
OKLAHOMA CITY, OK 73102-8260

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

☒ Agent ☐ Addressee

D. Is delivery address different from item 1?

If YES, enter delivery address below: ☐ Yes ☐ No

3. Service Type

- ☐ Certified Mail ☐ Express Mail
- ☐ Registered ☐ Return Receipt for Merchandise
- ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

2. Article Number (Copy from service label)

7099 3400 0020 0911 8014

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

CERTIFIED MAIL



7099 3400 0020 0911 4021

BURLINGTON RESOURCES
ATTN: ALAN ALEXANDER
P.O. BOX 4289
FARMINGTON, NM 87499-4289

SENDER: COMPLETE THIS SECTION

- ☐ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

BURLINGTON RESOURCES
ATTN: ALAN ALEXANDER
P.O. BOX 4289
FARMINGTON, NM 87499-4289

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

X

D. Is delivery address different from item 1? ☐ Agent ☐ Addressee
If YES, enter delivery address below: ☐ Yes ☐ No

3. Service Type

- ☐ Certified Mail ☐ Express Mail
- ☐ Registered ☐ Return Receipt for Merchandise
- ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Copy from service label)

7099 3400 0020 0911 4021