

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505

OIL CONSERVATION

FEB 1 0 2003

DIVISION

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST 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:

	[DHC-Dowr [PC-Po	ndard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] hole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] ol Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] ified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]
[1]		PLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication
	[A]	X 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
	[D]	Other: Specify
[2]		ON 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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

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

<u>e C br-inc. Com</u> KEGULATORY Print or Type Name



SAN JUAN DIVISION

Sent Federal Express February 7, 2003

Mr. Michael Stogner New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87504

Re: State Com 31-8 #2S 630'FSL, 1985'FEL, Section 2, T-31-N, R-8-W, San Juan County 30-045-31264

Dear Mr. Stogner:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for the Basin Fruitland Coal.

The subject well was staked at this location due to geology as explained on the attachment and terrain. The steep cliffs and rugged terrain of Negro Canyon are shown on the attached topographic map. This well is staked to utilize the current pad of the State Com 31-8 #1A (30-045-26385) Mesaverde well located at 595'FSL, 1970'FEL of Section 2 as shown on the attached aerial photograph. This well is located inside the low productivity area which was recently authorized for Fruitland Coal infill drilling by Order R-8768-C.

Production from the Fruitland Coal is to be included in a 320 acre gas spacing and proration unit comprising of the south half of Section 2 and is to be dedicated to the State Com 31-8 #2 (30-045-27765) Fruitland Coal well located at 1225'FSL, 1015'FWL of Section 2.

The following attachments are for your review:

- Approved application for Permit to Drill and completed C-102 at referenced location
- Offset operators/owners plat
- Geologic explanation
- Aerial photograph of Section 2 and topographic map

Three copies of this application are being submitted to offset operators/owners by certified mail with a request that they furnish you with a Waiver of Objection, keep one copy for their files and return one copy to this office. Please let me know if you have any questions about this application.

Sincerely,

Jeggy Cale

Peggy Cole Regulatory Supervisor

WAIVER

ConocoPhillips hereby waives objection to Burlington Resources' application for a non-standard location for the State Com 31-8 #2S as proposed above.

By: _____ Date: _____

Xc: Bureau of Land Management NMOCD – Aztec District Office



District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Ave., Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL

Burlington Reso	Operator Name and Address Burlington Resources Oil and Gas Company LP PO Box 4289				
PO Box 4289 Farmington, NM					
Property Code 7535	Property Name STATE COM 31 8	Well No. 002S			

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County		
0	2	31N	08W		630	S	· 1985	E	San Juan		

Proposed Pools

BASIN FRUITLAND COAL (GAS) 71629

Work Type	Well Type	Cable/Rotary	Lease Type	Ground Level Elevation
New Well	Gas		State	6593
Multiple N	Proposed Depth 3508	Formation Fruitland Coal	Contractor	Spud Date

Proposed Casing and Cement Program

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	32.3	120	80	0
Intl	8.75	7	20	3268	345	0
Liner1	6.25	5.5	15.5	3508	0	0

Casing/Cement Program: Additional Comments

Surface casing will be pre-set. Open hole completion.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000		

Form C-101

OIL CONSERVATION DIVISION I hereby certify that the information given above is true and complete to the best of my knowledge and belief. 11 6 • Electronically

to the best of my knowledge and benef.	Electronically Approved By	
Signed By: Peggy Cole	Title: Manager	
	Approval Date: 11/21/2002	Expiration Date: 11/21/2003
	11/21/2002	11/21/2005

APD Forms



Form C-102

State of New Mexico Energy, Minerals and Natural Resources

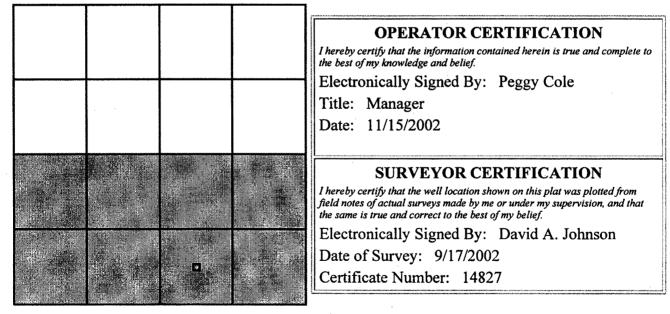
> Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

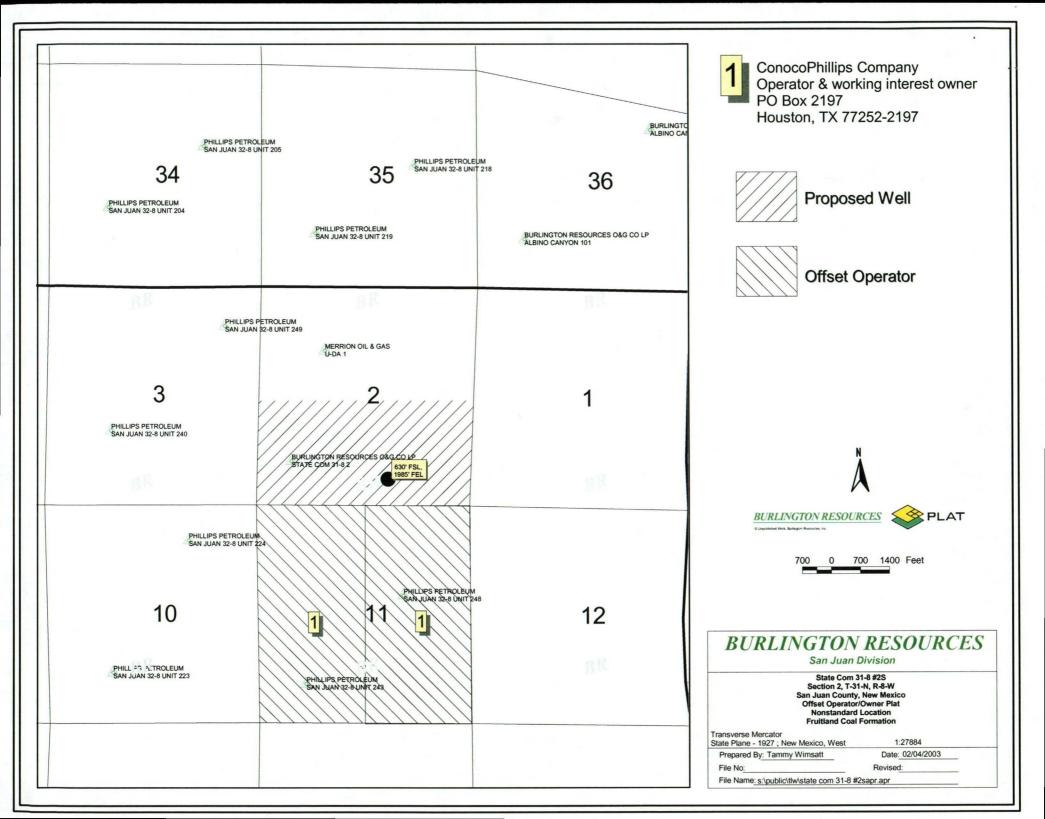
API Number	Pool Name	Pool Code
30-45-31264	BASIN FRUITLAND COAL (GAS)	71629
Property Code	Property Name	Well No.
7535	STATE COM 31 8	002S
OGRID No.	Operator Name	Elevation
14538	Burlington Resources Oil and Gas Company LP	6593

Surface And Bottom Hole Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	2	31N	08W		630	S	1985	E	San Juan
Dedicated Acres 320		Joint or	Infill	Consolid	fation Code		Order 1	No.	



Stundard 640-ac Sutin



Re: State Com 31-8 #2S 630'FSL, 1985'FEL, Section 2, T-31-N, R-8-W, San Juan County 30-045-31264

I hereby certify that the following offset operators/owners have been mailed notification of our application for non-standard location.

ConocoPhillips PO Box 2197 Houston, TX 77252-2197

1994 ale 2.7-03

Peggy Cole Regulatory Supervisor Burlington Resources

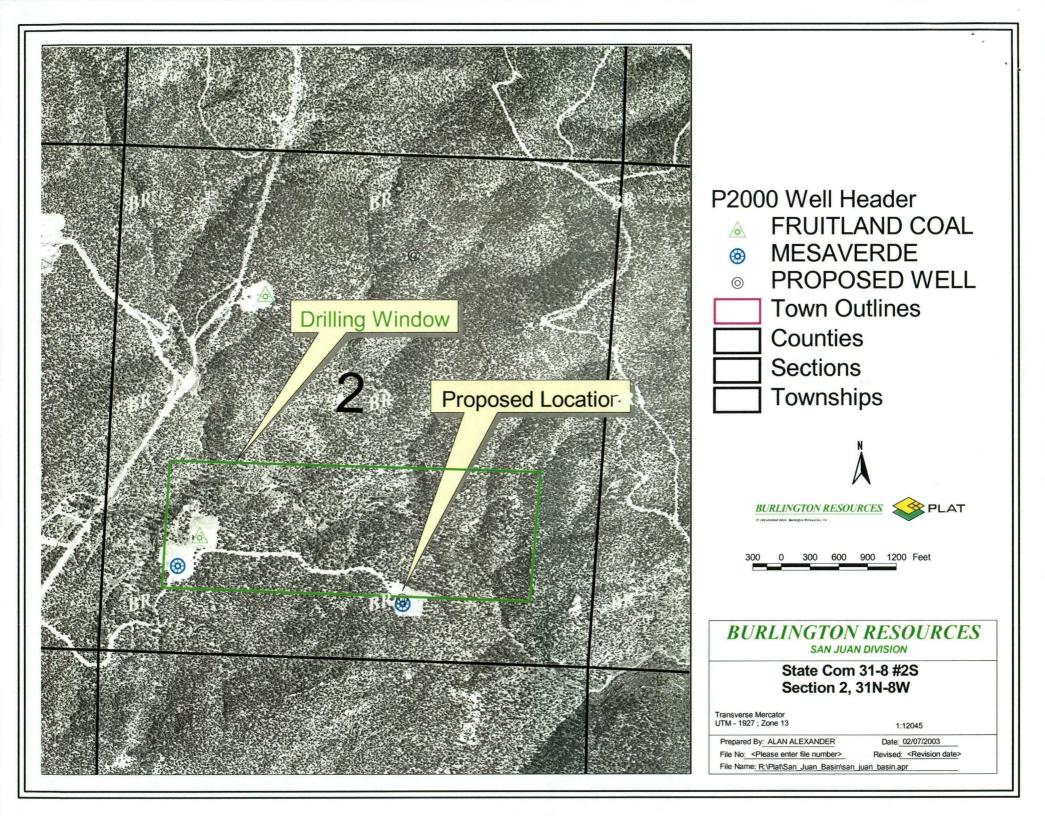
State Com 31-8 #2S 630'FSL, 1985'FEL Section 2, T-31-N, R-8-W San Juan County, New Mexico

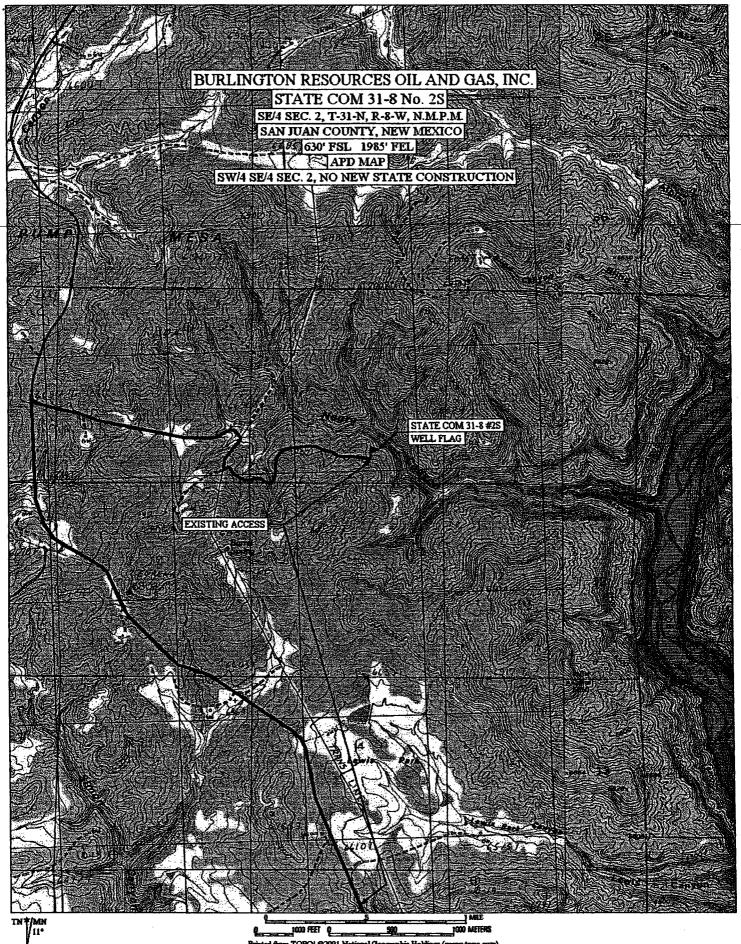
Geology believes there to be a two-fold reason to locate the State Com 31-8 #2S as far to the south as reasonably possible and with preference to keep farther west. First, through detailed mapping of the regional coal thickness there appears to be lesser coal to the north and east due to the presence of a perennial fluvial system during the depositional time of the target coals. Not only does such a system tend to prevent the deposition of coal forming peat swamps but it also degrades the quality of what is deposited by the influx clastic matter from overbank deposits and channel shifting.

Secondly there is some operational concern with the upper shales and hole stability found in a more northeastwardly position. The shales to the NE have been know to be very unstable in the open hole environment and cause repeated and costly operational problems.

Additionally, any more distance that can be gained to the SW will help minimize the influence of the temporary transgression of the seaway which has all but eliminated some of the lower coals to the NE. Comparing the GR/Density logs between the parent #2 well and the would be #1A twin one can already see a degredation of the coal packages both in quality and seam separation.

While a twin with the State Com 31-8 #1A may not provide the best possible location it does provide a reasonable compromise position that will also minimize surface disturbance.





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