

Mid-Continent Region Exploration/Production

May 21, 1998

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

Re: Application for Non-Standard Location

Warren McKee #128

API # 30-025-34158 Sec 29, T-20-S, R-38-E, C Lea County, New Mexico

Dear Mr. Stogner,

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



This horizontal well was permitted to drill October 3, 1997 (see attached permit). Conoco, Inc is currently drilling this well and set production casing May 19, 1998. The location of the casing point is 837' FNL & 469' FEL. The surface location of subject well is 1650' FEL & 330' FNL, Section 29. Based on the angle that has been drilled so far, and where the casing was set, the new bottom hole location is projected to be 667' FEL and 1470' FSL in Section 20. This new bottom hole location is non-standard because it is only 1470' FSL line instead of the required of 1650' – 2310'.

Conoco, Inc. is the operator of the Warren Mckee waterflood project which is located across the common boundary of the Warren Unit and the Southeast Monument Unit, both operated by Conoco, and includes acreage from both units. Fifteen SEMU McKee and ten Warren McKee vertical wells have been drilled and operated in this McKee formation reservoir which is limited on the North, West and South by low structure and water production and on the east by a sealing fault. This horizontal well is being drilled parallel to the fault on the eastern side of the Warren McKee waterflood in the Warren McKee pool. The well will target the reserves in a potentially undrained, updip area between established production and the sealing fault to the east. The necessary paralleling of the sealing fault along the eastern side of the reservoir dictated the azimuth of the horizontal lateral. The combination of the required azimuth and build rate required that the surface location be located in the adjoining Section 29. This was necessary in order to hit the current targeted bottom hole location as stated above.

Amerada Hess, operator of the Warren-McKee Unit is the only offset operator. Please find attached certification that they have been notified of this request.



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Conoco, Inc. respectfully requests a non-standard location order be given for the Warren McKee #128 based on the fact that it is in the best interest of conservation and the prevention of waste to tap in to new undrained updip production. If there are any additional questions concerning this application please call me @ (915) 686-5798.

Sincerely yours,

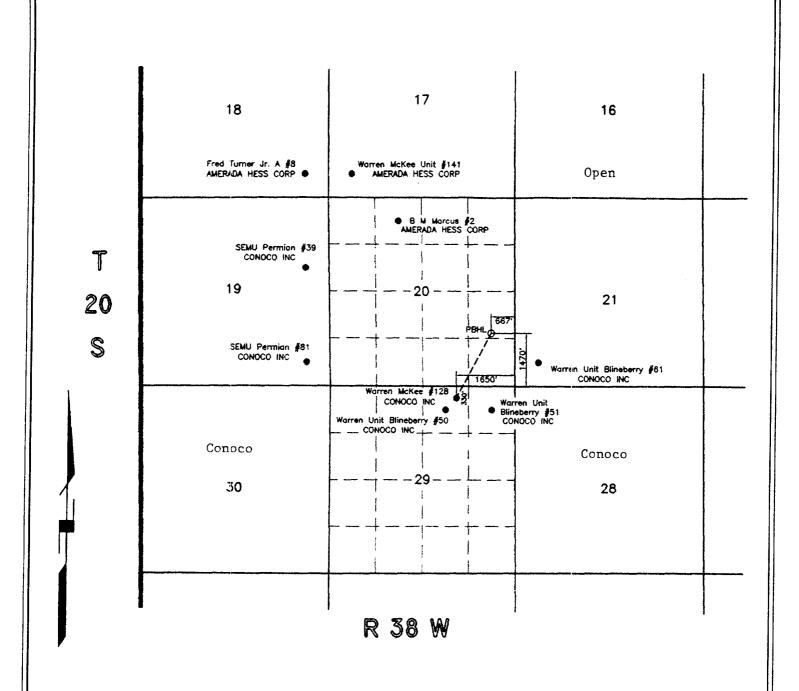
Kay Maddox

Regulatory Agent

KM/

CC: Oil Conservation Division Hobbs

US Bureau of Land Management - Roswell



NOTES		(conoco)	EPNGNA			
The Conoco Warren McKee #128 BLH location will be non-standard with respect to internal spacing boundaries in Sec. 20, T20S, R38E.	DATE: 05/22/98		MIDLAND DIVISION			
	DRAWN BY: GLG	CONOCO Warren McKee #128 Sec. 29, T20S, R38E				
	CHECKED BY:	Lea County, New Mexico Non-Standard Bottom Hole Location				
	APPROVED BY:	STATE COUNTY	DRAWING			
	SCALE: 1" = 2640'	025 \ 30	WM_128			
	STATE PLANE COORDINATES REFERRED TO NAD27 - N.M. EAST STATE PLANE COORDINATES ZONE - 3001	CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705				

Form 3160-3		open, car	N CH	5073	or HICATI	<b>.</b>		
(	J)	T PROPERT	CNO	3128	ctions on	FORM AP	PROVED	
	DEPARTME	EN SANCASA		62010	* id+) 83240	OMB NO. Expires Febru	1004-0138 ary 28, 1995	
	BUREAU (	<b>J</b> F		0 10 100	• .	S. LEASE DSIGNATION		
APP	LICATION FOR	PE EFF. CATE		17777	<u>. ——</u>	LC' <del>03</del> 4	BECD)	
IL TYPE OF WORK		API NO	<u> 30.</u>	025-34159	S	6 IF INDIAN, ALLOTTE	E OR TRIBE NAM	
b. Type of Well	RILL 🔀					7 UNIT AGRREEMENT N	AME	
OIL WELL 2. NAME OF OPERATOR	GAS OTHER			SINGLE NULTI	,,, (			
2. NAME OF OPERATOR	Conoco Inc.			ZONE ZONE		8. FARM OR LEASE NAME WE		
a. ADDRESS AND TELEPHONE!						9. API WELL NO	cKee	
10 Dest	a Dr. Ste 430E, Midla	ind. Tx 79705	4500	_		128		
4. LOCATION OF WE. At surface	LL (Report location clearly	and in accordance	with an	915-686-579	4	10. FIELD AND POOL, O	RWILDCAT	
		330' FNL	& 165	50' FEL <i>SCO 29</i>		Warren M	Warren McKee	
At proposed prod. zo		17101 501	• • •			II. SEC. T., R., M., OR BLK. AND SURVEY OR AREA		
14. DISTANCE IN MILES	AND DIRECTION FROM NE	AEST TOWN OF BO	& 36	5' FEL SCC. 20		Sec. 29, T20S	, R38E	
		TOWN OR PO	31 OF[0	CE.		12 COUNTY OR PARISH	13. STATE	
5. DISTANCE FROM PROP LOCATION TO NEARES PROPERTY OR LEASE (Also to recommend)	OSED.		15 N	O OF ACRES IN LEASE	<del>,</del>	Lea	NM	
(Also to nearest dr 8. DISTANCE FROM PROF				TO THE LEASE	17. NO. OF TO TH	ACRES ASSIGNED		
TO NEAREST WELL, D OR APPLIED FOR, ON TH			19. PR	OPOSED DEPTH	20. ROTAR	Y OR CABLE TOOLS	·	
21. ELEVATIONS (Show Wh	ether DF, RT, GR, etc.)		89:	30' TVD/10,785 MD	Rotary			
23		3539' GR				22. APPROX. DATE WORK WILL START*		
23			IC AND			10415/05		
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FO	OT ANI	CEMENTING PROGRAM	e Cosimo	MISS CHANDING STORY		
17-1/2"	H-40, 13-3/8"	48#		SETTING DEPTH 400'		QUANTITY OF CEMENT 2011		
12-1/4"	K-55, 10-3/4"	40.5#		3000'	440 sxs, dinc 255		33	
9-7/8"	K-55, 7-5/8"	29.7#				580 sxs, circ.		
It is proposed to drill:	a horizontal Warren Mo	Kee producer ac	cordin	8930' ag to the plan submitted	i- 4b - 6-11	1555 sxs		
1. Well Location and	Acerage Dedication Plan	· (O 100)		-B so mie pian saoimited	ni rue totto	owing attachments:		
2. Troposed Well Plan	n Outline	at (C-102)						
3. Surface Use Plan						ISST URE RO		
4. EXHIBIT A: Vicin 5. EXHIBIT B: Locat	ity Map		2	DEBUNAL CHE ITOT				
0. EARIBH C.1-C.4:	Road Flow I inc and E	lectric Line Dise	31	PPROVAL SUBJECT	10			
Limit D. Stalle	aru kig i avout	recute Line Plats		ENERAL REQUIREA	MENTSA	CEIVE		
<ol> <li>BOP &amp; Choke Man</li> <li>H2S Drilling Opera</li> </ol>	ifold Specifications		75	PECIAL STIPULATION TACHED	INS	- A - I		
10. An archeological st	nons rian rvey will be submitted	26 600m as a		יאכחבט		AND OFFI		
		as soon as comp	leted			2: 2 D		
The undersigned accept	te all amplicable							
land or portion thereof. IN ABOVE SPACE DESCRIB	as described above and	conditions, stipula	ations	and restrictions concern	ing operat	ions conducted on the	lagged	
IN ABOVE SPACE DESCRIB	E PROPOSED PROGRAM	the proposal is to deepen	LM B	ond File No. ES-0085			icased	
IN ABOVE SPACE DESCRIB deepen directionally, give pertinen	usua on subsurface locations/a	old measured and true	vertical o	depths. Give blowout preventer pr	and proposed : rogram, if any.	new productive zone. If propo	sal is to drill or	
M. /	1 W.			A. TATOMINETT				
(This seem to 5	- Maria	TITLE 1	Right-	of-Way Agent		DATE 9- 1-	97	
(This space for Federal	or State office use)							
PERMIT NO			AP	PROVAL DATE				
Application approval does not w	marrant or certify that the applicar	t holds legal or equitable	e title to	PROVAL DATE those righs in the subject lease w	hich word day			
					······································	use the applicant to conduct or	erations thereon.	
	D.) TONY L. FERGUS	ON		ADM, MINERALS				
APPROVED BY		TITLE			DA1	OCT 03 1997		
tle 18 U.S.C. Section 100	III makes it =	*SeeInstruction	ns On	Reverse Side	DAT			



District II PO Drawer DD, Artesia, NM 88211-0719

State of r Mexico Energy, Minerals & Nature Resources Department

OIL CONSERVATION DIVISION PO Box 2088

District III
1000 Rio Brancos Rd., Axtec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

Santa Fe, NM 87504-2088

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