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

May 4, 1998

Burlington Resources Oil & Gas Company P.O. Box 4289 Farmington, New Mexico 87499-4289 Attention: Peggy Bradfield DECEIVED

MAY 1 3 1998

OIL CORL DIV.

Administrative Order NSL-4027

Dear Ms. Bradfield:

Reference is made to the following: (i) your initial application to the Division dated February 9, 1998; (ii) the Division's response to said application by E-mail from Mr. Michael E. Stogner dated February 17, 1998; (iii) your response by letter dated March 11, 1998 with supplemental attachments; and, (iv) the records of the Division in Santa Fe: all of which concern Burlington Resources Oil & Gas Company's ("Burlington") request to drill the proposed Ute Mountain Ute Well No. 51 1500 feet from the South line and 2270 feet from the West line (Unit K) of Section 14, Township 32 North, Range 14 West, NMPM, San Juan County, New Mexico, in order to test the entire Pennsylvanian System, which includes the Hermosa formation and the Barker Dome-Ismay, Barker Dome-Desert Creek, Barker Dome-Akah/Upper Barker Creek, and Barker Dome-Paradox Pools for gas production.

## THE DIVISION DIRECTOR FINDS THAT:

- (1) Burlington's requested location for the Ute Mountain Ute Well No. 51 is due to topographic conditions, the presence of archaeology, and the request of the Ute Mountain Ute Indian Tribe for minimum surface disturbance in the immediate area;
- (2) For the <u>Hermosa</u> interval the proposed Ute Mountain Ute Well No. 51 is not currently located within a designated Hermosa producing pool nor is it within two miles of such a designated pool; therefore, said well can be properly classified as a "wildcat" Hermosa gas well that is located outside of the surface outcropping of the Pictured Cliffs formation and is subject to Rule 104.B(2)(b)(ii) of the Division's General Rules and Regulations for "deep wildcat gas wells" in San Juan County, New Mexico, which provides for 160-acre gas spacing and proration units and requires that wells be located no closer than 790 feet from the outer boundary of the spacing and proration unit nor closer than 130 feet from any governmental quarter-quarter section line or subdivision inner boundary;
- (3) For the <u>Ismay</u> interval the proposed Ute Mountain Ute Well No. 51 is within the

boundary of the Barker Dome-Ismay Pool and is therefore subject to the "Special Rules and Regulations for the Barker Dome-Ismay Pool," as promulgated by Division Order No. R-46-A, dated February 13, 1995, as amended by Division Order Nos. R-46-B, dated November 6, 1996, and R-46-C, dated April 3, 1997, which includes provisions for 160-acre gas spacing and proration units with wells to be located no closer than 790 feet from the outer boundary of the proration and spacing unit nor closer than 130 feet from any governmental quarter-quarter section line or subdivision inner boundary;

- (4) For the <u>Desert Creek</u> interval the proposed Ute Mountain Ute Well No. 51 is within the boundary of the Barker Dome-Desert Creek Pool and is therefore subject to the "Special Rules and Regulations for the Barker Dome-Desert Creek Pool," as promulgated by Division Order No. R-46-A, as amended by Division Order Nos. R-46-B and R-46-C, which includes provisions for 320-acre gas spacing and proration units with wells to be located no closer than 790 feet from the outer boundary of the proration and spacing unit nor closer than 130 feet from any governmental quarter-quarter section line or subdivision inner boundary;
- For the <u>Akah/Upper Barker Creek</u> interval the proposed Ute Mountain Ute Well No. 51 is within the boundary of the Barker Dome-Akah/Upper Barker Creek Pool and is therefore subject to the "Special Rules and Regulations for the Barker Dome-Akah/Upper Barker Creek Pool," as promulgated by Division Order No. R-46-A, as amended by Division Order Nos. R-46-B and R-46-C, which, as for the Desert Creek interval, includes provisions for 320-acre gas spacing and proration units with wells to be located no closer than 790 feet from the outer boundary of the proration and spacing unit nor closer than 130 feet from any governmental quarter-quarter section line or subdivision inner boundary; and,

# (6) For the **Lower Barker Creek and Alkali Gulch** intervals:

- (a) the proposed Ute Mountain Ute Well No. 51 is within the boundary of the Barker Dome-Paradox Pool and is therefore subject to the "Special Rules and Regulations for the Barker Dome-Paradox Pool," as promulgated by Division Order No. R-46, dated December 29, 1950, as amended by Division Order Nos. R-46-A, R-46-B and R-46-C, which includes provisions for 640-acre gas spacing and proration units with wells no closer than 330 feet to the center of the respective sections and 1650 feet from boundaries within the boundaries of said Barker Dome-Paradox Pool; and,
- (b) Division Order No. R-46-B also provided for an 842-acre non-

standard gas spacing and proration unit comprising all of irregular Section 11, and all of Section 14, Township 32 North, Range 14 West, NMPM, San Juan County, New Mexico to be established for Barker Dome-Paradox Pool gas production [see Decretory Paragraph No. (2) of Order No. R-46-B];

- (7) Gas production from the proposed Ute Mountain Ute Well No. 51:
  - (a) attributed to the Hermosa and Ismay intervals is to be dedicated to the SW/4 of said Section 14 in order to form a standard 160-acre gas spacing and proration unit;
  - (b) attributed to the Desert Creek and Akah/Upper Barker Creek intervals is to be dedicated to the S/2 of said Section 14 in order to form a standard 320-acre gas spacing and proration unit; and,
  - (c) attributed to the Barker Dome-Paradox Pool is to be dedicated to the previously approved 842-acre non-standard gas spacing and proration unit;
- Pursuant to the special rules governing the Barker Dome-Desert Creek and Barker Dome Akah/Upper Barker Creek Pools the location of the proposed Ute Mountain Ute Well No. 51 is considered to be orthodox for said 320-acre standard gas spacing and proration unit;
- (9) The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"); and,
- (10) Pursuant to Division General Rules 104.F(2) and Rule 5 of the "Special Rules and Regulations for the Barker Dome-Ismay Pool," and the "Special Rules and Regulations for the Barker Dome-Paradox Pool" the unorthodox gas well location of Burlington's Ute Mountain Ute Well No.51, as described above, in the Hermosa formation and the Barker Dome-Ismay and Barker Dome-Paradox Pools should be approved.

## IT IS THEREFORE ORDERED THAT:

(1) Burlington Resources Oil & Gas Company ("Burlington") is hereby authorized to drill its Ute Mountain Ute Well No. 51 at an unorthodox gas well location 1500 feet from the South line and 2270 feet from the West line (Unit K) of Section 14, Township 32 North, Range 14 West, NMPM, San Juan County, New Mexico, within the Hermosa formation and the Barker Dome-Ismay

Administrative Order NSL-4027 Burlington Resources Oil & Gas Company May 4, 1998 Page 4

NMPM, San Juan County, New Mexico, within the Hermosa formation and the Barker Dome-Ismay and Barker Dome-Paradox Pools.

- (2) For the Hermosa formation and the Barker Dome-Ismay Pool, the 160-acre standard gas spacing and proration unit comprising the SW/4 of said Section 14 is to be dedicated to said well.
- (3) For the Barker Dome-Paradox Pool, the previously approved 842-acre non-standard gas spacing and proration unit comprising all of irregular Section 11 and all of Section 14, Township 32 North, Range 14 West, NMPM, San Juan County, New Mexico is to be dedicated to said well.
- (4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

ce: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Durango, Colorado

File: Case 11089

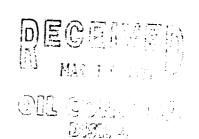
# BURLINGTON RESOURCES

SAN JUAN DIVISION

March 11, 1998

FAXED to 505-827-8177

Mr. Michael Stogner New Mexico Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505



Re:

Ute Mountain Ute #51

1500'FSL, 2270'FWL, Section 14, T-32-N, R-14-W, San Juan County, New Mexico

API # 30-045-(not yet assigned)

Dear Mr. Stogner:

In response to our telephone conversation and your e-mail message, I have enclosed a C102 well location plat for each individual formation for the referenced well. The C102 plat shows the orthodox window for that particular formation and the dedicated acreage.

Also enclosed is a copy of the offset operators plat. I am enclosing a copy of the signed waiver from Cross Timbers for this well. The Ute Mountain Ute Tribe is the royalty and surface owner under the well and for the unleased direct offset tract. As stated in the original application, this location is at the request of the Ute Mountain Ute Tribe.

Please note that the Ismay formation is also considered non-standard in this well. Production from the Ismay is to be included in a standard gas spacing and proration unit comprising the southwest quarter of Section 14, T-32-N, R-14-W. Production from the Wildcat Hermosa pool is to be included in a standard wildcat gas spacing and proration unit comprising of the southwest quarter of Section 14, T-32-N, R-14-W. Production from the Barker Dome Paradox pool is to be included in a gas spacing and proration unit comprising all of Section 14, T-32-N, R-14-W and of Section 11, T-32-N, R-14-W for a total of 842 acres per Order R-46-B.

We appreciate your earliest consideration of this application.

Sincerely,

Peggy Bradfield

Regulatory/Compliance Administrator

xc: Bureau of Land Management NMOCD - Aztec District Office

District I PO Box 1980, Hopps, NM 88241-1980

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised February 21, 1994 Instructions on back

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

AMENDED REPORT

County

'Pool Name

Feet from the

East/West line

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

'API Number

Section

UL or lot no.

Township

# WELL LOCATION AND ACREAGE DEDICATION PLAT

					ŀ					
3	<b>0</b> -045		Wildcat Hermosa							
¹Property		Property Name UTE MOUNTAIN UTE							'Well Number 51	
OGRID 1	<sup>√□.</sup> 4538		*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY					*Elevation 6884 '		
					<sup>10</sup> Surface	Location		_		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	West line County	
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Pool Code

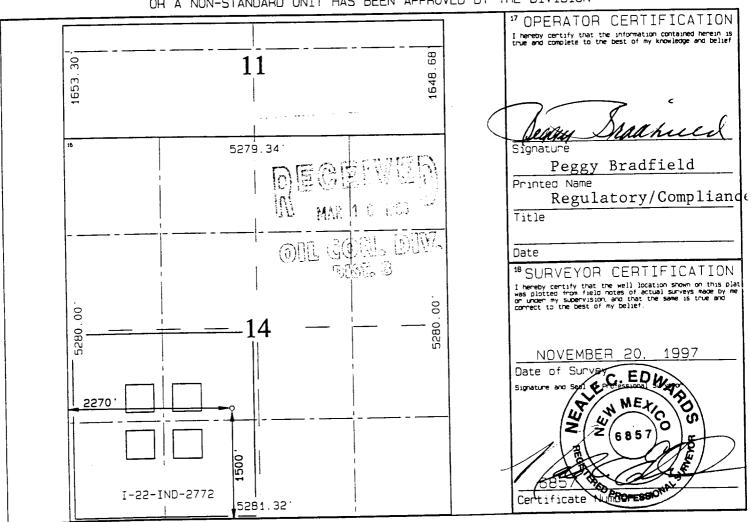
Lat Idn

13 Joint or Infill 14 Consolidation Code <sup>5</sup> Onder No. 12 Dedicated Acres R-46-B 160

Feet from the

North/South line

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



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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

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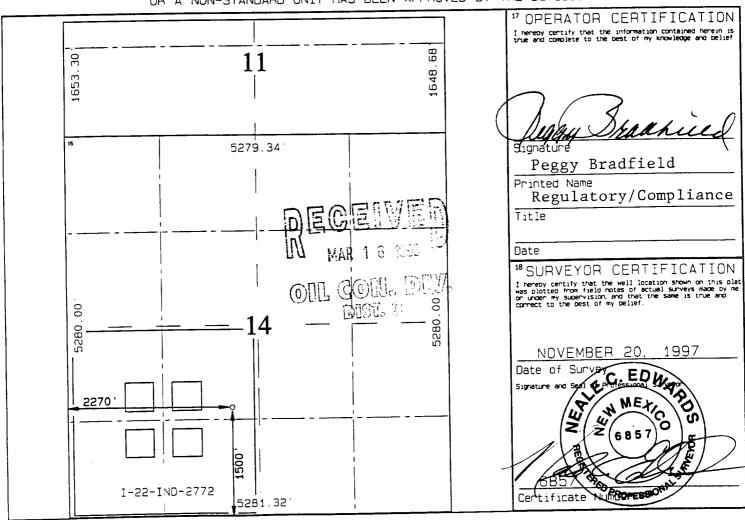
## WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number	²Pool Code	'Pool Name				
30-045-		Barker Dome Ismay	*Well Number			
'Property Code 18725		Property Name  UTE MOUNTAIN UTE				
'CGRID No. 14538	BURLINGTON RESOU	*Elevation 6884				

<sup>10</sup> Surface Location East/West line County North/South line Feet from the Range Lot Idn UL or lot no. Sect ion Township 2270 West SAN JUAN 1500 South 32N 14W 14 Κ

Different From Surface 11 Bottom Hole Location If North/South line Feet from the East/West line County Lot Ion Feet from the Township UL or lot no. Section <sup>15</sup> Order No. 13 Joint or Infill 14 Consolidation Code 12 Dedicated Acres R-46-B 160

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

AMENDED REPORT

District IV PO Box 2088 Santa Fe NM 87504-2088

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'Property	Code				Property				* WI	ell Number
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739AID No. 14538		*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY							*Elevation 6884	
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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. DIFILE S . 00 NOVEMBER 20. I-22-IND-2772 Date of Su 2270' Certificate Number esson ,5281.32

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

District II PG Drawer CD, Antesia, NM 88211-0719

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

District IV PO Box 2008, Santa Fe, NM 67504-2088

State of New Mexico Energy, Minerals & Natural Resources Department

OT CONSERVATION DIVISION PO Box 2088 Santa Fe. NM 87504-2088

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MIN BOFESSION

AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT 'Pool Name 'Pool Code 'API Number Barker Dome Desert Creek 30-045-Well Number Property Name 'Property Code UTE MOUNTAIN UTE 51 18725 Elevation \*Operator Name 14538 No BURLINGTON RESOURCES OIL & GAS COMPANY 6884' <sup>10</sup> Surface Location County Feet from the North/South line Feet from the East/West line Section Lot Ion UL or lat no. 2270 West SAN JUAN 1500 South 14W 32N 14 К 11 Bottom Hole Location If Different From Surface County North/South line Feet from the Fast/West line Feet from the Lot Ion Township UL or lot no. Section Durant or Infill 4 Consolidation Code 15 Order No. 12 Cedicated Acres R-46-B 320 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 "OPERATOR CERTIFICATION I hereby centify that the information contained herein is true and complete to the best of my knowledge and belief 68 11 30 1648. 653. 5279.34 Peggy Bradfield Printed Name Regulatory/Complianc Title Date OIL COM. DIV. "SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was clotted from field notes of actual surveys made by me on urder my supervision, and that the same is true and cornect to the best of my belief. 00 00 1997 NOVEMBER 20. I-22-IND-2772 Date of Survey 4 MEX 2270' 500

5281.32

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

District II PO Drawer OD. Antesia. 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

PO Box 2088

Santa Fe, NM 67504-2088

OIL CONSERVATION DIVISION

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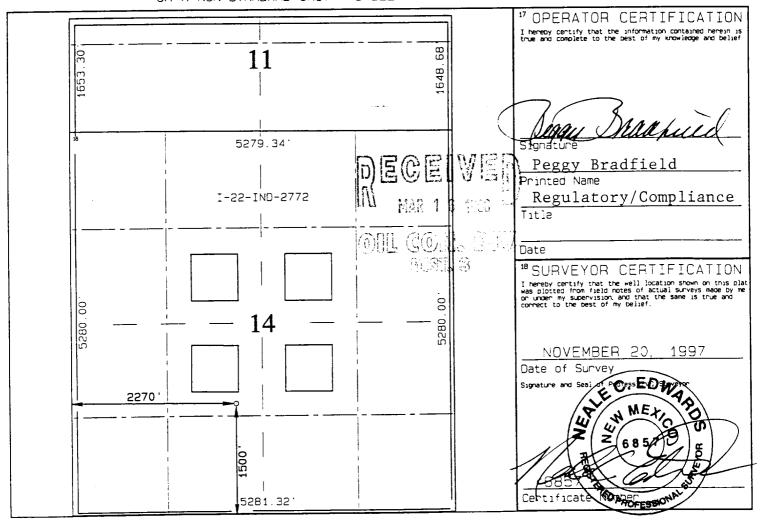
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AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number				*Pool Code		³Pool Name					
30-0	145-			Barker Dome Paradox							
'Property Code				Property Name				• 4	'Well Number		
18725						51					
'OGRID N	<sup>№</sup> . 538		BURLI	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY					*Elevation 6884'		
<sup>10</sup> Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line County			
К	14	32N	14W		1500	South	2270	West	SAN JUAN		
<sup>11</sup> 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		
12 Dedicated Acres		13 Joint or In	fill <sup>14</sup> Cons	olidation Code	<sup>15</sup> Orden 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

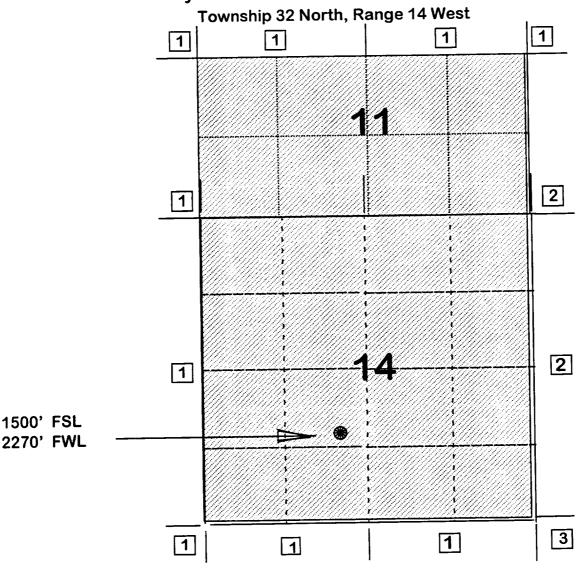


# BURLINGTON RESOURCES OIL AND GAS COMPANY

# Ute Mountain Ute #51 OFFSET OPERATOR \ OWNER PLAT

# **Non Standard Location**

Barker Dome Paradox Formation (All of Sec. 11 & 14) Ismay / Wildcat Hermosa Formation (SW/4)



- 1) Burlington Resources
- 2) Ute Mtn. Ute Tribal Lands Attn.: Craig Canfield P.O. Box 42 Towaoc, CO 81334
- 3) Cross Timbers Oil Company 810 Houston St., Suite 2000 Ft. Worth, TX 76102



Pegyy-Well F

February 25, 1998

Burlington Resources P.O. Box 4289 Farmington, New Mexico 87499-4289 Attention: Dean Price

RE:

Request for Waiver Ute Mtn Ute #51 Well

SE/4 SW/4 Section 14-32N-14W San Juan County, New Mexico

Dear Dean:

Enclosed please find Cross Timbers Oil Company's approval of waiver for the location of the above captioned well. I have already faxed you a copy and this is the original signed copy. Sorry for the delay. Should you need anything further please feel free to contact myself or Win Ryan.

Sincerely,

CROSS TIMBERS OIL COMPANY

George A Cox, CPL

Landman

Enclosure

Mr. Edwin S. Ryan, Jr. Cross Timbers Oil Company Request for Waiver of NSL Objections Ute Mtn Ute #51 Well February 2, 1998 Page 2

### WAIVER & APPROVAL

On this \_\_\_\_\_\_\_ day of February, 1998, the undersigned does hereby agree to waive any objection it might have concerning the non-standard location of the Ute Min Ute #51 well in the SE/4 SW/4 of Section 14, Township 32 North, Range 14 West, N.M.P.M. as it relates to the NMOCD Order No. R-46 dated November 21, 1>50, as amended.

WORKING INTEREST OWNER:

CROSS TIMBERS OIL COMPANY

BY:

THE E

Division Lawrence