

DATE 6/21/01	SUSPENSE 7/11/01	ENGINEER M.S.	LOGGED IN KW	TYPE NSL	APP NO. 117755212
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



Pre-revised  
2-16-2001

### ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET 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:

**[NSL-Non-Standard Location]** **[NSP-Non-Standard Proration Unit]** **[SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling]** **[CTB-Lease Commingling]** **[PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling]** **[OLS - Off-Lease Storage]** **[OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion]** **[PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal]** **[IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification]** **[PPR-Positive Production Response]**

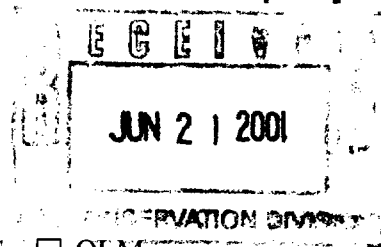
#### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication  
☒ 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  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR



#### [2] NOTIFICATION 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] INFORMATION / DATA SUBMITTED IS COMPLETE - Certification

I hereby certify that I, or personnel under my supervision, have reviewed the applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common.

***I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.***

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

Jim Ball  
 Print or Type Name

Signature

Senior Land Specialist  
 Title

6/20/01  
 Date

wjball@ppco.com  
 e-mail Address



## PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401  
5525 HWY. 64 NBU 3004

June 20, 2001

Oil Conservation Division  
State of New Mexico  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Attn: Mr. Michael E. Stogner  
Chief Hearing Officer/Engineer

**RE: APPLICATION FOR ADMINISTRATIVE APPROVAL  
OF UNORTHODOX WELL LOCATION  
SAN JUAN 31-6 UNIT #6M WELL  
UNIT K, W/2 SECTION 1-30N-7W  
RIO ARriba COUNTY, NEW MEXICO**

Dear Mr. Stogner:

Phillips Petroleum Company (Phillips) as Operator of the captioned well, respectfully requests administrative approval of an Unorthodox Well Location for said well.

Phillips proposes to drill the San Juan 31-6 Unit #6M well at a location of 1615' FSL & 2490' FWL of Section 1-30N-7W, Rio Arriba County, New Mexico. This will be a commingled well located in the Basin Dakota and Blanco Mesaverde Pools and will have the W/2 of Section 1 designated as the drillblock for both the Mesaverde and Dakota formations. This is an orthodox location for the Mesaverde as per Order No. R-10987-A and is an 80 acre infill well for the Mesaverde Pool. However, this is not an orthodox location for the Dakota Pool, as currently established.

The major basis for this location selection was archaeological considerations, and to some degree topographical concerns. Spacing of the Mesaverde infill to optimize drainage was also considered. The cost savings realized from drilling multiple formation wells improves the economics and reduces surface disturbance. The most viable alternative to recover Dakota reserves is to drill Dakota/Mesaverde commingled wells. Utilization of 80 acre Mesaverde infill wells accomplishes this, however it precludes drilling the well at a standard Dakota location.

For your benefit in reviewing this request, we are providing the following:

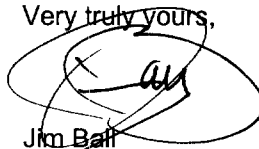
1. Form C-102
2. A topographical plat of the area
3. A nine section plat exhibiting offset operators
4. A copy of a letter from La Plata Archaeological Consultants.

MR. MICHAEL STOGNER  
APPLICATION FOR ADMINISTRATIVE APPROVAL OF UNORTHOD WELL LOCATION  
SAN JUAN 31-6 UNIT #6M WELL  
JUNE 20, 2001  
PAGE 2

This drillblock is located within the confines of the San Juan 31-6 Unit. Phillips is the Operator of this unit. The offset operators have been furnished with three (3) copies of this correspondence by certified mail and are requested to furnish your office with a Waiver of Objections, keep one (1) copy for their records, and return on (1) copy to our office.

We appreciate and thank you for your attention to this request and should you need additional information or clarification on this matter, please do not hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jim Ball", is written over a circular stamp. The stamp contains a large "X" and some illegible text.

Jim Ball  
Senior Land Specialist  
San Juan Area  
(505) 599-3410

cc: J. L. Mathis (r)C40453  
Frank Chavez-OCD, Aztec  
Offset operators

\_\_\_\_\_ hereby waives objection to Phillips Petroleum  
Company's application for a Dakota unorthodox location for the San Juan 31-6 Unit 6M well as proposed  
above.

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

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

San Juan 31-6 Unit #6M  
Unit K, 1615' FSL & 2490' FWL  
Section 1, T31N, R6W

Off-set Operators

			R7W		R6W		
35		36		31			
Devon Energy Production Co., L.P. 20 N. Broadway Ave. Ste 1500 Oklahoma City, OK 73102-8296		Devon Energy Production Co., L.P. 20 N. Broadway Ave. Ste 1500 Oklahoma City, OK 73102-8296		Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM			
2		1		6		T31N. T30N.	
Devon Energy Production Co., L.P. 20 N. Broadway Ave. Ste 1500 Oklahoma City, OK 73102-8296		●		Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM			
11		12		7			
Burlington Resources P.O. Box 4289 Farmington, NM 87499		Burlington Resources P.O. Box 4289 Farmington, NM 87499		Burlington Resources P.O. Box 4289 Farmington, NM 87499			
			R7W		R6W		



May 29, 2001

Mr. Richard Allred  
Phillips Petroleum  
5525 Highway 64 NBU 3004  
Farmington, NM 87401

RE: Proposed SJ 31-6 Unit #6M well pad

Dear Richard:

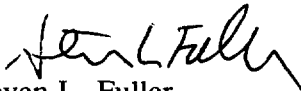
In April and May, 2001, archaeologists working for La Plata Archaeological Consultants attempted to find a suitable location for your proposed SJ 31-6 Unit #6M well pad. The well is proposed to be located in the SW  $\frac{1}{4}$  of Section 1, T30N, R7W. A large archaeological site (LA72968) was previously recorded near the center of the SW  $\frac{1}{4}$  of Section 1 in 1989 during surveys conducted at that time for Fruitland well pads proposed by Meridian Oil (now Burlington Resources). The site (LA72968) is a large Anasazi Pueblo I habitation that measures almost 1000 ft in length (N-S) by up to 600 ft in width (E-W), pretty much taking up a large portion of the center of the quarter section. The site is considered by the BLM to be eligible for nomination to the National Register of Historic Places.

A general reconnaissance was made to the east of the site in an attempt to find a buildable location that avoids this site or other unrecorded sites. The topography drops off steeply to the east of site LA72968 and only a small area at the base of a mesa, within the legal Dakota Formation window, appears to be suitable for construction. This area, at about 2000 FWL and 1650 FSL, was found to contain a previously unrecorded archaeological site that will be recommended as eligible for nomination to the National Register of Historic Places.

Further reconnaissance in this area resulted in finding an area clear of archaeological sites and with suitable topography, but situated just east of the legal drilling window. The proposed SJ 31-6 Unit #6M well is currently staked in this latter area.

If you or anyone else have any questions about the reconnaissance we conducted within the SW  $\frac{1}{4}$  of Section 1 (T30N/R7W), please let me know.

Sincerely,

  
Steven L. Fuller

Proposed well in  
SW/4 Sec 1 T30N, R7W  
Rio Arriba Co. NM.

Please note Arch problems  
in both NE and SW  
corners of Drilling  
Window.

SW corner also has  
a PL and Power  
line

Please note Topo  
problems





1999 DeLorme Yarmouth, ME 04096 Source Data: USGS 150 ft Scale: 1 : 24,000 Detail: 13-0 Datum: NAD27

2490 FW Sec 1 30N 7  
unit k 1616 FS  
# 31-1/2



District I  
1411 Hug 1980, Hobbs, NM 88241-1980  
District II  
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 Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-10.  
Revised October 18, 199.  
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 71599	* Pool Name Basin Dakota
* Property Code 009259	* Property Name SAN JUAN 31-6 UNIT		* Well Number 6M
* OGRID No. 017654	* Operator Name PHILLIPS PETROLEUM COMPANY		* Elevation 6328

10 Surface Location

UL or lot no. K	Section 1	Township 30N	Range 7W	Lot Idn	Feet from the 1615'	North/South line SOUTH	Feet from the 2490'	East/West line WEST	County RIO ARriba
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11 Bottom Hole Location If Different From Surface

UL or lot no. K	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
--------------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

12 Dedicated Acres 319.10 W/2	13 Joint or Infill Y	14 Consolidation Code U	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

16	WEST	5280.00'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  <i>Patsy Clugston</i> Signature Patsy Clugston Printed Name Sr. Regulatory/Proration Clerk Title June 18, 2001 Date	
8	7	6		5
5260.20'				5280.00'
SECTION 1				
S00°06'E	SF-079000 2558.8 acres		NORTH	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. 04/18/01 Date of Survey Signature and Seal of Professional Surveyor:  <i>Henry P. Broadhurst</i> 11373 Certificate Number
2490'		1615'		
N89°52'W		5287.92'		



CERTIFIED MAIL



7099 3400 0020 0911 8014

DEVON ENERGY PRODUCTION COMPANY, L.P.  
Attn: Janet Woolridge  
20 NORTH BROADWAY, SUITE 1500  
OKLAHOMA CITY, OK 73102-8260

SENDER: COMPLETE THIS SECTION

- ☐ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

DEVON ENERGY PRODUCTION COMPANY, L.P.  
Attn: Janet Woolridge  
20 NORTH BROADWAY, SUITE 1500  
OKLAHOMA CITY, OK 73102-8260

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☒ Yes ☐ No  
If YES, enter delivery address below:

3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Return Receipt for Merchandise

☐ Registered ☐ Insured Mail ☐ C.O.D. ☐ Yes

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Copy from service label)  
7099 3400 0020 0911 8014

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-00-0952

CERTIFIED MAIL



7099 3400 0020 0911 8021

BURLINGTON RESOURCES  
ATTN: ALAN ALEXANDER  
P.O. BOX 4289  
FARMINGTON, NM 87499-4289

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

BURLINGTON RESOURCES  
ATTN: ALAN ALEXANDER  
P.O. BOX 4289  
FARMINGTON, NM 87499-4289

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Certified Mail
- ☐ Registered
- ☐ Insured Mail
- ☐ Express Mail
- ☐ Return Receipt for Merchandise
- ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number (Copy from service label)

7099 3400 0020 0911 8021



INTER-OFFICE CORRESPONDENCE / SUBJECT:

July 3, 2001

Oil Conservation Division  
State of New Mexico  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Attn: Mr. Michael E. Stogner  
Chief Hearing Officer/Engineer

JUL - 6 2001

RE: APPLICATION FOR ADMINISTRATIVE APPROVAL  
OF UNORTHODOX WELL LOCATION  
SAN JUAN 31-6 UNIT #6M WELL  
UNIT K, W/2 SECTION 1-30N-7W  
RIO ARRIBA COUNTY, NEW MEXICO

Dear Mr. Stogner:

By cover letter dated June 20, 2001, Phillips Petroleum Company (Phillips) as Operator of the captioned well, requested administrative approval of an Unorthodox Well Location for said well.

The submittal included a plat exhibiting offset operators. In an additional review of the plat it was noticed that Section 1 was not labeled as Phillips Petroleum Company being the operator even though it might be presumed as such. In addition, the header on the top of the plat had an error in the description. The header was labeled "T31N, R6W" whereas it should have been labeled "T30N, R7W". All other references to the description in the submittal are correct.

Because of the above omission and error, I have enclosed a revised plat in the event you would require or would prefer to have the plat with this information affixed. A copy of the enclosed revised plat along with a copy of this letter have also been mailed to the offset operators (Devon and Burlington), and to the NMOCD Aztec office.

Thank you for your attention to this matter. Should you need additional information, please do not hesitate to contact the undersigned.

Very truly yours,

Jim Ball  
Senior Land Specialist  
San Juan Area  
(505) 599-3410

cc: J. L. Mathis (r)C40453  
Frank Chavez-OCD, Aztec  
Offset Operators

## Offset Operators

R7W		R6W	
35	36	31	
Devon Energy Production Co., L.P. 20 N. Broadway Ave. Ste 1500 Oklahoma City, OK 73102-8296	Devon Energy Production Co., L.P. 20 N. Broadway Ave. Ste 1500 Oklahoma City, OK 73102-8296	Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM	
2	1	6	T31N. T30N.
Devon Energy Production Co., L.P. 20 N. Broadway Ave. Ste 1500 Oklahoma City, OK 73102-8296	Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM	Phillips Petroleum Co. 5525 Hwy. 64 Farmington, NM	
11	12	7	
Burlington Resources P.O. Box 4289 Farmington, NM 87499	Burlington Resources P.O. Box 4289 Farmington, NM 87499	Burlington Resources P.O. Box 4289 Farmington, NM 87499	
R7W		R6W	



-----  
**From:** Stogner, Michael  
**Sent:** Monday, July 16, 2001 11:11 AM  
**To:** Hayden, Steven  
**Subject:** Phillips - SJ 31-6 Ut. #6-M

Steve,

I'm just reviewed Phillips Petroleum Company's application filed on 6-21-2001 for the San Juan 31-6 Unit #6-M to be drilled 1615' FSL & 2490' FWL (K) Sec. 1, T30N, R7W.

They show that a copy was sent to Aztec.

Any thoughts? Comments? Concerns?



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

July 17, 2001

Lori Wrotenbery

Director

Oil Conservation Division

Phillips Petroleum Company  
5525 Highway 64 - NBU 3004  
Farmington, New Mexico 87401

Attention: Jim Ball

**Re:** Administrative applications of Phillips Petroleum Company for an exception to the well location requirements provided within the "*Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987, as amended for the: (i) ~~San Juan "31-6" Unit Well No. 6-M~~ to be drilled 1615 feet from the South line and 2490 feet from the West line (Unit K) of Section 1, Township 30 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, which was filed on June 21, 2001; and (ii) San Juan "29-5" Unit Well No. 54-M (API No. 30-039-26582) to be drilled 664 feet from the North line and 2543 feet from the West line (Unit C) of Section 31, Township 29 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, which was filed on July 6, 2001.

Dear Mr. Ball:

The Aztec district office of the Division and I have reviewed both applications, whereby both mentioned that "spacing of the Mesaverde infill to optimize drainage was considered"; however, no support data was included. In order to complete these filings please submit the necessary technical data to support this statement and indicate on a map how the drainage will occur from both wells.

Both applications as submitted are hereby deemed incomplete and cannot be processed at this time. Please submit the requested support data to both the Santa Fe and Aztec offices of the Division by Tuesday, July 24, 2001. Upon receipt of the requested information, the Division will continue to process your applications. This additional data can either be mailed or telefaxed to (505) 476-3471, Santa Fe and (505) 334-6170, Aztec. Please note if the necessary information is not submitted, your applications will be returned.

Should you have any questions concerning the support data needed to complete these filings, please contact the Aztec district office of the Division at (505) 334-6178.

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec

## **Stogner, Michael**

**From:** Hayden, Steven  
**Sent:** Tuesday, July 17, 2001 7:18 AM  
**To:** Stogner, Michael  
**Cc:** Ezeanyim, Richard  
**Subject:** RE: Phillips - SJ 31-6 Ut. #6-M

Mike,

I am unable to give an informed opinion on this application as the archeological argument is unsupported, as is the Mesaverde drainage pattern. Without access to the archeology, I can not judge the topographic reasons for the NSL.



Steve Hayden  
NM OCD District III  
1000 Rio Brazos Rd.  
Aztec, NM 87410

[shayden@state.nm.us](mailto:shayden@state.nm.us)  
(505) 334-6178 Ext. 14  
Fax: (505) 334-6170

-----  
**From:** Stogner, Michael  
**Sent:** Monday, July 16, 2001 11:11 AM  
**To:** Hayden, Steven  
**Subject:** Phillips - SJ 31-6 Ut. #6-M

Steve,

I'm just reviewed Phillips Petroleum Company's application filed on 6-21-2001 for the San Juan 31-6 Unit #6-M to be drilled 1615' FSL & 2490' FWL (K) Sec. 1, T30N, R7W.

They show that a copy was sent to Aztec.

Any thoughts? Comments? Concerns?

-----  
**From:** Hayden, Steven  
**Sent:** Tuesday, July 17, 2001 8:58 AM  
**To:** Stogner, Michael  
**Subject:** FW: Phillips - SJ 31-6 Ut. #6-M

Mike,

I have read the letter from the archeological consultants more carefully and now have the opinion that the archeology reason is sufficient for the NSL. Sorry about the confusion. The topo map shows the site to be a point on the side of the mesa, while the letter describes it as 600' EW and 1000' NS. This takes up the eastern side of the drilling window.

-----  
**From:** Hayden, Steven  
**Sent:** Tuesday, July 17, 2001 7:18 AM  
**To:** Stogner, Michael  
**Cc:** Ezeanyim, Richard  
**Subject:** RE: Phillips - SJ 31-6 Ut. #6-M

Mike,

I am unable to give an informed opinion on this application as the archeological argument is unsupported, as is the Mesaverde drainage pattern. Without access to the archeology, I can not judge the topographic reasons for the NSL.

<<OLE Object: Image Document>>

Steve Hayden	<a href="mailto:shayden@state.nm.us">shayden@state.nm.us</a>
NM OCD District III	(505) 334-6178 Ext. 14
1000 Rio Brazos Rd.	Fax: (505) 334-6170
Aztec, NM 87410	

-----  
**From:** Stogner, Michael  
**Sent:** Monday, July 16, 2001 11:11 AM  
**To:** Hayden, Steven  
**Subject:** Phillips - SJ 31-6 Ut. #6-M

Steve,



I'm just reviewed Phillips Petroleum Company's application filed on 6-21-2001 for the San Juan 31-6 Unit #6-M to be drilled 1615' FSL & 2490' FWL (K) Sec. 1, T30N, R7W.

They show that a copy was sent to Aztec.

Any thoughts? Comments? Concerns?

-----  
**From:** Stogner, Michael  
**Sent:** Thursday, July 19, 2001 5:04 PM  
**To:** 'Patricia Clugston'  
**Cc:** Hayden, Steven  
**Subject:** RE: NSL on 2 Phillips Proposed Wells

I expect these maps with a short write up for explanation will be sufficient to complete these applications. I suggest the first thing Monday morning that you fax what you have to me at (505) 476-3471 and to Steve Hayden in Aztec. You might even think about contacting Steve to discuss this matter further and to see if this information is satisfactory. I always verify such information with Aztec before acting on any location exception in the San Juan Basin. Call me at (505) 476-3465 should you need to discuss this matter further.

Remember, all such statements of fact made on any application must be appropriately supported.

Sorry I missed your phone calls.

-----  
**From:** Patricia Clugston[SMTP:plclugs@ppco.com]  
**Sent:** Thursday, July 19, 2001 4:19 PM  
**To:** mstogner@state.nm.us  
**Subject:** NSL on 2 Phillips Proposed Wells

Hi Mike.

We received your letter today in reference to the two NSL (SJ 29-5 #54M filed 7/6/01 and SJ 31-6 #6M filed 6/21/01). The statement Mr. Ball submitted on his application stating that the "Spacing of the Mesaverde infill to optimize drainage was also considered", is a true statement, but he should of mentioned that we tried to stake the locations in standard locations for the Dakota, but was unable to do so, due to the Archy and topo considerations.

I left you a message on your voice mail telling you that I have relative drainage maps for both wells and what they show is the existing well in a section with the cumulative production totals and then there are ecliptical indicators showing the relative drainage for these existing wells. The proposed wells are plotted on this map relative to where he felt the MV drainage would be best served, but when our surveyors and archy people went out to stake these wells were unable to due to topography or archy considerations. I can provide you with the drainage maps if you would like, but really the main reason these wells are nonstandard is because of the archy and topography.

Let me know what you would like to see us provide exactly. One of these wells the 31-6 Unit #6M we really would like to not delay on, so I would definitely like to have what you need by Tuesday, so the application won't be sent back.

Like I mentioned in my second voice mail to you today, I am going to be gone Friday the 20th, but I will be back in the office Monday morning and I hope you are able to respond to this message and I can get exactly what you need from us.

I am really sorry for all the confusion. It's not really easy to train a

new "Landman". He had me proof the original application and I asked him why he put that statement in and his response was that the previous applications had that statement included so he felt it must of been needed. I remember very well your training class in Odessa in May and I knew you wanted supported data for everything, but i didn't know he left this statement in the application. Please let me hear from you early Monday. If you would rather call me and e-mail me, my number is 505-599-3454. Thanks again for your help.

**Stogner, Michael**

---

**From:** Patricia Clugston[SMTP:plclugs@ppco.com]  
**Sent:** Monday, July 23, 2001 10:22 AM  
**To:** mstogner@state.nm.us; shayden@state.nm.us  
**Subject:** 31-6 Unit #6M and 29-5 #54M NSL applications

Hi Mike and Steve. I am faxing you the two maps and the supporting statement from Eric Dahlgren explaining these maps for the two pending NSL Phillips has. Please review them as soon as you can and let us know if they will be sufficient and if by chance they are not, advise what you wish to see. Call me at 505-599-3454. Thanks for your help.





# PHILLIPS PETROLEUM COMPANY

San Juan Area

5525 Hwy 64

Farmington, NM 87401

Fax No.: (505) 599-3442

Total Pages (Including Cover Sheet) 4

Date: 7/23/01

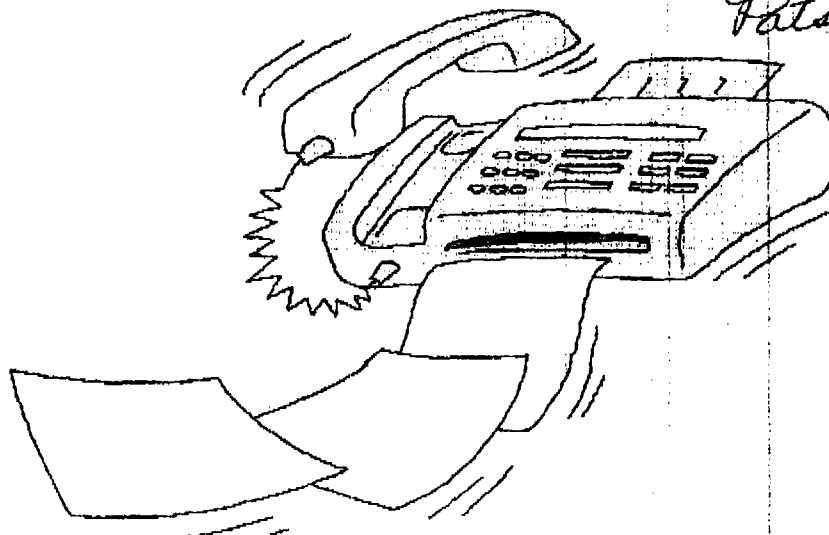
To: Mike Stogner + Steve Hayden From: Patsy Clugston  
Company: DMOCO Phone: 599-3454  
Fax No.: 505-476-3471 +  
505-334-6170

## Message:

Reference - 31-6 #16M + 29-5 #54M -  
MSL's for Topo + Archy +  
supporting data for location choices

*Thanks*

*Patsy*



JUL-23-2001 06:54 FROM PHILLIPS PETROLEUM

TO

815054763471

P.02



**PHILLIPS PETROLEUM COMPANY**

FARMINGTON, NEW MEXICO 87401  
5525 HWY. 64 NBU 3004

July 23, 2001

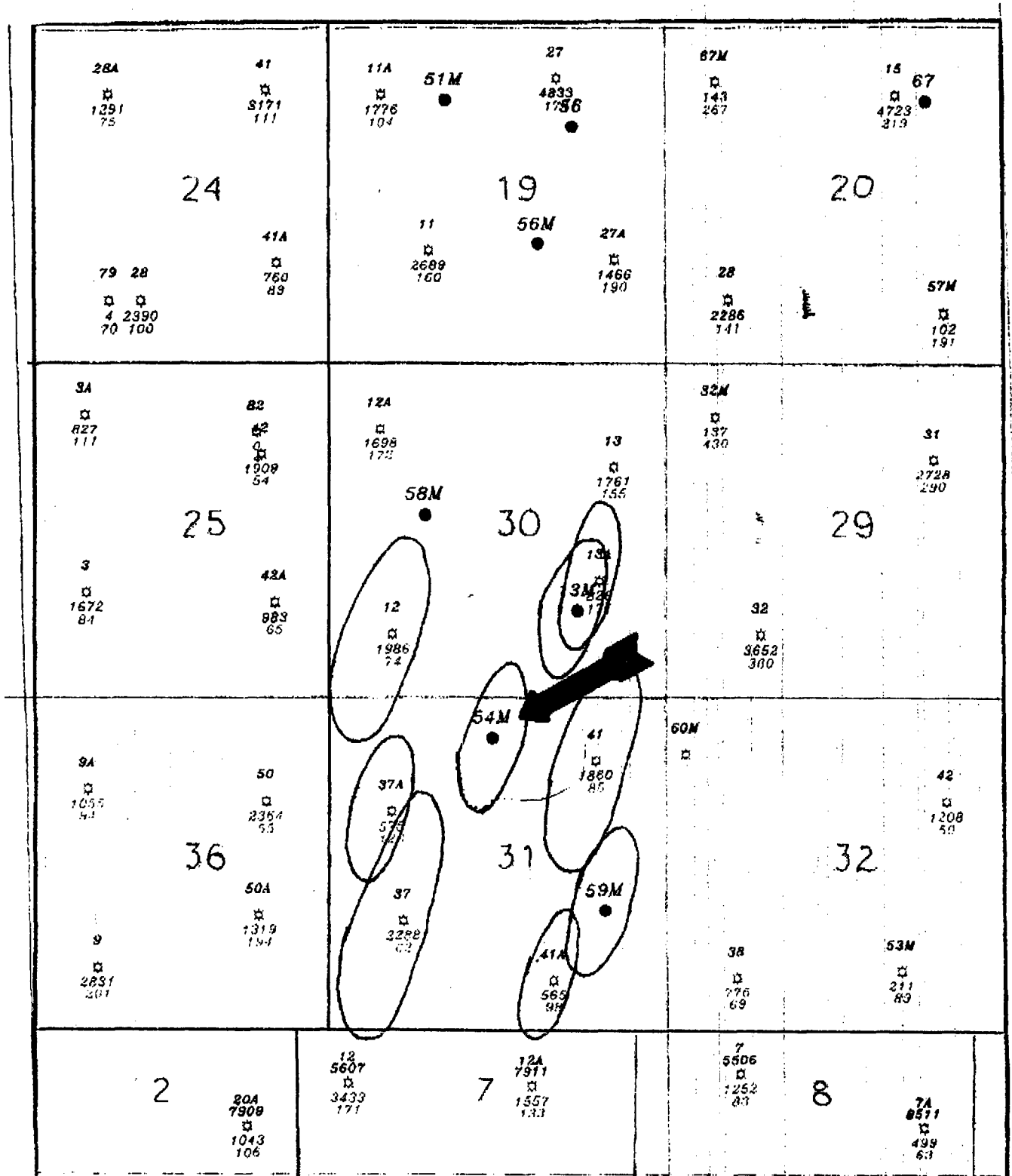
Dear Sir,

Attached are the 31-6 Unit Mesaverde and 29-5 Unit Mesaverde cumulative production and daily rate maps. The drainage patterns were estimated using a 3 to 1 pattern 10° East of North. As a Unit operator, it is in Phillips and our partners best interest to pick locations that best drain the dedicated acreage. The 29-5 #54M and 31-6 #6M are planned to be Dakota/Mesaverde commingles. These wells were staked in Non Standard locations in the Dakota due to archeology and topographic restrictions.

Sincerely,

A handwritten signature in cursive script that reads "Eric Dahlgren".

Eric Dahlgren  
Reservoir Engineer



San Juan 29-5 (Mesaverde)  
Relative Drainage Using 3 to 1 pattern, 10° East of North

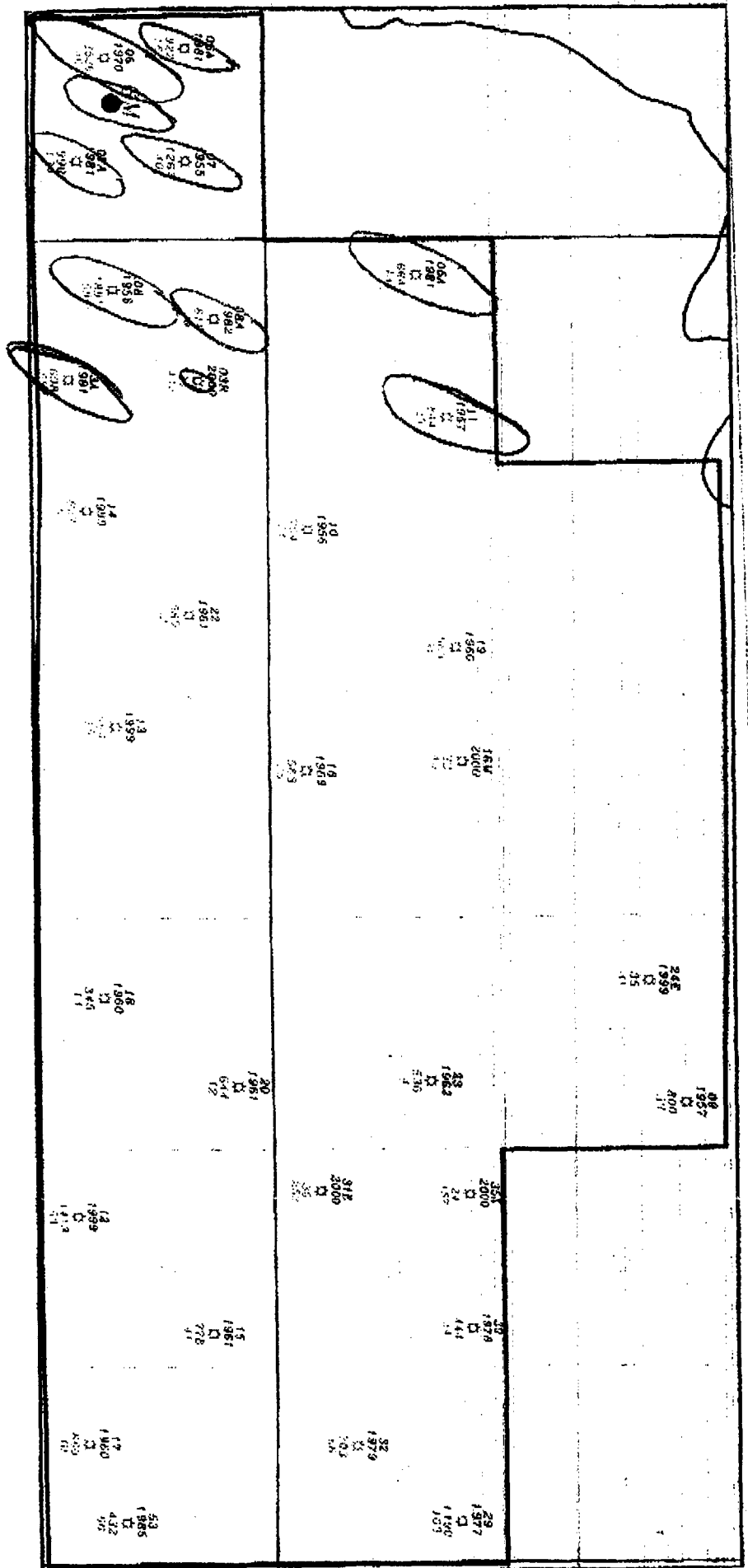
ILLEGIBLE

JUL-23-2001 06:55 FROM PHILLIPS PETROLEUM TO 815054763471 P.04

Unit 16mu ZCF

San Juan 31-6 (Mesaverde)

Mapped By: Clayton Collier





-----  
**From:** Stogner, Michael  
**Sent:** Monday, July 23, 2001 2:30 PM  
**To:** Hayden, Steven  
**Subject:** FW: 31-6 Unit #6M and 29-5 #54M NSL applications

Any comments or thoughts?

-----  
**From:** Patricia Clugston[SMTP:plclugs@ppco.com]  
**Sent:** Monday, July 23, 2001 10:22 AM  
**To:** mstogner@state.nm.us; shayden@state.nm.us  
**Subject:** 31-6 Unit #6M and 29-5 #54M NSL applications

Hi Mike and Steve. I am faxing you the two maps and the supporting statement from Eric Dahlgren explaining these maps for the two pending NSL Phillips has. Please review them as soon as you can and let us know if they will be sufficient and if by chance they are not, advise what you wish to see. Call me at 505-599-3454. Thanks for your help.

-----  
**From:** Stogner, Michael  
**Sent:** Monday, July 23, 2001 3:24 PM  
**To:** Hayden, Steven  
**Subject:** RE: 31-6 Unit #6M and 29-5 #54M NSL applications

Thanks, I should have these out this evening.

-----  
**From:** Hayden, Steven  
**Sent:** Monday, July 23, 2001 3:23 PM  
**To:** Stogner, Michael  
**Cc:** Ezeanyim, Richard  
**Subject:** RE: 31-6 Unit #6M and 29-5 #54M NSL applications

Mike,

The maps give reasonable geologic data to back up the topo and archeological reasons that we looked at last week on these NSLs.

Overall, I think they are justified.

<<OLE Object: Image Document>>

Steve Hayden	<a href="mailto:shayden@state.nm.us">shayden@state.nm.us</a>
NM OCD District III	(505) 334-6178 Ext. 14
1000 Rio Brazos Rd.	Fax: (505) 334-6170
Aztec, NM 87410	

-----  
**From:** Stogner, Michael  
**Sent:** Monday, July 23, 2001 2:30 PM  
**To:** Hayden, Steven  
**Subject:** FW: 31-6 Unit #6M and 29-5 #54M NSL applications

Any comments or thoughts?

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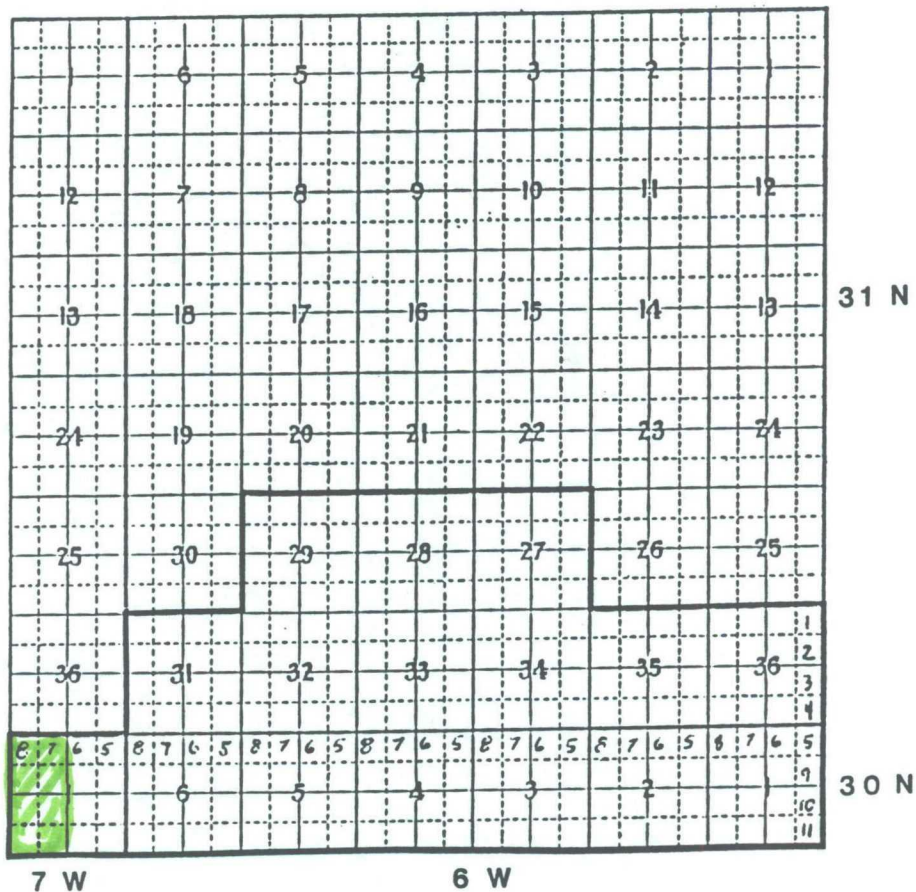
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# SAN JUAN 31-6

RIO ARriba COUNTY  
NEW MEXICO

No. 14-08-001-464

EFFECTIVE 2-11-53



gulram, inc.

petroleum engineering and government regulation consultants

CMD : ONGARD 07/16/01 10:52:50  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPSN

API Well No : 30 39 7914 Eff Date : 01-01-1900 WC Status : S  
Pool Idn : 72319 BLANCO-MESAVERDE (PRORATED GAS)  
OGRID Idn : 17654 PHILLIPS PETROLEUM CO NW  
Prop Idn : 9259 SAN JUAN 31 6 UNIT

Well No : 006  
GL Elevation: 6556

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn : L	1	30N	07W	FTG 1660 F S	FTG 990 F W		P

Lot Identifier:

Dedicated Acre: 319.00

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD :  
OG6IWCM

ONGARD  
INQUIRE WELL COMPLETIONS

07/16/01 10:52:35  
OGOMES -TPSN

API Well No : 30 39 22748    Eff Date : 05-01-1982    WC Status : A  
Pool Idn : 72319 BLANCO-MESAVERDE (PRORATED GAS)  
OGRID Idn : 17654 PHILLIPS PETROLEUM CO NW  
Prop Idn : 9259 SAN JUAN 31 6 UNIT

Well No : 006A  
GL Elevation: 6547

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn : E	1	30N	07W	FTG 1780 F N	FTG 790 F W		P

Lot Identifier:  
Dedicated Acre: 319.00  
Lease Type : F  
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD :  
OG5SECTONGARD  
INQUIRE LAND BY SECTION07/16/01 10:52:18  
OGOMES -TPSN  
PAGE NO: 1

Sec : 01 Twp : 30N Rng : 07W Section Type : NORMAL

8 39.47 <del>X</del> Federal owned U	7 39.63 <del>X</del> Federal owned U	6 39.77 Federal owned U	5 39.93 Indian owned U
E 40.00 <del>X</del> Federal owned U A	F 40.00 <del>X</del> Federal owned U	G 40.00 Federal owned U A A	H 40.00 Indian owned U

PF01 HELP  
PF07 BKWDPF02  
PF08 FWDPF03 EXIT  
PF09 PRINTPF04 GoTo  
PF10 SDIVPF05  
PF11PF06  
PF12 $319.1 = w/2$

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

07/16/01 10:52:21  
OGOMES -TPSN  
PAGE NO: 2

Sec : 01 Twp : 30N Rng : 07W Section Type : NORMAL

L 40.00  Federal <del>owned</del> U A A	K 40.00  Federal <del>owned</del> U	J 40.00  Federal owned U	I 40.00  Federal owned U
M 40.00  Federal <del>owned</del> U	N 40.00  Federal <del>owned</del> U	O 40.00  Federal owned U A	P 40.00  Federal owned U

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12

