



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

August 14, 1998

Conoco, Inc.  
10 Desta Drive - Suite 100W  
Midland, Texas 79705-4500  
Attention: Kay Maddox

**AMENDED**  
***Administrative Order NSL-4061***

Dear Ms. Maddox:

Reference is made to your application dated July 21, 1998 requesting that Division Administrative Order NSL-4061 be amended to reflect a location change for Conoco, Inc.'s proposed San Juan "28-7" Unit Well No. 98-M.

Division Order NSL-4061, dated June 22, 1998, authorized the drilling of this well at an unorthodox infill gas well location to be applicable to both the Blanco-Mesaverde and Basin-Dakota Pools 2005 feet from the North line and 2170 feet from the West line (Unit F) of Section 29, Township 27 North, Range 7 West, NMPM, Rio Arriba County, New Mexico. This order further provided that gas production from the Blanco-Mesaverde Pool is to be included in an existing standard 320-acre stand-up gas spacing and proration unit comprising the W/2 of Section 29, which is currently dedicated to Conoco Inc.'s San Juan "28-7" Unit Well No. 99 (API No. 30-039-21729), located at a standard gas well location 795 feet from the South line and 1635 feet from the West line (Unit N) of Section 29. Gas production from the Basin-Dakota Pool is to be included in an existing standard 320-acre lay-down gas spacing and proration unit comprising the N/2 of Section 29, which is currently dedicated to Conoco Inc.'s San Juan "28-7" Unit Well No. 98 (API No. 30-039-06902), located at a standard gas well location 1800 feet from the North and East lines (Unit G) of Section 29.

It is our understanding that during a subsequent detailed archaeological survey of the original location, additional artifacts were apparently discovered that were overlooked during the initial survey of this location. It is assumed that this apparent oversight was fortunately discovered prior to its possible destruction while constructing a well pad. However, the relocation of the proposed well site to the south-southwest a distance of 392 feet is needed in order to avoid these newly discovered artifacts.

This amended application has been duly filed under the provisions of Rules 104.F and 605.B of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), said Division Administrative Order NSL-4061 is hereby amended to reflect a location change for the

Amended Administrative Order NSL-4061

Conoco, Inc.

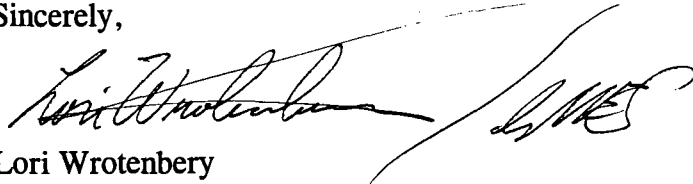
August 14, 1998

Page 2

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San Juan "28-7" Unit Well No. 98-M to be drilled an unorthodox infill gas well location that is 2380 feet from the North line and 2055 feet from the West line (Unit F) of Section 29. All other provisions of said Order NSL-4061 shall remain in full force and effect until further notice.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery", followed by a large, stylized flourish or mark.

Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec  
U. S. Bureau of Land Management - Farmington  
Jimmy D. Carlile, Conoco, Inc. - Midland, Texas  
File: NSL-4061