



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

May 26, 2000

Lori Wrotenbery

Director

Oil Conservation Division

Burlington Resources Oil and Gas Company

P. O. Box 4289

Farmington, New Mexico 87499-4289

Attention: Peggy Bradfield Cole

Telefax No. (505) 326-9833

Administrative Order NSL-4460

Dear Ms. Cole:

Reference is the following: (i) your application dated May 16, 2000; and (ii) the New Mexico Oil Conservation Division's ("Division") records in Santa Fe: all concerning Burlington Resources Oil and Gas Company's ("Burlington") request for an off-pattern non-standard Basin-Fruitland coal gas well location for the proposed Allison Unit Com. Well No. 150 (API No. 30-045-30154) to be drilled 1150 feet from the South line and 1605 feet from the East line (Unit O) of Section 8, Township 32 North, Range 6 West, NMPM, San Juan County, New Mexico. Lots 1 and 2, the S/2 NE/4, and the SE/4 (E/2 equivalent) of Section 8 is to be dedicated to this well in order to form a standard 277.51-acre stand-up gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

By the authority granted me under the provisions of Rule 8 of the "Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool," as promulgated by Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington

Before the Oil Conservation Division
Exhibit No. 4
ConocoPhillips
OCD CASE 14589
Hearing: January 20, 2011

BURLINGTON RESOURCES

SAN JUAN DIVISION

May 16, 2000

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Allison Unit Com #150
1150'FSL, 1605'FEL Section 8, T-32-N, R-6-W, San Juan County
30-045-30154

Dear Mr. Stogner:

Burlington Resources is applying for administrative approval of a gas well location in the Basin Fruitland Coal pool. This location is considered off-pattern for the Fruitland Coal pursuant to Order R-8768, Rule 7.

Production from the Fruitland Coal pool is to be included in a 277.51 acre gas spacing and proration unit comprising of the east-half (E/2) of Section 8.

This application for the referenced off-pattern location in the southeast quarter is due to the proximity of the proposed well to Navajo Lake and for geologic reasons.

Attached is an aerial photograph showing Section 8. As annotated, a substantial portion of the standard window for the northeast quarter is wetlands with cattails, along with the high water line for Navajo Lake. The small remainder of the standard window is irrigated fields and the surface owner does not want the well location in the fields.

Also, this deviation from the standard window in the northeast quarter will improve the well's chances of commercial production by locating it closer to existing wells in an effort to take advantage of the dewatering effort already begun by these offsets. These existing wells are the Allison Unit #110 located 1190'FNL, 900'FEL in Section 17, Allison Unit #101 located 1840'FSL, 1190'FWL in Section 17, Allison Unit Com #135 located 900'FSL, 1490'FWL in Section 9, Allison Unit #134 located 790'FSL, 790'FWL in Section 8, and the Allison Unit #111 located 2480'FNL, 1450'FEL in Section 16. The coals at the outer limits of the Allison Unit are generally less permeable than those at the interior of the Unit. Dewatering by the offsets will have the advantage of increasing permeability through the process of matrix shrinkage of the coal. It is believed the original location will be too distant to properly connect with the improved reservoir and could hinder the well's ability to dewater on its own.

Mr. Michael Stogner
Allison Unit Com #150
Page Two
May 16, 2000

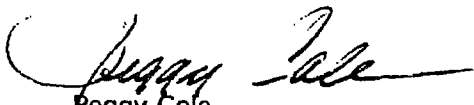
It is intended instead to utilize the existing location of the Allison Unit #47M Mesa Verde-Dakota well, located at 1110'FSL, 1570'FEL of Section 8; thereby reducing further surface disturbance. As indicated on the attached offset operator/owner plat, Burlington Resources is the unit operator and all of the working interest owners are the same for all offset spacing units. This acreage is included in the Fruitland Coal participating area.

The following attachments are for your review:

- Application for Permit to Drill
- Completed C-102 at referenced location
- Aerial photograph
- Offset operator/owner plat

We appreciate your earliest consideration of this application.

Sincerely,



Peggy Cole
Regulatory/Compliance Administrator

Xc: Bureau of Land Management
NMOCD - Aztec Office

DATE IN 5/17/00	SUSPENSE 6/6/00	ENGINEER MS	LOGGED KV	TYPE NSL
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [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 - Directional Drilling

X NSL NSP DD SD

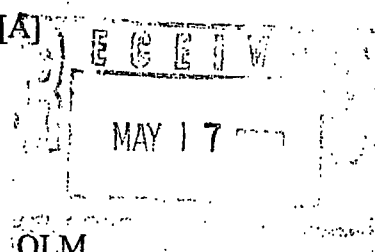
Check One Only for [B] and [C]

[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 - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all 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, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Peggy Cole

Regulatory/Compliance Administrator

Print or Type Name

Signature

Title

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number NM-04207 Unit Reporting Number
1b. Type of Well GAS	6. If Indian, All. or Tribe
2. Operator BURLINGTON RESOURCES Oil & Gas Company	7. Unit Agreement Name Allison Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Allison Unit Com 9. Well Number #150
4. Location of Well 1150' FSL, 1605' FEL Latitude 36° 59.5, Longitude 107° 28.7	10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) Sec.8, T-32-N, R-6-W API # 30-045-30154
14. Distance in Miles from Nearest Town 3 mi from Allison	12. County San Juan 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1150'	
16. Acres in Lease	17. Acres Assigned to Well 277.51 E/2
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 75'	
19. Proposed Depth 2773'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6178' GL	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	DECLINING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"
24. Authorized by: <u>[Signature]</u> Regulatory/Compliance Administrator	<u>1-25-00</u> Date

PERMIT NO. _____

APPROVAL DATE _____

APPROVED BY /s/ Charlie Beecham

TITLE _____

DATE

APR 21 2000

Archaeological Report to be submitted

Threatened and Endangered Species Report to be submitted

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or presentations as to any matter within its jurisdiction.

4-22-00 A.T.H.

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-
Revised February 21, 1
Instructions on t
Submit to Appropriate District Off
State Lease - 4 Cop
Fee Lease - 3 Cop

☐ AMENDED REPO

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-		*Pool Code 71629	*Pool Name Basin Fruitland Coal
*Property Code 6785	*Property Name ALLISON UNIT COM		*Well Number 150
*OGRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY		*Elevation 6178'

¹⁰ Surface Location

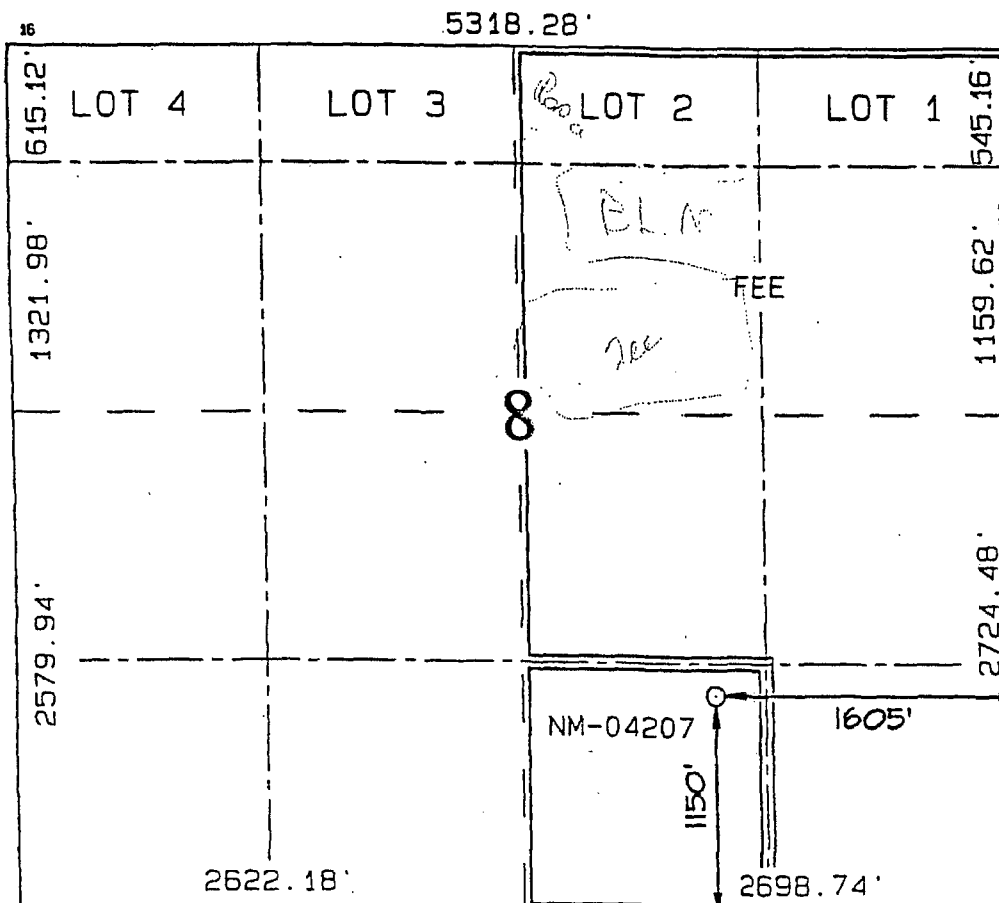
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	8	32N	6W		1150	SOUTH	1605	EAST	SAN JU

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 E/277.51	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 CERTIFICATE

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

Peggy Cole
Signature
Peggy Cole
Printed Name
Regulatory Administrator
Title
1-18-00
Date

¹⁸ SURVEYOR CERTIFICATE

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

NOVEMBER 26, 1999
Date of Survey

Signature and Seal of Professional Surveyor

NEALE C. EDWARDS
NEW MEXICO
6857
Certificate Number 6857

LA PLATA COUNTY

ARCHULETA COUN

8

Blue outlines high water levels for Navajo Lake
Green outlines cattails/bird sancuary
Pink outlines irrigated fields

70844

12 3/4" O.D.

10 3/4" O.D.

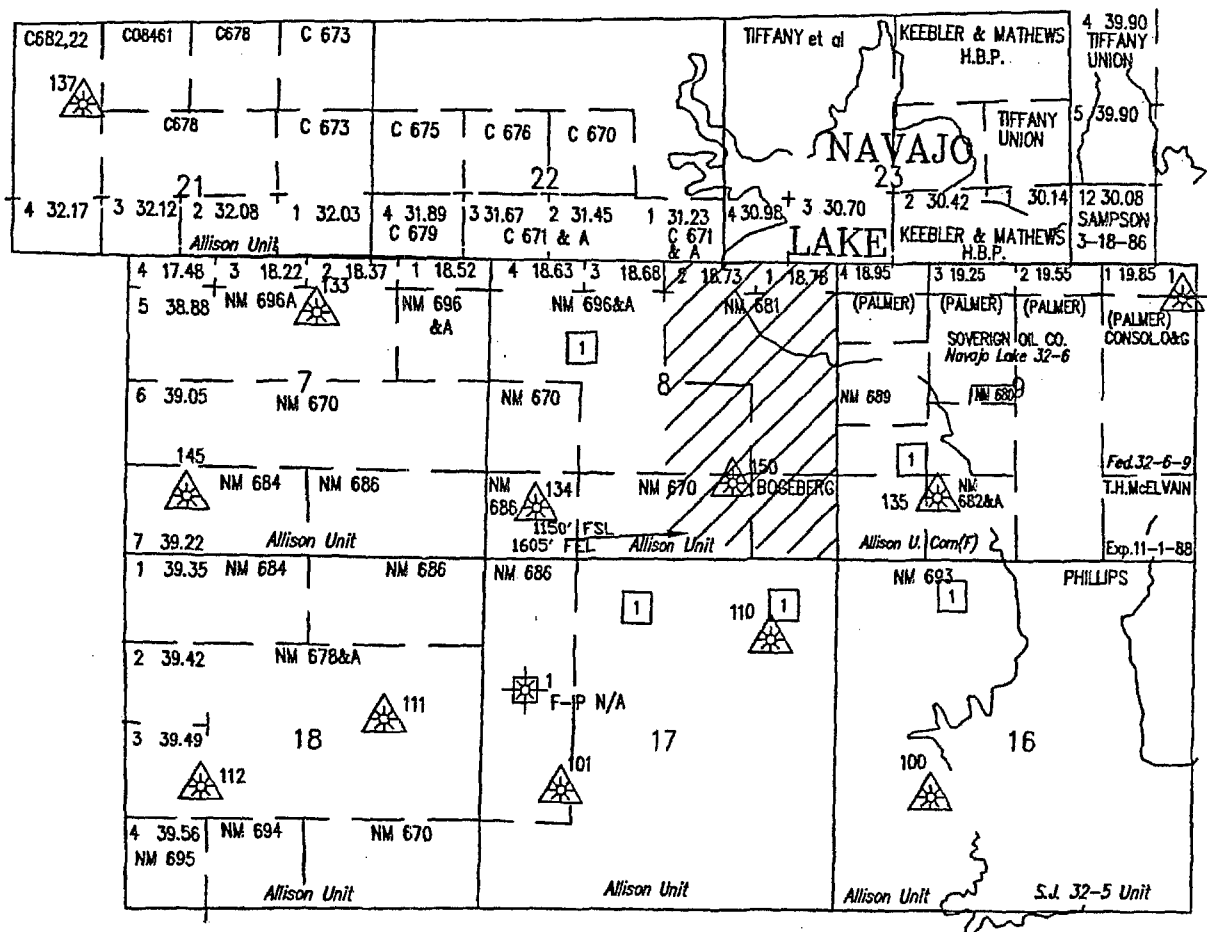
17

70782

BURLINGTON RESOURCES OIL AND GAS COMPANY

Allison Unit Com #150
Section 8, T-32-N, R-6-W
OFFSET OPERATOR/OWNER PLAT

Off Pattern Location
Fruitland Coal Formation Well



1 Burlington Resources



Proposed Well

Stogner, Michael

From: Perrin, Charlie
Sent: Friday, May 26, 2000 4:30 PM
To: Stogner, Michael
Subject: Burlington Allison Unit Com #150 08-32N-06W Api 30-045-30154

Mike

We recommend approval for NSL on this well.
Have a great weekend
Charlie

CMD :
C5SECT

ONGARD
INQUIRE LAND BY SECTION

05/22/00 09:45:58
OGOMES -TPIN
PAGE NO: 1

Sec : 08 Twp : 32N Rng : 06W Section Type : NORMAL

4 18.63 Federal owned U	3 18.68 Federal owned U	2 18.73 Fee owned U	1 18.78 Fee owned U
E 40.00 Federal owned U	F 40.00 Federal owned U	G 40.00 Fee owned U	H 40.00 Fee owned U

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

CMD :
CG5SECTONGARD
INQUIRE LAND BY SECTION05/22/00 09:46:01
OGOMES -TPI
PAGE NO: 2

Sec : 08 Twp : 32N Rng : 06W Section Type : NORMAL

L 40.00 Federal owned U	K 40.00 Federal owned U	J 40.00 Federal owned U	I 40.00 Fee owned U A
M 40.00 Federal owned U A A	N 40.00 Federal owned U	O 40.00 Federal owned U A A	P 40.00 Federal owned U

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

CMD :
C101

ONGARD
C101-APPLICATION FOR PERMIT TO DRILL

05/22/00 09:46:35
OGOMES -TPIN

OGRID Idn : 14538 API Well No: 30 45 30154 APD Status(A/C/P): A
Opr Name, Addr: BURLINGTON RESOURCES OIL & GAS C Aprvl/Cncl Date : 04-21-2000
801 CHERRY ST
FT WORTH, TX 76102

Prop Idn: 6785 ALLISON UNIT COM

Well No: 150

	U/L	Sec	Township	Range	Lot Idn	North/South	East/West
Surface Locn	: O	8	32N	06W		FTG 1150 F S	FTG 1605 F E
OCD U/L	: O		API County	: 45			

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 6178

State Lease No: Multiple Comp (S/M/C) : N
Prpsd Depth : 2773 Prpsd Frmtn : BASIN FT COAL

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12