

DATE IN	SUSPENSE	ENGINEER <i>WVJ</i>	LOGGED IN <i>4/23/04</i>	TYPE <i>DHC</i>	APP NO. <i>PHWJ0412257862</i>
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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



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:

[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

[D] Other: Specify _____

[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] 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.

Deborah Marberry
 Print or Type Name

Deborah Marberry
 Signature

Regulatory Analyst
 Title

4/19/04
 Date

Deborah.marberry@conocophillips.com
 e-mail Address

RECEIVED

APR 23 2004

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

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

CONOCOPHILLIPS CO. P.O. BOX 2197 WL3 6108 HOUSTON TX 77252
Operator Address
SAN JUAN 29-6 UNIT 70A E 29 29N 6W RIO ARRIBA
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 217817 Property Code 31326 API No. 30-039-21263 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal		Blanco Mesaverde
Pool Code	71629		72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3030 - 3200 proposed		4308 - 5637
Method of Production (Flowing or Artificial Lift)	expected to flow		flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	800 est		575
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1100		1150
Producing, Shut-In or New Zone	new zone		producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates:	Date: Rates:	Date: 04/13/2004 Rates: 180 mcf/g + <1 BO + <1 BW
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas Subtraction %	Oil Gas % %	Oil Gas as attached %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No X
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No X
Are all produced fluids from all commingled zones compatible with each other? Yes X No
Will commingling decrease the value of production? Yes No X
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes X No
NMOCD Reference Case No. applicable to this well: R-11187

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Deborah Marberry TITLE REGULATORY ANALYST DATE 03/08/2004
TYPE OR PRINT NAME DEBORAH MARBERRY TELEPHONE NO. () (832)486-2326
E-MAIL ADDRESS deborah.marberry@conocophillips.com

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number 30-039-21263		2 Pool Code 71629		3 Pool Name FRUITLAND COAL	
4 Property Code 31326		5 Property Name SAN JUAN 29-6 UNIT			6 Well Number 70A
7 OGRID No. 217817		8 Operator Name CONOCOPHILLIPS CO.			9 Elevation 6434 GR

10 Surface Location

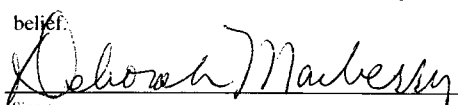
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	29	29N	6W		1490	NORTH	850	WEST	RIO ARriba

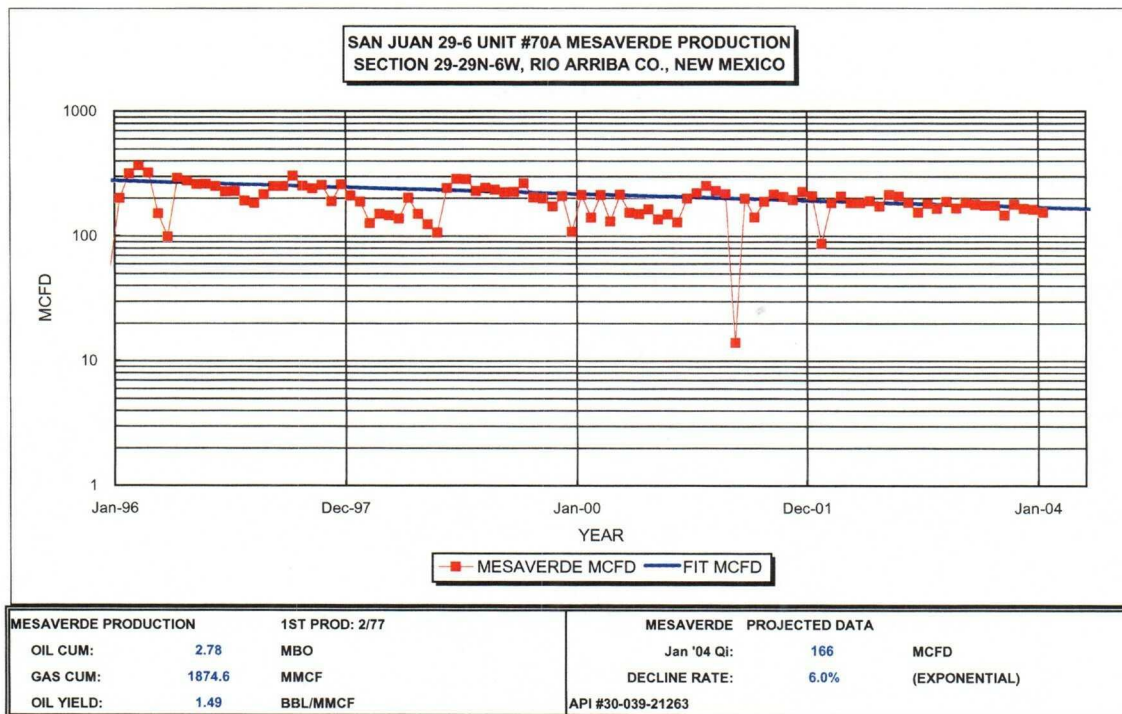
11 Bottom Hole Location If Different From Surface

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 320 W/2	13 Joint or Infill I	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

16 1490 850					17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature DEBORAH MARBERRY Printed Name REGULATORY ANALYST deborah.marberry@conocophillips.com Title and E-mail Address 04/19/2004 Date
					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. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number



PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

NOTE: Current yearly decline rate is approximately 6.0%.
This rate is expected to continue for the duration of the well,
based on production trends observed during the life of this well.
Production data from OFM.

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
2004	161	0.2
2005	152	0.2
2006	142	0.2
2007	134	0.2
2008	126	0.2
2009	118	0.2
2010	111	0.2
2011	105	0.2
2012	98	0.1
2013	92	0.1
2014	87	0.1
2015	82	0.1
2016	77	0.1
2017	72	0.1
2018	68	0.1
2019	64	0.1
2020	60	0.1
2021	56	0.1
2022	53	0.1
2023	50	0.1
2024	47	0.1
2025	44	0.1
2026	41	0.1
2027	39	0.1
2028	37	0.1
2029	34	0.1
2030	32	0.0
2031	30	0.0
2032	29	0.0
2033	27	0.0
2034	25	0.0
2035	24	0.0
2036	22	0.0
2037	21	0.0
2038	20	0.0
2039	18	0.0
2040	17	0.0
2041	16	0.0
2042	15	0.0
2043	14	0.0
2044	14	0.0