

DATE IN 6/18/06	SUSPENSE	ENGINEER WILL JONES	LOGGED IN 6/18/06	TYPE DHC	APP NO. PTD 0619940507
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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.

Print or Type Name

Signature

Title

Date

e-mail Address

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
X Single Well
____ Establish Pre-Approved Pools
EXISTING WELLBORE
____ Yes X No

APPLICATION FOR DOWNHOLE COMMINGLING

Burlington Resources Oil & Gas Company LP P.O.Box 4289 Farmington, NM 87499 PHC-3146
Operator Address

REESE MESA 102S Unit L, Sec. 010, 032N, 008W SAN JUAN
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No: 14538 Property Code 18606 API No. 30045332890000 Lease Type: Federal X State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
	<u>✓</u>	<u>UNDES</u>	<u>UNDES</u>
Pool Name	BASIN FRUITLAND COAL	NORTH LOS PINOS FRUITLAND SANDS	ALBINO PICTURED CLIFFS
Pool Code	71629 <u>✓</u>	80640 <u>✓</u>	70120 <u>✓</u>
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3579-3687' Estimated	3771-3784' 3822-3843' Estimated	3900-3990' Estimated
Method of Production (Flowing or Artificial Lift)	NEW ZONE	NEW ZONE	NEW ZONE
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)	N/A – 150% Rule	N/A – 150% Rule	N/A – 150% Rule
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1000	BTU 1000	BTU 1000
Producing, Shut-In or New Zone	NEW ZONE	NEW ZONE	NEW ZONE
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: N/A Rates: see attachment	Date: N/A Rates: see attachment	Date: N/A Rates: see attachment
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 Will be supplied upon completion	Oil Gas Will be supplied upon completion	Oil Gas Will be supplied upon completion

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X No _____
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes _____ No _____

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: _____

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 Julian Carrillo TITLE Engineer DATE 7-12-06

TYPE OR PRINT NAME Julian Carrillo, Engineer TELEPHONE NO. (505) 326-9700

E-MAIL ADDRESS jcarrillo@br-inc.com

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
811 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

2005 AUG 18 PM 1 27

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-	*Pool Code 71629	*Pool Name Basin Fruitland Coal
*Property Code 18606	*Property Name REESE MESA	*Well Number 102S
*OGRD No. 14538	*Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	*Elevation 7014'

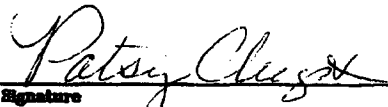
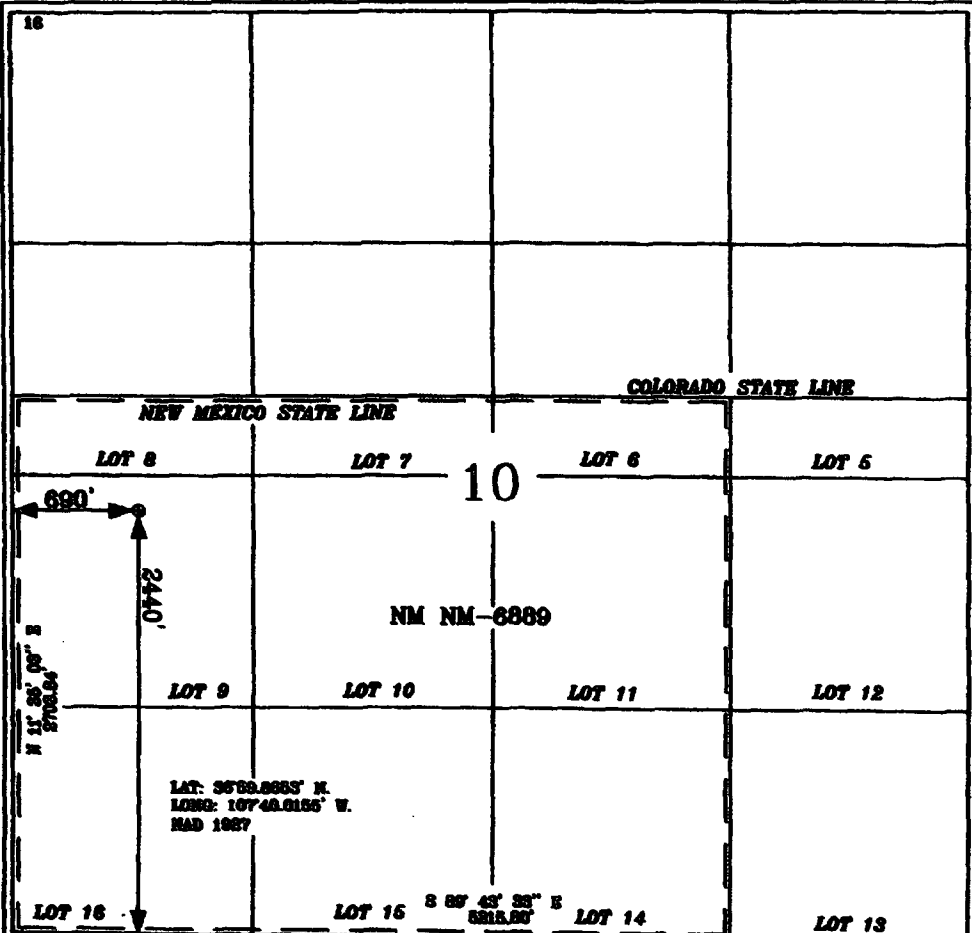
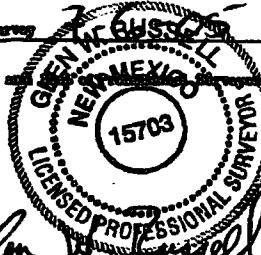
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Mn	Feet from the	North/South line	Feet from the	East/West line	County
L	10	32-N	8-W		2440'	SOUTH	690'	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Mn	Feet from the	North/South line	Feet from the	East/West line	County
L									
Dedicated Acres 290.69			Joint or Infill		Consolidation Code		Order No. R-9055 Tract 4		

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					¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Patsy Clugston Printed Name Sr. Regulatory Specialist Title 7-7-05 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  Certificate Number 15703						

2025 N. French Dr., Hobbs, N.M. 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

DISTRICT II
811 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

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Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045- 33289	² Pool Code 80640	³ Pool Name Los Pinos Fruitland Sands, North
⁴ Property Code 18606	⁵ Property Name REESE MESA	⁶ Well Number 1028
⁷ OGED No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	⁹ Elevation 7014'

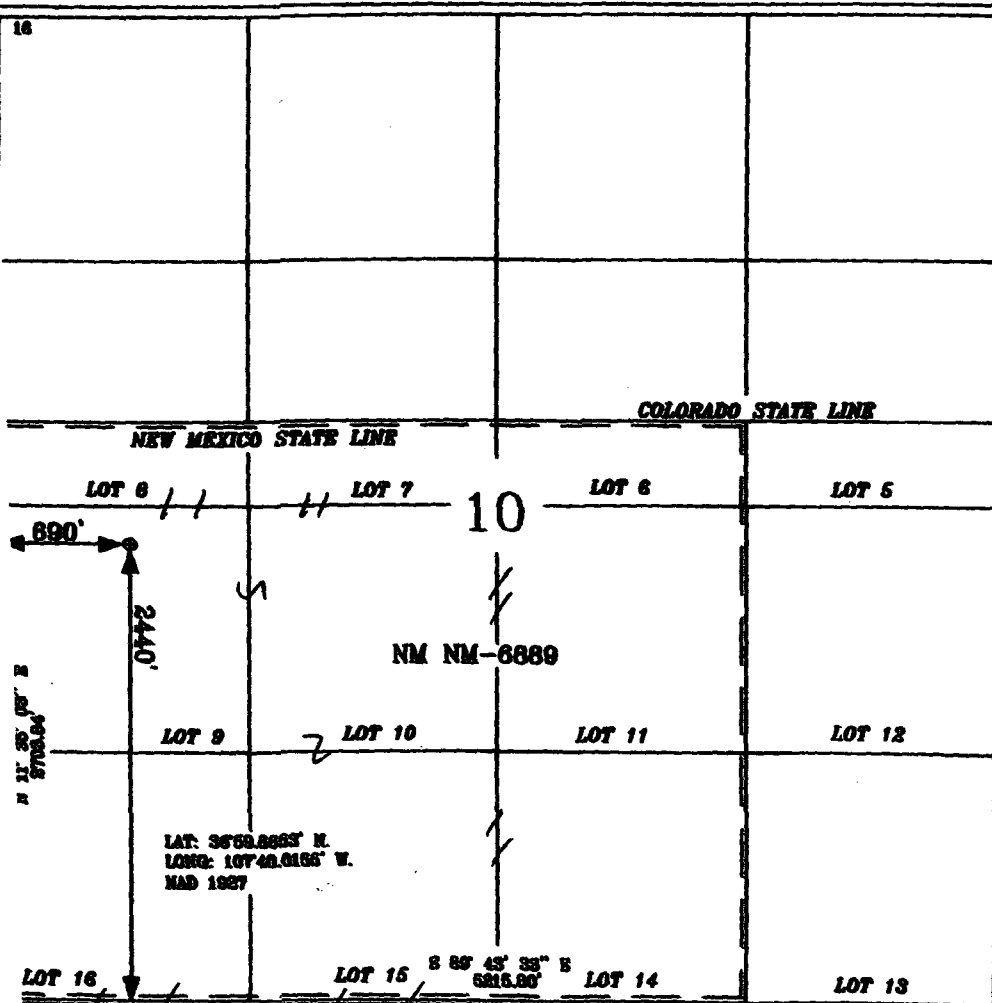
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
L	10	32-N	8-W		2440'	SOUTH	690'	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
L									
¹² Dedicated Acres 158.50 ac SW/4 - FS			¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.		

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 CERTIFICATION

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

Patsy Clugston
Signature

Patsy Clugston
Printed Name

Sr. Regulatory Specialist
Title

6/22/06
Date

¹⁸ SURVEYOR CERTIFICATION

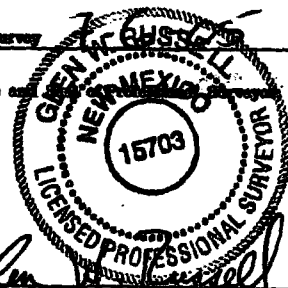
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature of

Certification Number

15703



DISTRICT I
2035 N. French Dr., Hobbs, N.M. 88249

DISTRICT II
611 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Antec, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

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OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045- 33289	² Pool Code 70120	³ Pool Name Albino Pictured Cliffs
⁴ Property Code 18606	⁵ Property Name REESE MESA	⁶ Well Number 1025
⁷ OGED No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	⁹ Elevation 7014'

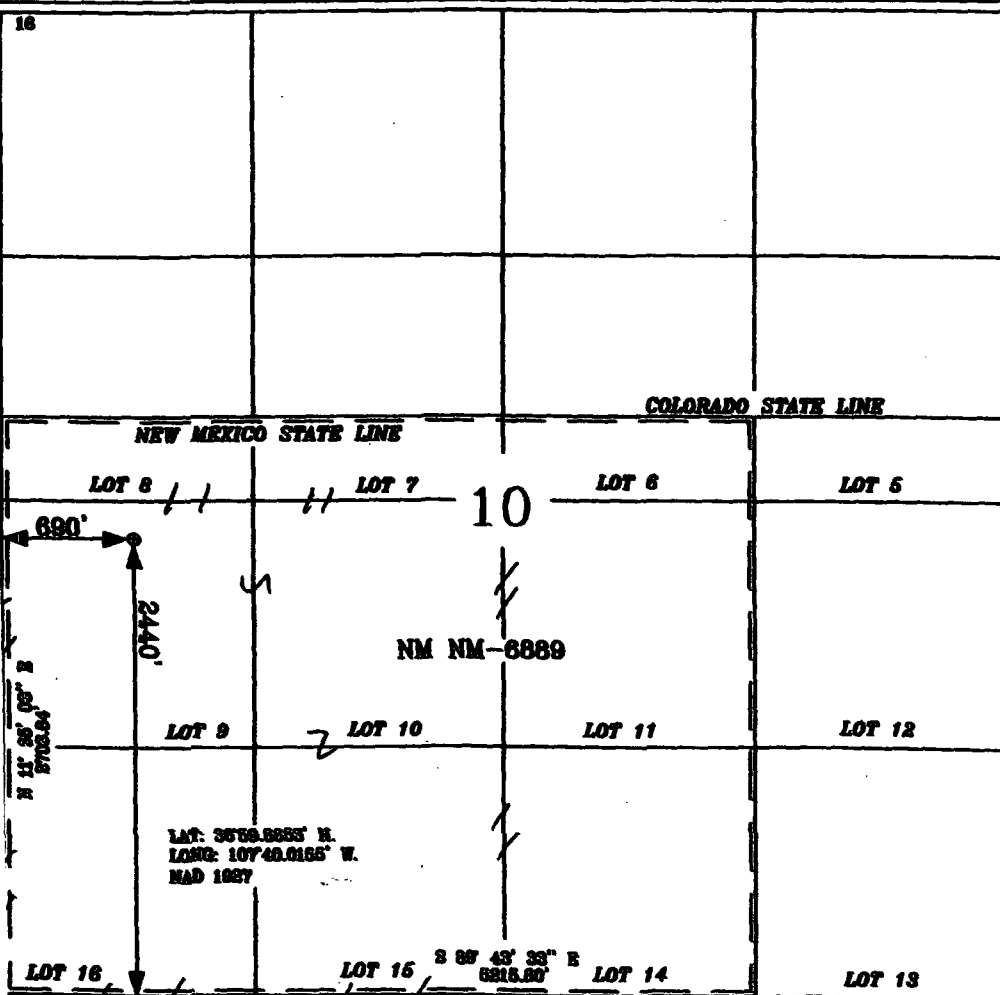
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Mn	Feet from the	North/South line	Feet from the	East/West line	County
L	10	32-N	8-W		2440'	SOUTH	690'	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Mn	Feet from the	North/South line	Feet from the	East/West line	County
L									
¹² Dedicated Acres 158.50 ac SW/4 - PC			¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
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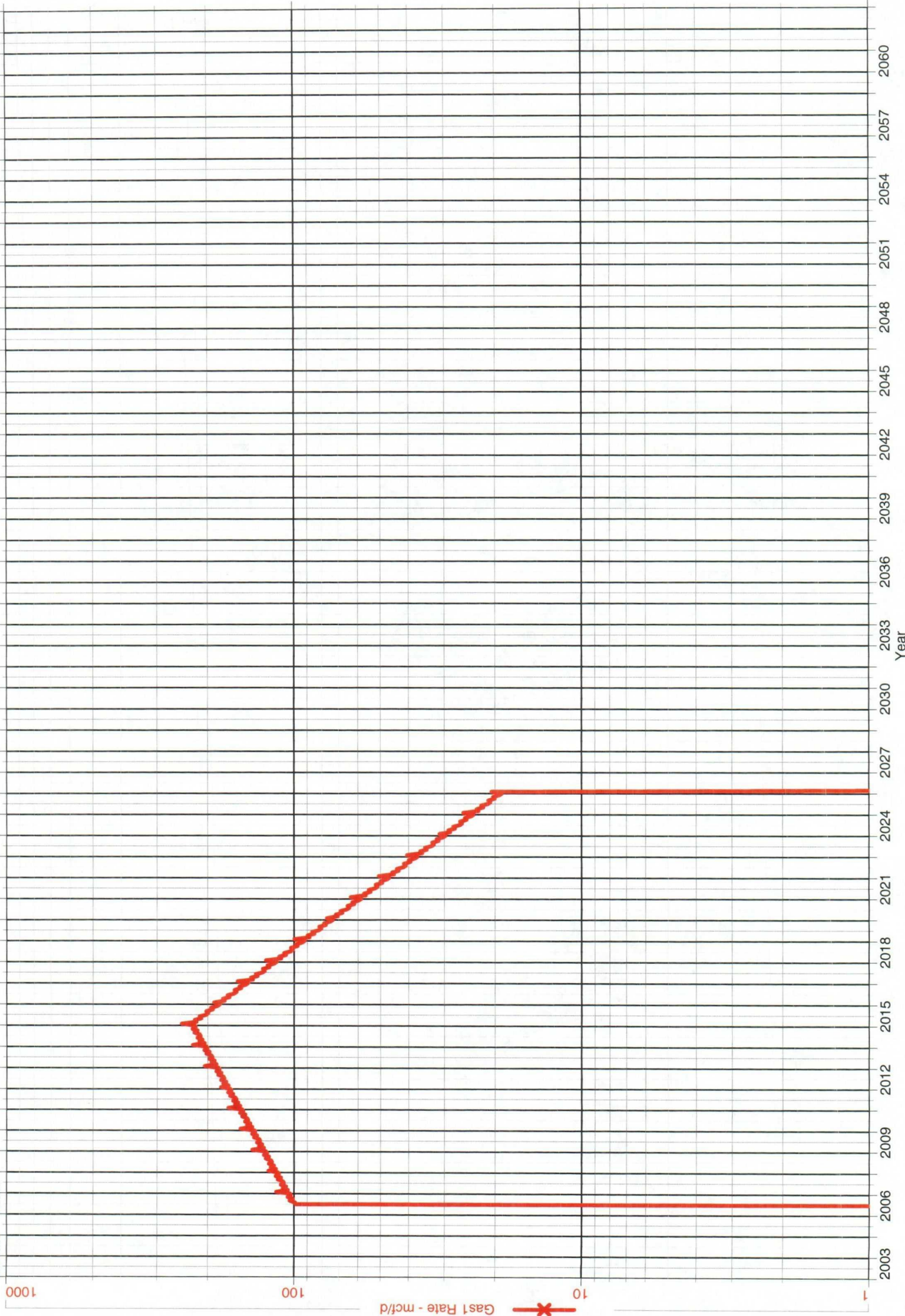


REESE MESA 102S FTC Data: Jul.2006-Jul.2006

Operator:
Field:
Zone:
Type:
Group:

No
Active
Forecast

Other
None



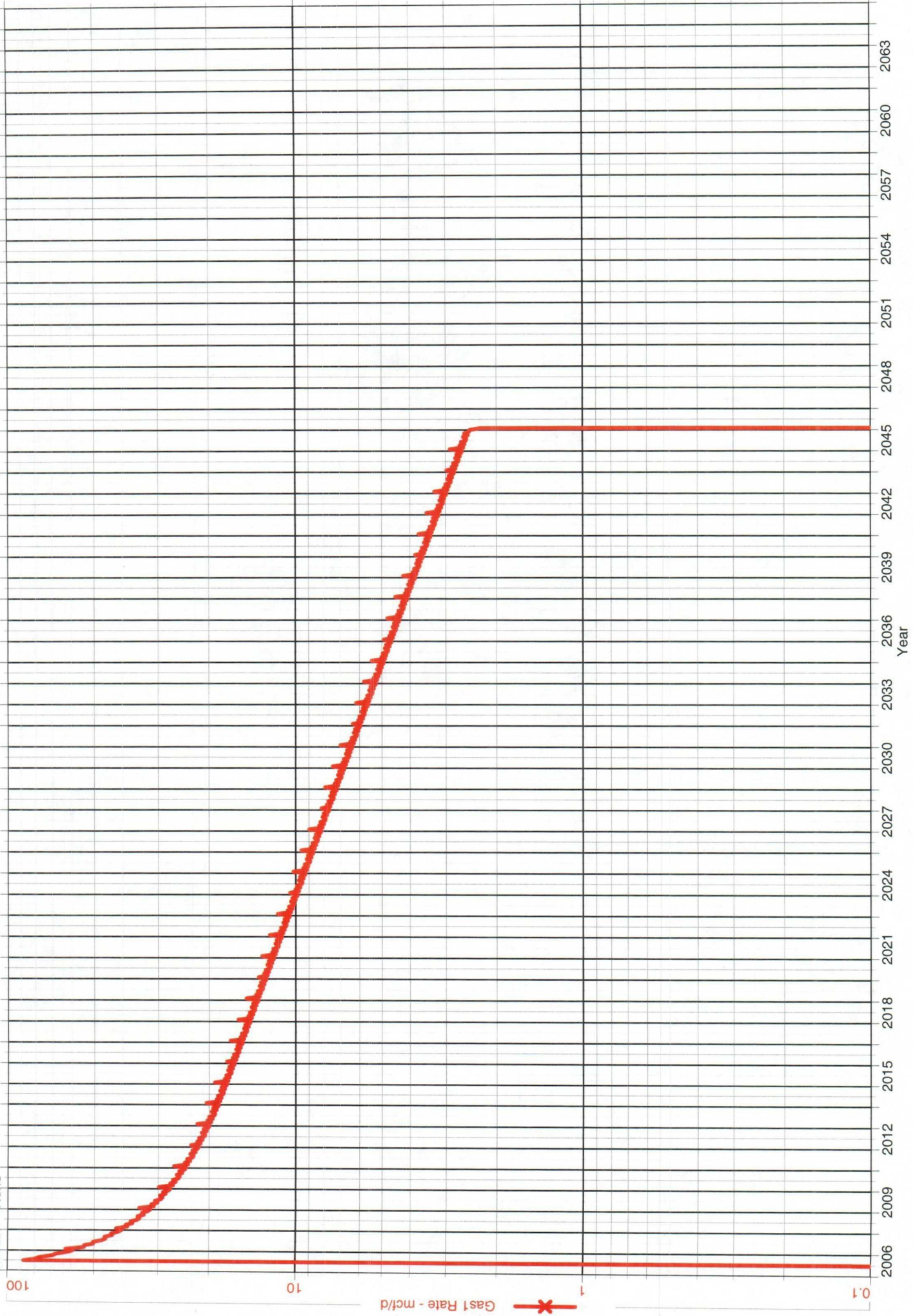
Production Cums
Oil: 0 MSTB
Gas: 0 MMSCF
Water: 0 MSTB
Cond: 0 MSTB

REESE MESA 102S FTS Data: Jul.2006-Jul.2006

Operator:
Field:
Zone:
Type:
Group: Other
None

No
Active
Forecast

Production Cums
Oil: 0 MSTB
Gas: 0 MMSCF
Water: 0 MSTB
Cond: 0 MSTB

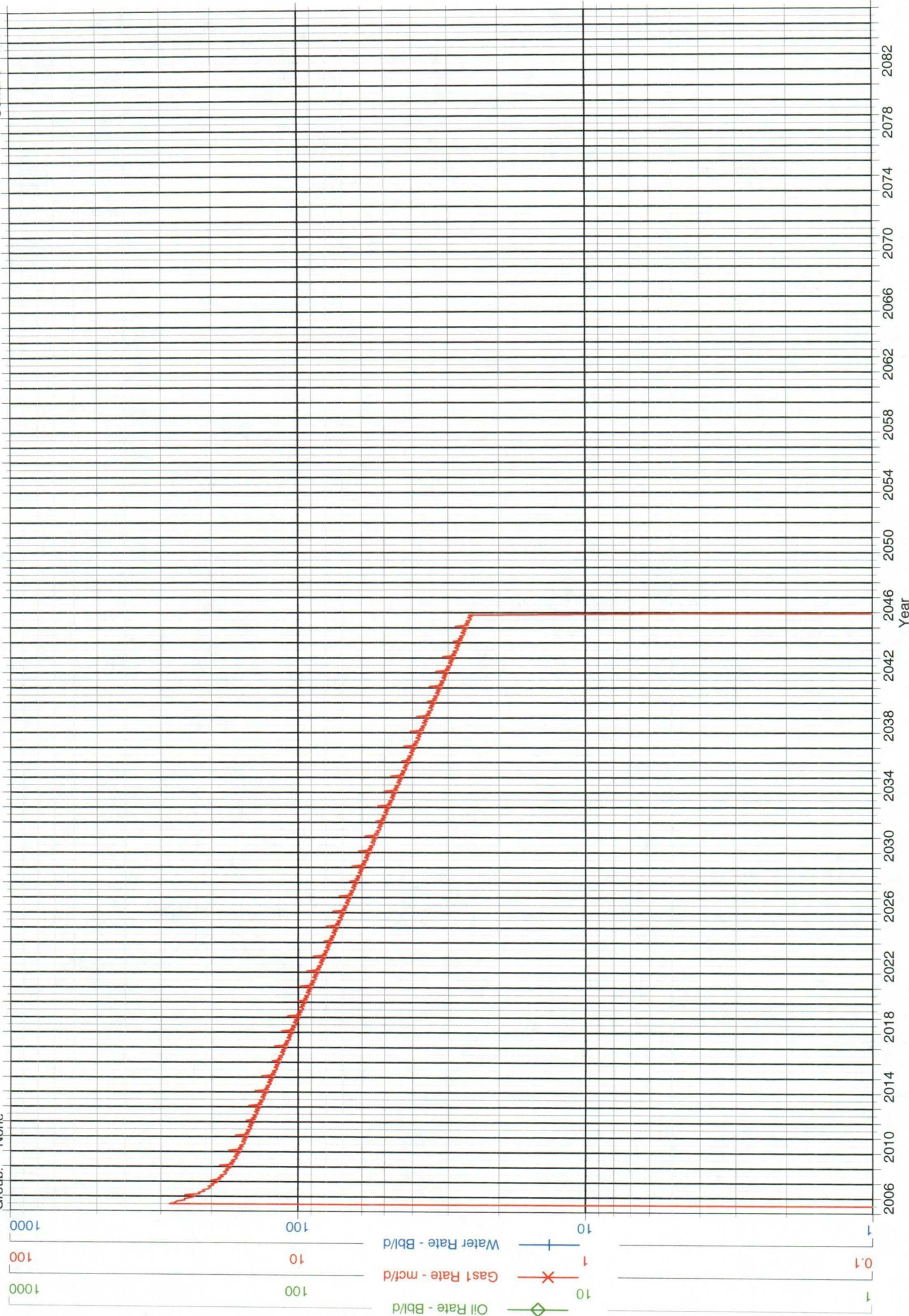


REESE MESA 102S PC Data: Jul.2006-Jul.2006

Operator:
 Field:
 Zone:
 Type:
 Group:

Other
 None

Production Cums
 Oil: 0 MSTB
 Gas: 0 MMSCF
 Water: 0 MSTB
 Cond: 0 MSTB



Reese Mesa 102S

Unit L – Sec 10 – T32N – R05W

The Reese Mesa 102S is a new drill Pictured Cliffs well which is proposed to be trimingled with the Fruitland Coal and Fruitland Sand. A cased hole gamma ray log will be run prior to the completion to identify the Pictured Cliffs, Fruitland Sand, and Fruitland Coal zones.

Pictured Cliffs allocation

A separator test will be performed with all three producing intervals flowing. The Pictured Cliffs will then be isolated and a separator test will be performed with the Fruitland Sand and Fruitland Coal intervals flowing. The Pictured Cliffs allocation will be assigned with the rates determined during the separator test using the subtraction method.

Fruitland Sand and Fruitland Coal Allocation

If the Fruitland Sand and Fruitland Coal intervals can be isolated, a separator test will be performed and the allocation for each zone will be assigned with the rates determined during the separator test using the subtraction method. In the event the Fruitland Sand and Fruitland Coal can not be isolated and tested separately, a volumetric calculation will be performed to determine the allocation percentages between the Fruitland Sand and the Fruitland Coal.

All documentation will be submitted to the Aztec NMOCD office.