



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

November 4, 1999

Conoco, Inc.
P. O. Box 2197 - DU3066
Houston, Texas 77252

Attention: Yolanda Perez

Re: *Two administrative applications of Conoco, Inc. both dated October 28, 1999 for unorthodox gas well locations within the Basin-Dakota Pool in Sections 10 and 11, Township 28 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.*

Dear Ms. Perez:

Per our voice mail conversations this week, I am returning the subject applications for re-submittal when complete.

Thank you for your cooperation in this matter.

Sincerely

A handwritten signature in dark ink, appearing to read "Michael E. Stogner", written over a horizontal line.

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec
W. Thomas Kellahin, Legal Counsel for Conoco, Inc. - Santa Fe
Kathy Valdes, NMOCD - Santa Fe



Yolanda Perez
Regulatory Analyst
EPNA - Gulf Region
Lobo/San Juan Asset Unit

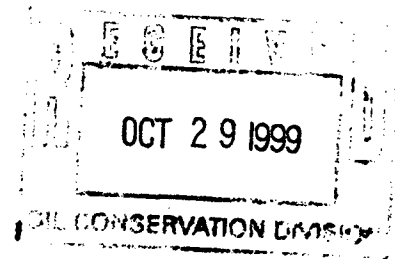
Conoco Inc.
P.O. Box 2197 - DU3066
Houston, TX 77252
(281) 293-1613

October 28, 1999

New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Attn: Michael Stogner

Re: Application for Non-Standard Location
Basin Dakota Pool
San Juan 28-7 Unit #247M
300' FSL & 1515' FEL
Unit Ltr. O, Section 11-T28N-R7W
Rio Arriba County, New Mexico



Dear Mr. Stogner,

Conoco Inc. plans to drill the above referenced well in 2000. The proposed well has been staked at a non-standard location of 300' from the South line and 1515' from the East line, Sec.11, T-28N, R-7W, Rio Arriba County as shown on the attached C-102. Basin-Dakota pool rules require a standard location to be located no closer than 790 feet to any outer boundary of the quarter section on which the well is located. The subject location is an open, 160-acre Dakota infill site. In an effort to prevent waste and to effectively / efficiently develop the 28-7 Unit to its fullest potential, Conoco selected this location to serve two purposes. To accommodate both a primary, 160-acre Dakota infill and an 80-acre Mesaverde infill withdrawal point. The subject location was selected, in part, because of need to locate the proposed Mesaverde completion in a different quarter/quarter Section than the existing Mesaverde well (per Order No. R-10987-A), and the desire to maximize distance from same. Location selection was also limited by topographic constraints, with the east-west trending, Delgadita Canyon running through the south half of Section 11. The drill site is situated near the east end of the canyon, with steep topographic rises to the north and south (see attached topography map).

The ability to access both horizons in a single wellbore will reduce development costs and surface disturbance. Please note that the location is interior to the 28-7 Unit, and does not encroach on any exterior Unit boundaries. An application to downhole commingle production from the Blanco Mesaverde and Basin Dakota pools has been approved (DHC-2444, issued 8/31/99).

Conoco respectfully requests that a non-standard location for the Basin Dakota be issued for the referenced well for the reasons cited above. The subject location is standard for the Blanco Mesaverde Pool (interior to 28-7 Unit, 300' from south line of Section).

If there are any questions concerning this application, please feel free to call me at (281) 293-1613.

Sincerely,

CONOCO INC.

Yolanda Perez
Regulatory Analyst
Lobo/San Juan Asset

OFFSET OPERATORS NOTIFIED

Burlington Resources
P. O. Box 4289
Farmington, NM 87499-4289

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

District II
PO Drawer 00, 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-10
Revised February 21, 1995
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 |
| | | 72319 / 71599 | BLANCO MESAVERDE / BASIN DAKOTA |
| *Property Code | *Property Name | | *Well Number |
| 016608 | SAN JUAN 28-7 UNIT | | 247M |
| *OGRID No. | *Operator Name | | *Elevation |
| 005073 | CONOCO, INC. | | 6232' |

10 Surface Location

| UL or lot no. | Section | Township | Range | Lot 1st | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| 0 | 11 | 28N | 7W | | 300 | SOUTH | 1515 | EAST | RIO ARriba |

11 Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot 1st | Feet from the | North/South line | Feet from the | East/West line | County |
|--|---------|-------------------------|-------|-----------------------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |
| 12 Dedicated Acres 292.80 MV 333.76 DK | | 13 Joint or Infill Y | | 14 Consolidation Code | | 15 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

17 OPERATOR CERTIFICATION

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

Mike L. Mankin
Signature

Mike L. Mankin

Printed Name

Right-of-Way Agent

Title

6-16-99

Date

18 SURVEYOR CERTIFICATION

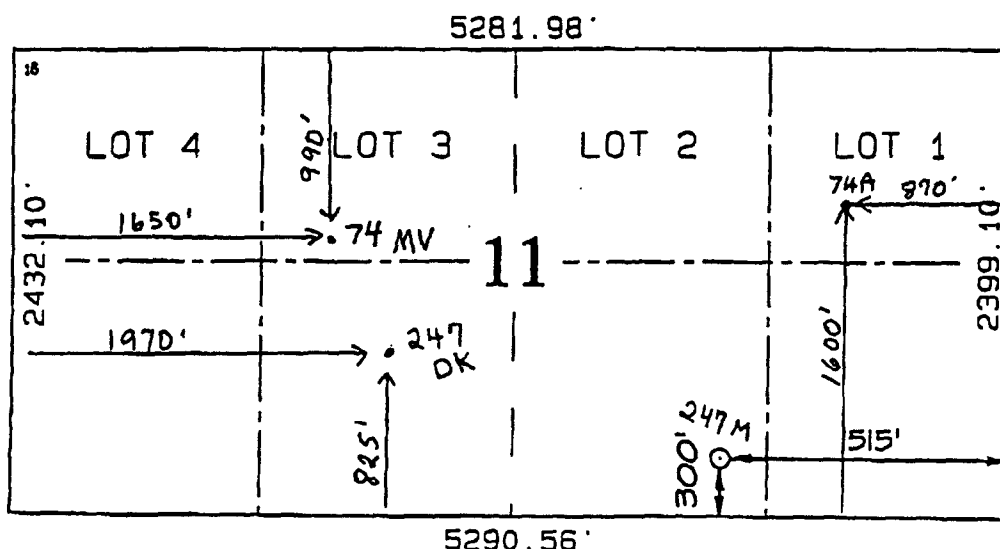
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

MAY 25, 1999

Date of Survey

Signature and Seal of Surveyor

NEALE C. EDWARDS
NEW MEXICO
6857
Certificate Number 6857



District I
1625 N. French Dr., Hobbs, NM 88240

Director:
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**

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe. NM 87505

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ **AMENDED REPORT**

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|---------------|--|--------------------|--|---------------------------------|-------------|
| APT Number | | Pool Code | | Pool Name | |
| | | 72319 / 71599 | | Blanco Mesaverde / Basin Dakota | |
| Property Code | | Property Name | | | Well Number |
| 016608 | | San Juan 28-7 Unit | | | 247M |
| OGRID No. | | Operator Name | | | Elevation |
| 005073 | | Cannon Inc. | | | 6232' |

16 Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| 0 | 11 | 28N | 7W | | 300 | south | 1515 | east | Rio Arriba |

II 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 292.80 MV 333.26 DK | "Joint or Infill Y | "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

NON-STANDARD LOCATION

Dakota

Mesaverde

1" = 1000'

OPERATOR CERTIFICATION

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

Signature

Printed Name Deborah Moore

Title Regulatory Analyst

Date 08/31/99

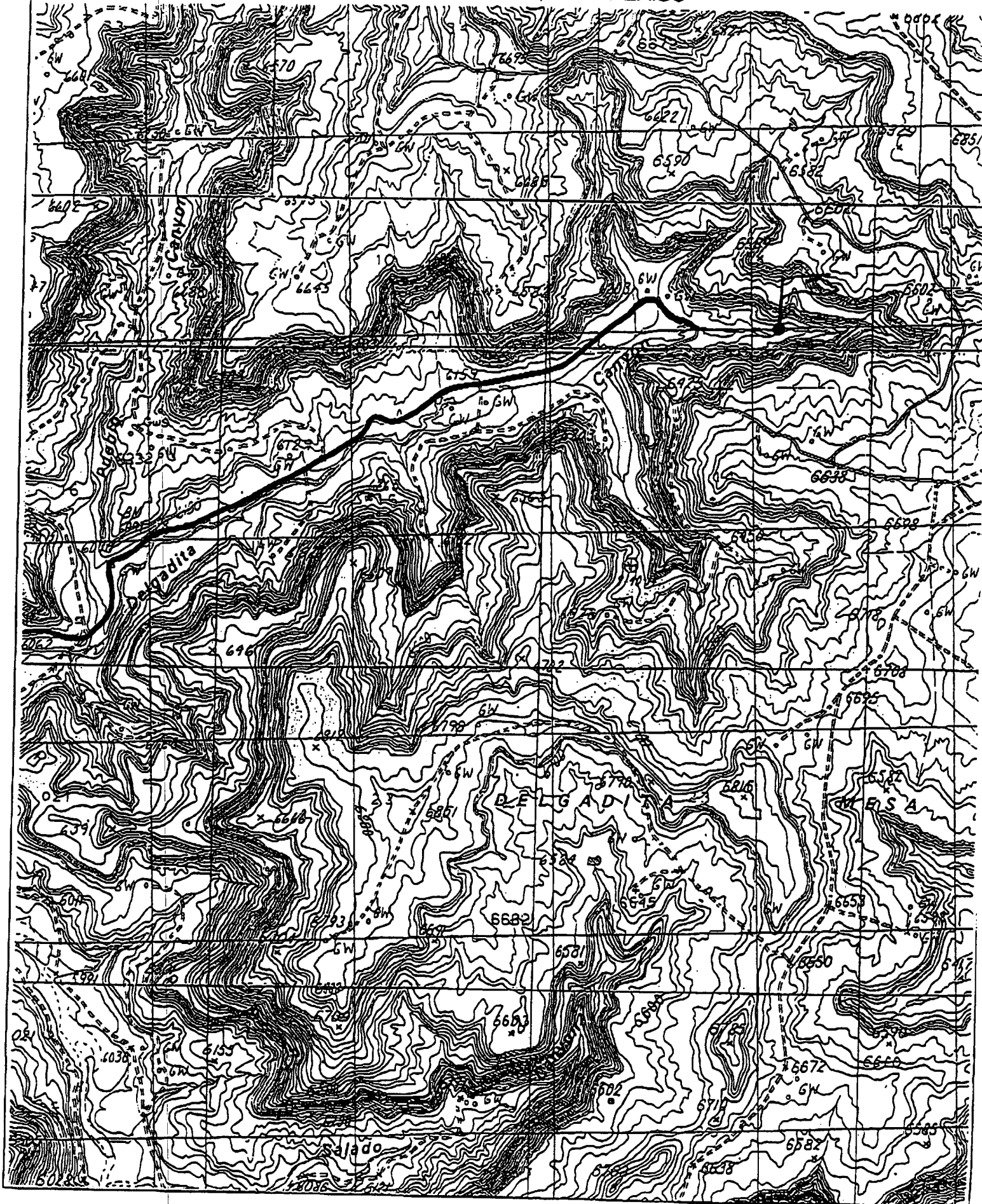
SURVEYOR CERTIFICATION

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.

Date of Survey

Signature and Seal of Professional Surveyor:

CONOCO, INC. SAN JUAN 28-7 UNIT #247M
 300' FSL & 1515' FEL, SECTION II, T28N, R7W, N.M.P.M.
 RIO ARriba COUNTY, NEW MEXICO

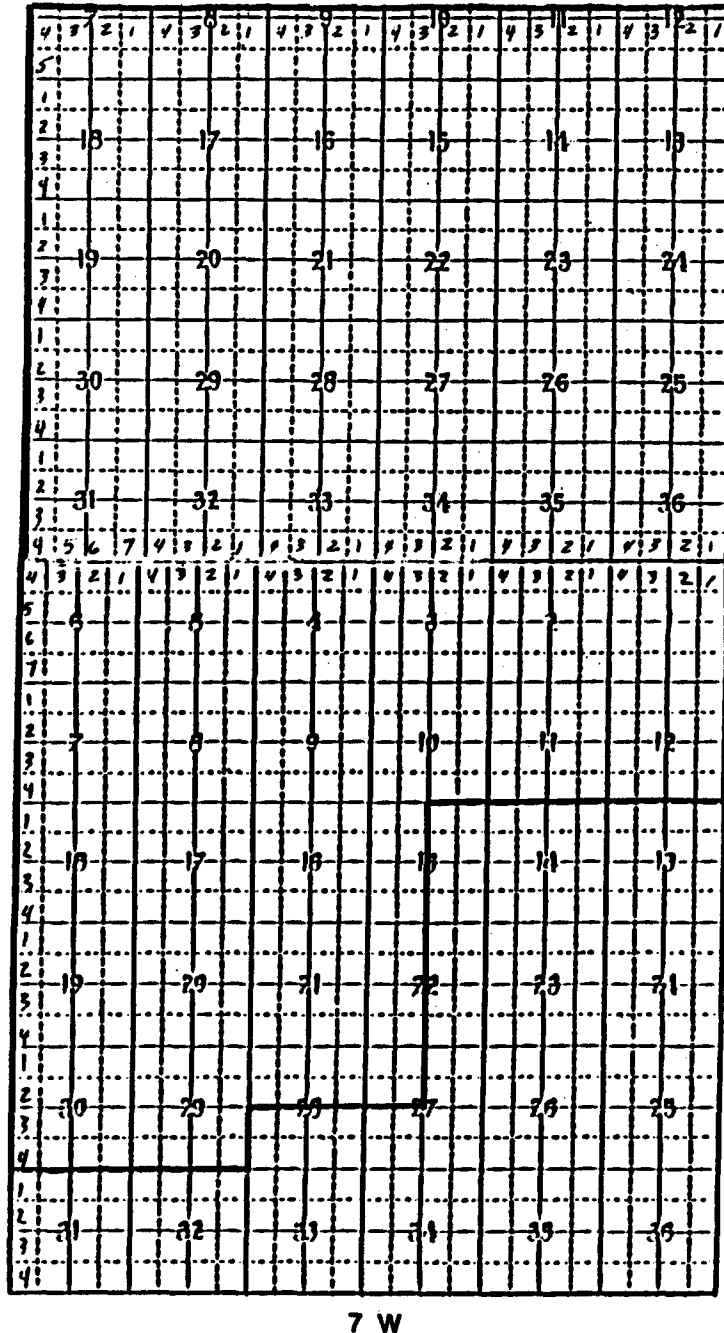


SAN JUAN 28-7

RIO ARRIBA COUNTY
NEW MEXICO

No. 14-08-001-459

EFFECTIVE 1-29-53



 **gulram, inc.**
petroleum engineering and government regulation consultants

11-1-99

called Mr. Perez for
a map of the 287 Units
and for a reference to all existing
USL/FUSD Orders within
these Units.

11-3-99

left a 2nd wire mail
message for Yohanka.

11-4-99

will return Cervera's
request @ Yohanka request.
Message received 11-4-99