

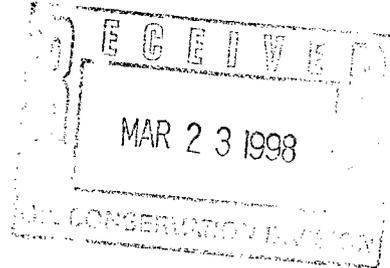
NSL 4/13/98

Mid-Continent Region  
Exploration/Production

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

March 17, 1998

Mr. Michael Stogner  
New Mexico Oil Conservation Division  
2040 Pacheco  
Santa Fe, New Mexico 87504



RE: Application for Non-Standard Location  
Jackson COM #1  
API # 30-045-25314

Dear Mr. Stogner,

The proposed recompletion of this well in the Mesaverde requires a non-standard location order. This well is located in Section 9, T-28-N, R-9-W, A, San Juan County, New Mexico. The well is currently producing from the Basin Dakota pool. The Blanco Mesaverde pool rules require a standard location to be 790' from the Section line. This well is located 400' FSL & 1790' FEL. We are requesting a non-standard location order be given for the Mesaverde.

On December 31, 1981, then operator Tenneco Oil Company received administrative approval for a non-standard location for the drilling and completion of its Jackson COM #1 well. Extreme topographic conditions (cliffs and ledges in the northwest corner of the section) were cited as the reason for non-conformance with spacing requirements. A copy (partial) of Tenneco's application and NMOCD reference cover to Administrative Order NSL -1120 are attached. Since conditions justifying a non-standard location have not changed, and since economic waste will be prevented by utilizing the existing wellbore to access shallower Blanco Mesaverde reserves, Conoco, Inc. respectfully requests that administrative approval granted under NSL - 1120 be amended to include the Blanco Mesaverde Pool. Conoco, Inc plans to downhole commingle the Dakota & Mesaverde production. An application to downhole commingle this production utilizing the subtraction allocation method, has been filed.

The offset operator plat shows that Burlington Resources, Union Of Texas, and Cross Timbers are the only offset operators that could be affected by this non-standard location. Please find enclosed evidence that they have been notified of this application.

An amended non-standard location order is requested based on the reasons given in the preceding paragraphs. If there are further questions concerning this application please call me at (915) 686-5798.

Sincerely,

Kay/Maddox  
Regulatory Agent/ Conoco, Inc.  
cc: Oil Conservation Division - Aztec

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 30-045-25314		2 Pool Code 71599		3 Pool Name Basin Dakota	
4 Property Code		5 Property Name Jackson COM			6 Well Number 1
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 6612

10 Surface Location

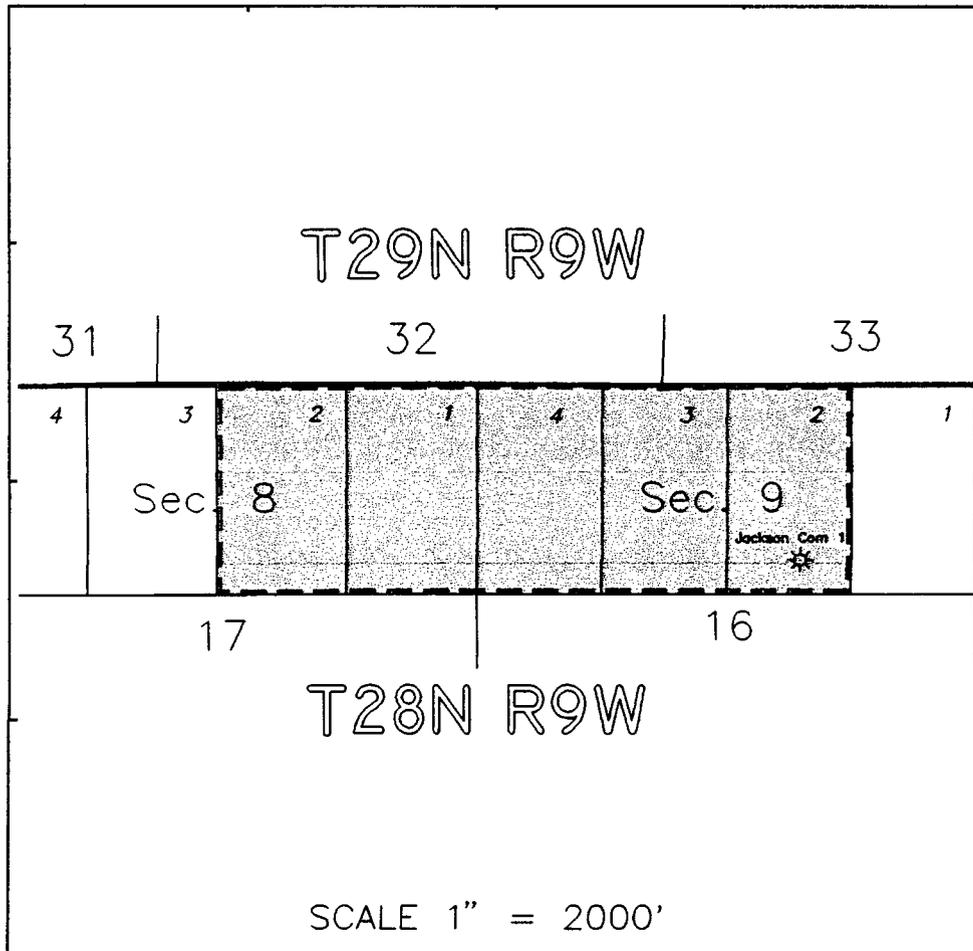
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	9	28N	9W		1790	South		East	San Juan

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

12 Dedicated Acres 340	13 Joint or Infill	14 Consolidation Code	15 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



17 OPERATOR CERTIFICATION

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

*Kay Maddox*  
 Signature  
 Kay Maddox  
 Printed Name  
 Regulatory Agent

Title  
*March 16, 1998*  
 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.

Date of Survey  
 Signature and Seal of Professional Surveyor:

Certificate Number

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 30-045-25314		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code		5 Property Name Jackson COM			6 Well Number 1
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 6612'

10 Surface Location

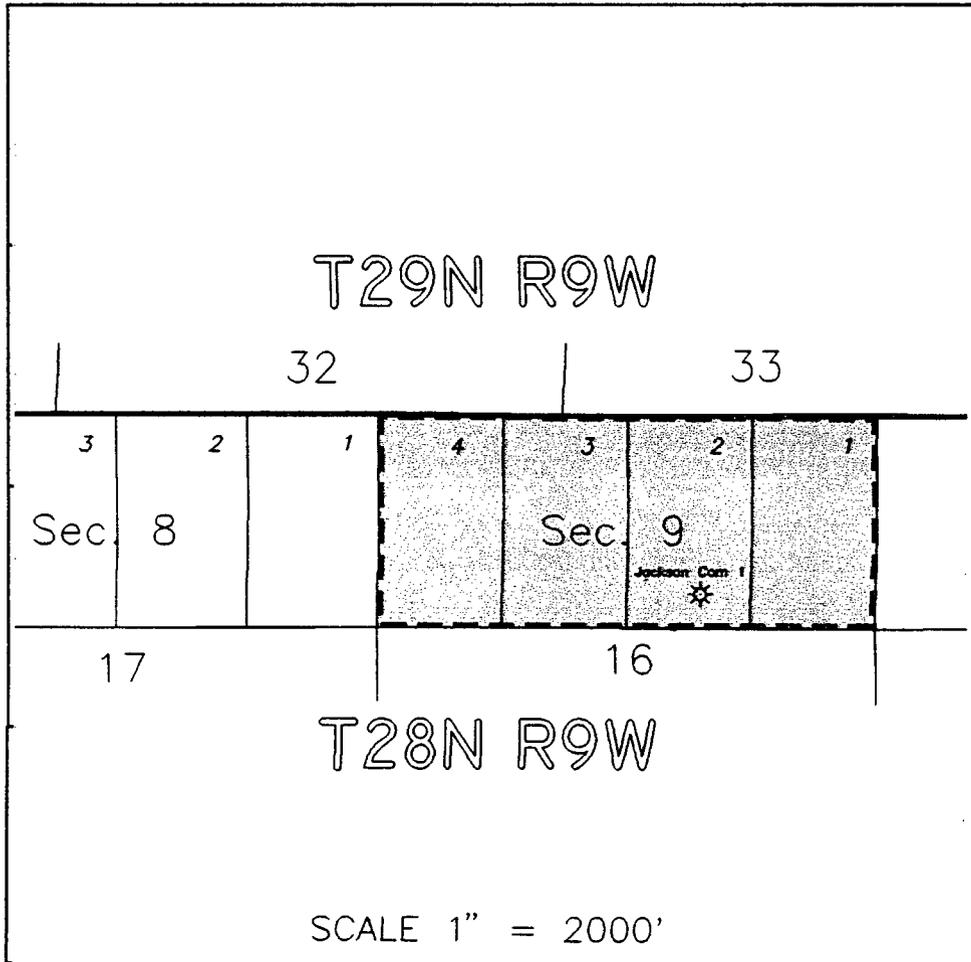
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	9	28N	9W		440	South	1790	East	San Juan

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

12 Dedicated Acres 272.8	13 Joint or Infill	14 Consolidation Code	15 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



17 OPERATOR CERTIFICATION

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

*Kay Maddox*

Signature  
Kay Maddox

Printed Name  
Regulatory Agent

Title  
March 16, 1998

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.

Date of Survey  
Signature and Seal of Professional Surveyor:

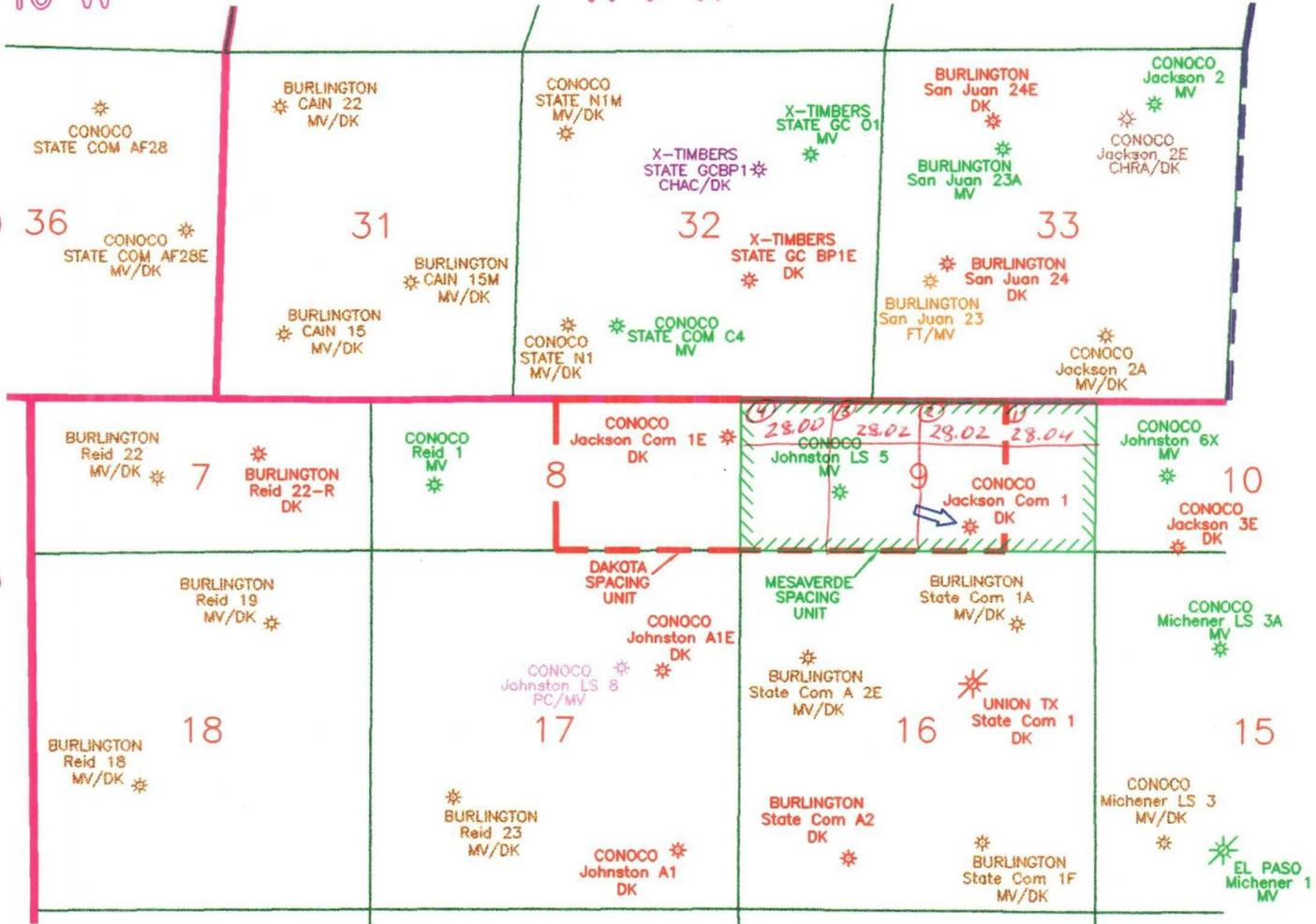
Certificate Number

R 10 W

R 9 W

T  
29  
N

T  
28  
N



68  
 68.02  
 136.02  
 68.02  
 204.04  
 68.04  
 272.08

NOTES	DATE: 03/15/98	 <b>EPNGNA MIDLAND DIVISION</b>	
	DRAWN BY: GLG	<b>CONOCO JACKSON COM 1 MESAVARDE / DAKOTA PRODUCERS</b>	
NOTE: ADMINISTRATIVE ORDER NSL-1120 was issued for Basin Dakota. Requesting order modification to include Blanco Mesaverde.	CHECKED BY:	Non-Standard Location	
	APPROVED BY:	STATE	API COUNTY WELL
	SCALE: 1" = 2640'	30	045 \ 25314
	STATE PLANE COORDINATES REFERRED TO NAD27 - N.M. WEST STATE PLANE COORDINATES ZONE - 3003	DRAWING JAC_COM	
		CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705	

Jackson COM #1  
 API # 30-045-25314  
 Section 9, T-28-N, R-9-W  
 San Jaun County, NM

**Offset Operators:**

Burlington Resources  
 PO Box 4289  
 Farmington, NM 87499

Union Of Texas – Inactive  
 Offset well has been plugged

Cross Timbers  
 6001 Hwy 64  
 Farmington, NM 87401

P 497 374 039

US Postal Service  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided.  
 Do not use for International Mail (See reverse)

Sent to <b>Cross Timbers</b>	
Street & Number <b>6001 Hwy 64</b>	
Post Office, State, & ZIP Code <b>Farmington, Nm 87401</b>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	

PS Form 3800, April 1995

P 497 374 037

US Postal Service  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided.  
 Do not use for International Mail (See reverse)

Sent to <b>Burlington Resources</b>	
Street & Number <b>PO Box 4289</b>	
Post Office, State, & ZIP Code <b>Farmington, Nm 87499</b>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	

PS Form 3800, April 1995



*Check on this*

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 P.O. BOXES R  
AZTEC, NEW MEXICO 87601  
(505) 334-6178

OIL CONSERVATION DIVISION  
BOX 2088  
SANTA FE, NEW MEXICO 87501

DATE Jan 17, 1982

*#1120*

- RE: Proposed MC \_\_\_\_\_
- Proposed DHC \_\_\_\_\_
- Proposed NSL \_\_\_\_\_
- Proposed SWD \_\_\_\_\_
- Proposed WFX \_\_\_\_\_
- Proposed PHX \_\_\_\_\_

Gentlemen:

I have examined the application dated Dec 31, 1981  
 for the Tenneco Oil Co. Jackson Com #1 0-9-28N-9W  
 Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

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Yours truly,

Jeff A. Edminster

**Tenneco Oil**  
**Exploration and Production**  
A Tenneco Company



Rocky Mountain Division

P.O. Box 3249  
Englewood, Colorado 80155  
(303) 740-4800

Delivery Address:  
6081 South Willow Drive  
Englewood, Colorado

December 22, 1981

Certified Mail  
Return Receipt Requested



New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87501  
Attn: Joe D. Ramey

New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, NM 87401  
Attn: Frank Chavez

RE: Application for Unorthodox Location  
Jackson Com 1, 400' FSL 1790' FEL  
Section 9, T28N R9W, San Juan County,  
New Mexico

Gentlemen:

Attached in duplicate (to each office) are a well location plat (C-102) with a sketch of the surrounding conditions and an ownership plat for the above referenced well.

Extreme topographic conditions; cliffs and ledges in northwest corner of section make this the only geologic and topographic site suitable. RE: Administrative Order MSL 1120.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your Santa Fe office with a waiver of objection.

Pursuant to the authority of Rule 104-F we respectfully request your approval of an exemption to the standard well location requirements.

Yours very truly,

TENNECO OIL COMPANY

*Don H. Morrison*  
Don H. Morrison  
Production Analyst

DHM/jt  
Enclosures

W A I V E R

hereby waives objection to Tenneco Oil Company's application for unorthodox location for their Jackson Com 1 proposed above.

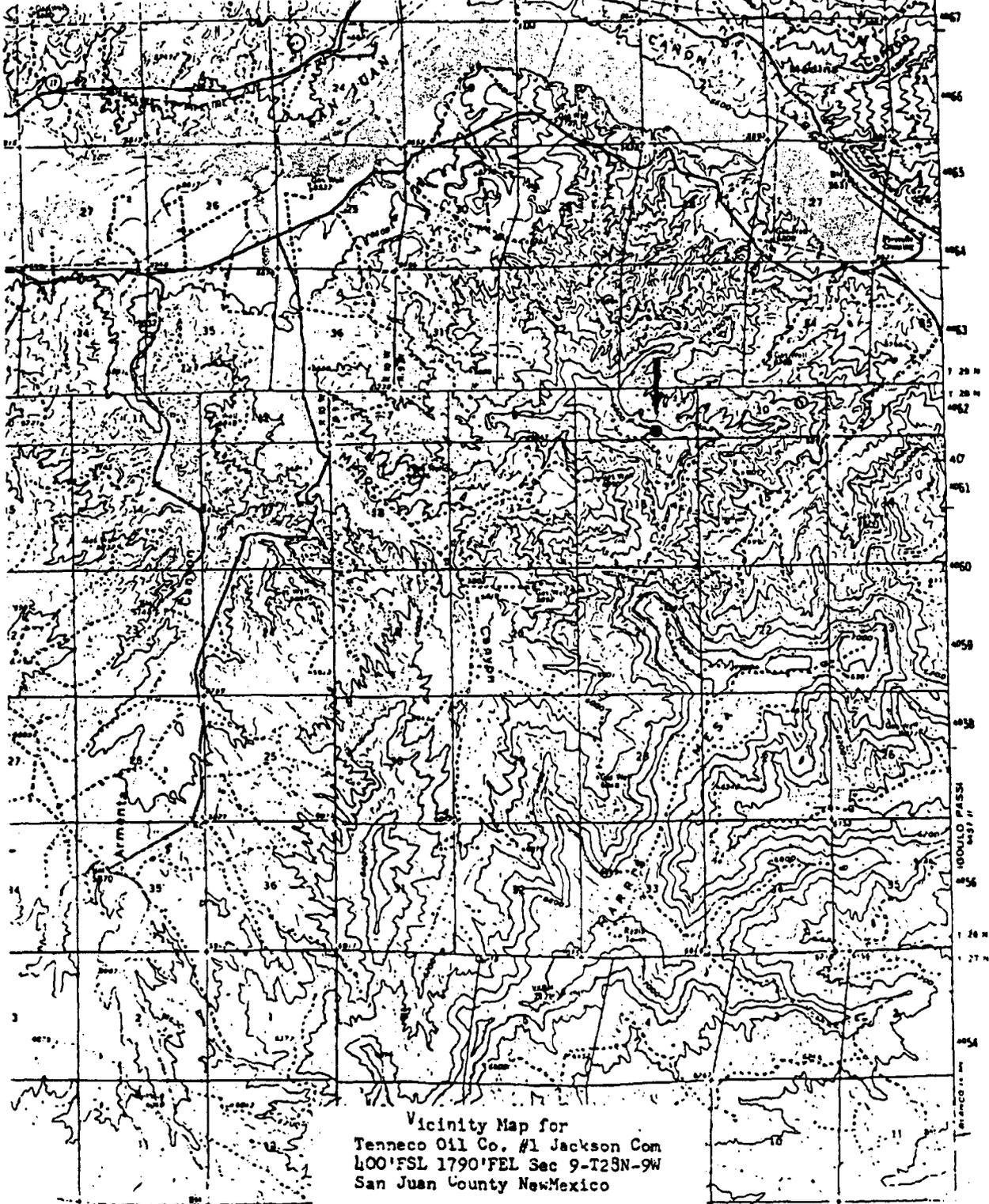
BY: \_\_\_\_\_

DATE: \_\_\_\_\_

*Alto, PC (N)*  
*2-24-84*  
*Aztec, NM*  
*5 272.8*  
*1/2 1/2 1/2 1/2*

LYOEP 103A 7/80

MAR 11 198 11:07



Vicinity Map for  
 Tenneco Oil Co. #1 Jackson Com  
 400' FSL 1790' FEL Sec 9-T28N-9W  
 San Juan County New Mexico