

DATE IN 02/18/09	SUSPENSE	ENGINEER D.BKS.	LOGGED IN 2/18/09	TYPE NSL	PPN PKAA0904952881
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2009 FEB 18 PM 12:21 South St. Francis Drive, Santa Fe, NM 87505



30-039 - 30636
San Juan 31-6 #44M
ConocoPhillips
217817

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.

Patsy Clugston

Print or Type Name

Signature

Patsy Clugston

Sr. Regulatory Specialist

Title

2/17/09

Date

clugspl@conocophillips.com
e-mail Address



3401 East 30th Street
Farmington, NM 87402

February 17, 2009
Sent Overnight UPS

New Mexico Oil Conservation Division
NSL Examiner
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: San Juan 31-6 Unit #44M
Unit O (SWSE), 650' FSL & 2055' FWL, Sec. 29, T31N, R8W
Rio Arriba Co., New Mexico
API # - 30-039-30636

Dear Sir:

This is a request for administrative approval for a non-standard gas well location in the Blanco Mesaverde pool.

The proposed San Juan 31-6 #44M was staked as a commingled MV/DK well. The placement of the well is non-standard for the Mesaverde per Order R-10987-A (1) since the W/2 of Section 29, T31N, R6W is not in the MV Participating Area (PA) and E/2 is. The SJ 31-6 44M is less than 660' from the half section line. The whole section is in the DK PA therefore the placement of the well is not non-standard for the DK per Order R-10987B (2). The well was staked at an unorthodox location due to topography and archaeology. Steep terrain was a limiting factor for placement of this well within the legal window along with archaeological sites that had to be avoided. Consequently, we had to stake this well at a location that is non-standard for the Blanco Mesaverde formation. See the attached topo and aerial maps for further clarification and the COAs (conditions of approval) on the Cultural approval for the approved APD.

Production from the Basin Dakota and Blanco Mesaverde are included in the 320.0 acres gas spacing unit, E/2 Section 29, T31N, R6W.

To comply with the New Mexico Oil Conservation Division rules, we are submitting the following for your approval of this non-standard location:

1. Approved APD cover page and C102 plat showing location of the well
2. 9 Section Plan showing wells in the area
3. Offset Operator Plat for Section 31 of T31N, R6W
4. Topo and aerial maps showing the location of the well
5. COA for Cultural Clearance attached to the APD

ConocoPhillips is the offset operator and notification has been provided to the WI owners of the affected units indicated above. Please let me know if you have any questions about this application by calling me at 505-326-9518.

Sincerely,

Patsy Clugston
Sr. Regulatory Specialist

DISTRICT I
1825 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 West Grand Avenue, Artesia, N.M. 88210

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

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 October 12, 2005

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-30636	² Pool Code 71599/72319	³ Pool Name BASIN DAKOTA/BLANCO MESAVERDE
⁴ Property Code 31328	⁵ Property Name SAN JUAN 31-6 UNIT	⁶ Well Number 44M
⁷ GRID No. 217817	⁸ Operator Name CONOCOPHILLIPS COMPANY	⁹ Elevation 6494'

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	29	31-N	6-W		650'	SOUTH	2055'	EAST	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
0									
¹² Dedicated Acres DK 320.0 ACRE E/2 MV 320.0 ACRE E/2			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

16

LAT: 36°51'9043" N.
LONG: 107°29.0155' W.
NAD 1927

LAT: 36.865077° N.
LONG: 107.484196° W.
NAD 1983

29

GLO "14" BC

SF-078995

2055'
650'

GLO "14" BC

W.C. GLO "14" BC

CALC QC

2640.15'

S 89° 47' 27" W

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or a working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature

Crystal Tafoya 8-4-08
Printed Name

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 Professional Surveyor

7-15-08

15703

LICENSED PROFESSIONAL SURVEYOR

15703

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3401 East 30th Street
Farmington, NM 87402

Re: San Juan 31-6 Unit #44M
Unit O (SWSE), 650' FSL & 2055' FEL, T31N, R6W
Rio Arriba Co., New Mexico
API # - 30-039-30636

I hereby certify that the since ConocoPhillips is the offset operator and the Working Interest Owner has been notified by certified mail of our application for administrative approval for non-standard well location of the above well.

Working Interest Owners for Offset

Williams Production Company

Attn: Barbara Burnett

One Williams Center

P.O. Box 3102

Tulsa, OK 74101

Two handwritten signatures in cursive script. The first signature appears to be 'Patsy' and the second appears to be 'Christ'.



3401 East 30th Street
Farmington, NM 87402

February 17, 2009

Williams Production Company
Attn: Barbara Burnett
One Williams Center
P.O. Box 3102
Tulsa, OK 74101

Re: San Juan 31-6 Unit #44M
Unit O (SWSE), 650' FSL & 2055' FWL, Sec. 29, T31N, R8W
Rio Arriba Co., New Mexico
API # - 30-039-30636

Dear Ms. Burnett:

Attached you will find a copy of our NSL (non-standard location) application to the NMOCD office in Santa Fe. And according to NMOCD Rule 104.E(4) be advised that Williams Production Company has a 20 day time frame from the date this notice is received to let the NMOCD know that you have objection to have the San Juan 31-6 Unit #44M being drilled in the currently staked location.

Attached is a copy of the NSL application that was originally submitted to the NMOCD. If you are so inclined, please sign the attached waiver and return it to my attention either by mail at the address shown above or by fax @ 505-599-4062. If the 20 day waiting period expires the NMOCD will conclude that your company has no objection and the NSL approval will be granted to ConocoPhillips Company. If you do have objection to the staked location on this well, please advise the NMOCD and us as soon as possible. If you should have questions concerning this application please feel free to call me at 505-326-9518.

Sincerely,

Patsy Clugston
Sr. Regulatory Specialist
ConocoPhillips Company

Waiver to NSL - San Juan 31-6 Unit #44M

Williams Production Company does not object to ConocoPhillips Company drilling the San Juan 31-6 Unit #44M at the current non-standard location Unit O (SWSE), 650' FSL & 2055' FEL, Sec. 29, T31N, R6W in Rio Arriba County, New Mexico. API # 30-039-30636.

Company agent

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JAN 21 2009

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Bureau of Land Management
Farmington Field Office

1a. Type of Work DRILL	5. Lease Number SF - 078995 Unit Reporting Number NMNM 78421A (MV)	
1b. Type of Well GAS	6. If Indian, All. or Tribe NMNM 78421B (DK)	
2. Operator ConocoPhillips	7. Unit Agreement Name San Juan 31-6 Unit	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name 9. Well Number #44M	
4. Location of Well Unit O (SWSE), 650' FSL & 2055' FEL, Latitude 36.865077 N Longitude 107.484196 W	10. Field, Pool, Wildcat Basin DK/Blanco MV 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 29, T31N, R6W API # 30-039-30636	
14. Distance in Miles from Nearest Town 48.4 miles/Blanco	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 2055'	17. Acres Assigned to Well 320.00- E/2 (MV/DK)	
16. Acres in Lease 1920.000	18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease Approx. 1000' from SJ 31-6 Unit 44E	
19. Proposed Depth 8034'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6494' GR	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Jamie Goodwin</u> Jamie Goodwin (Regulatory Technician)	<u>1/2/09</u> Date	

PERMIT NO.

APPROVAL DATE

APPROVED BY J. L. L. L.

TITLE Petr. Eng.

DATE 1/29/09

Archaeological Report attached

Threatened and Endangered Species Report attached

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.

Example Master Plan Type 3

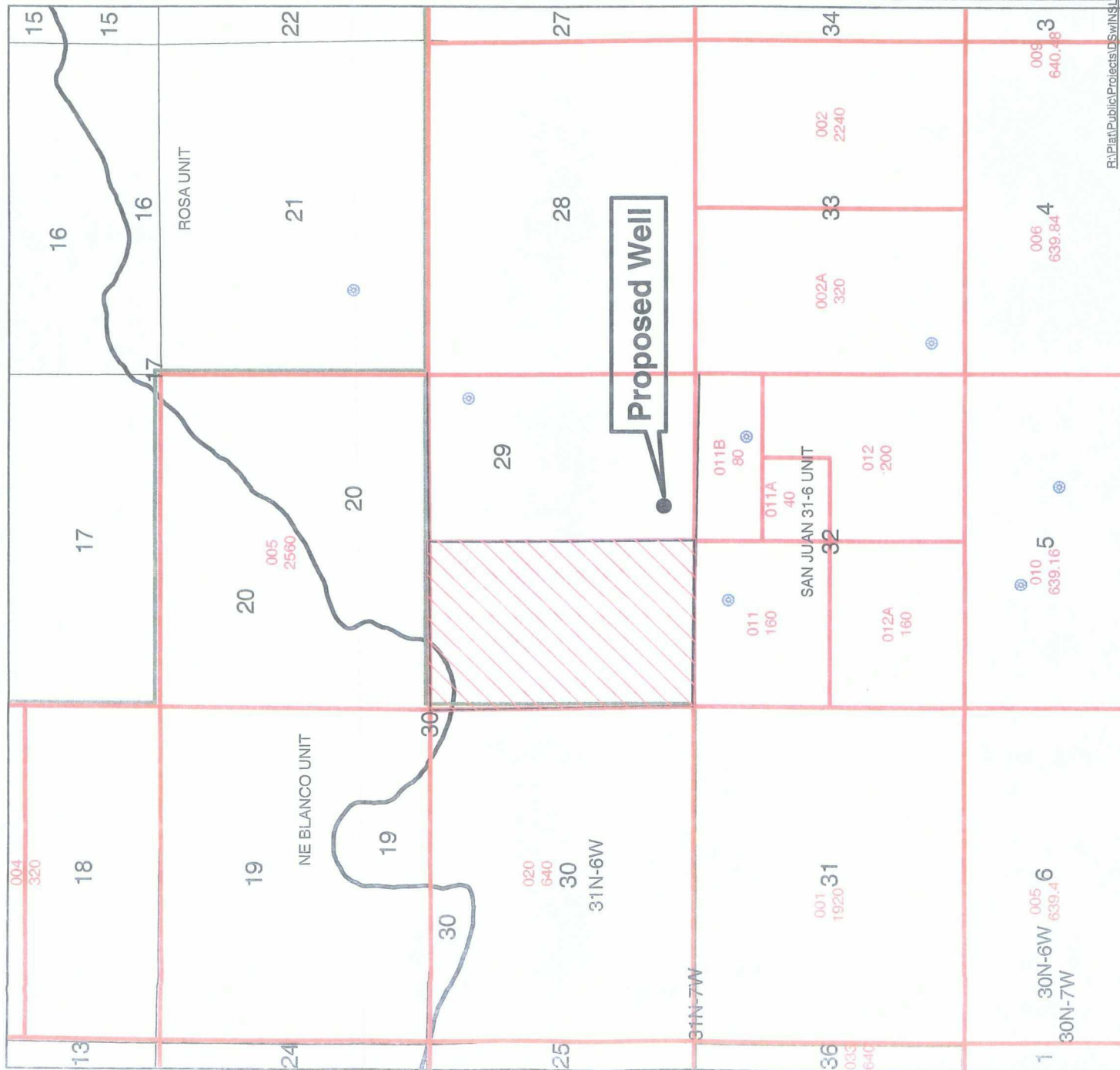
Bond Numbers ES-0048 and ES-0085

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

OPERATOR

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL LAND

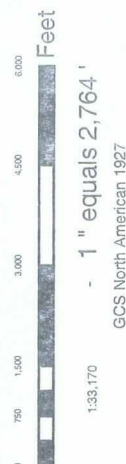


Legend

● MESAVERDE



Offset Operator - COP
 Offset W.I. in Tract 1 - Williams Prod.
 in W/2 of Sec 29
 T31N, R6W



© Unpublished Work, ConocoPhillips

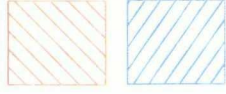
ConocoPhillips

Proposed San Juan 31-6 Unit 44M
 Sec 29, T31N, R6W
 Rio Arriba County
 650' FSL; 2055' FEL
 Offset Map

Author:	Date: 2/16/2009
Compiled by:	Scale: <Scale>
Project File - 2009\San Juan 31-6 Unit 44M - Offset Map - 2-16-09.mxd	

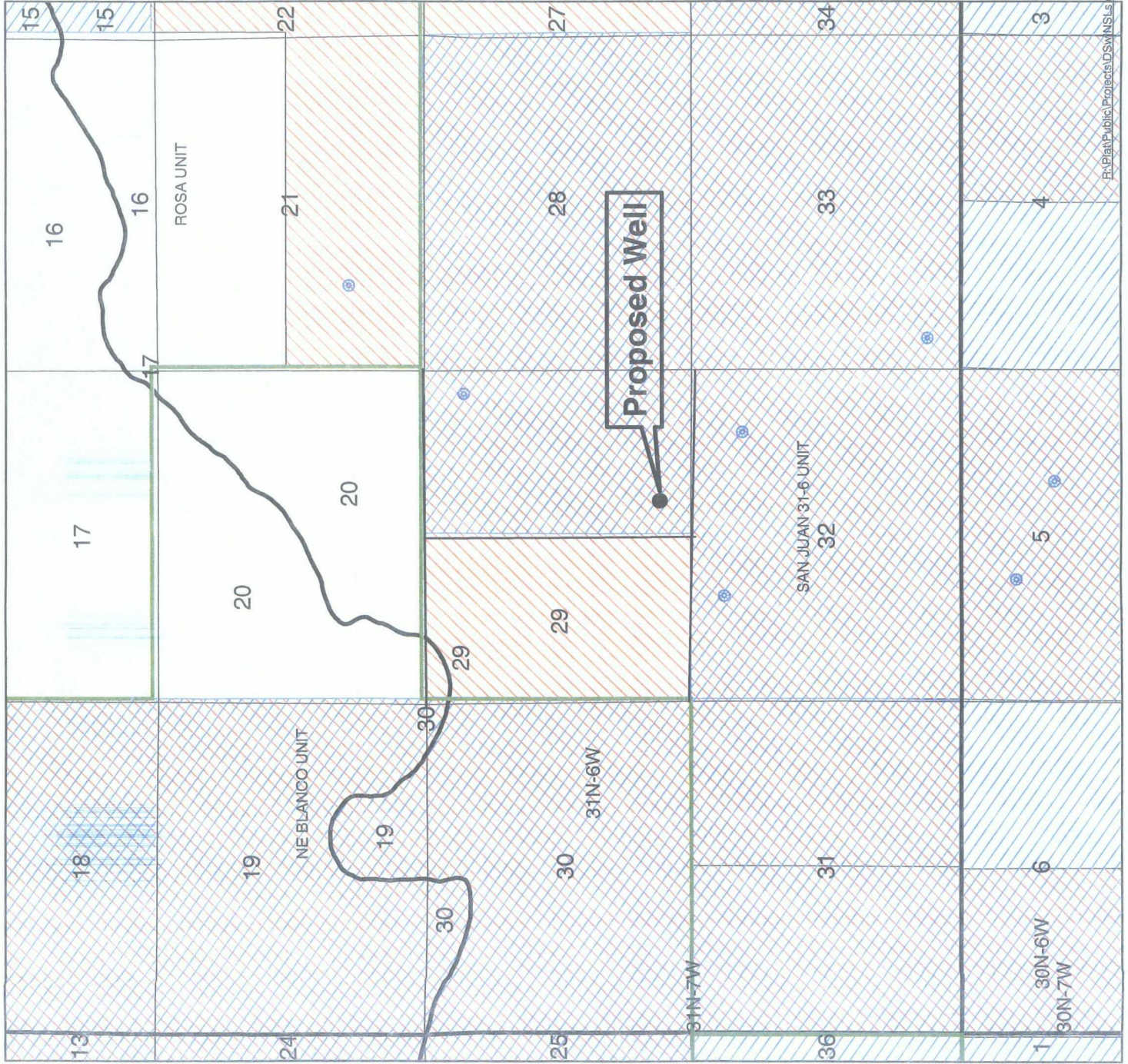
Legend

MESAVERDE



Dakota Participating Area

Mesaverde Participating Area



1" equals 2,764'
GCS North American 1927



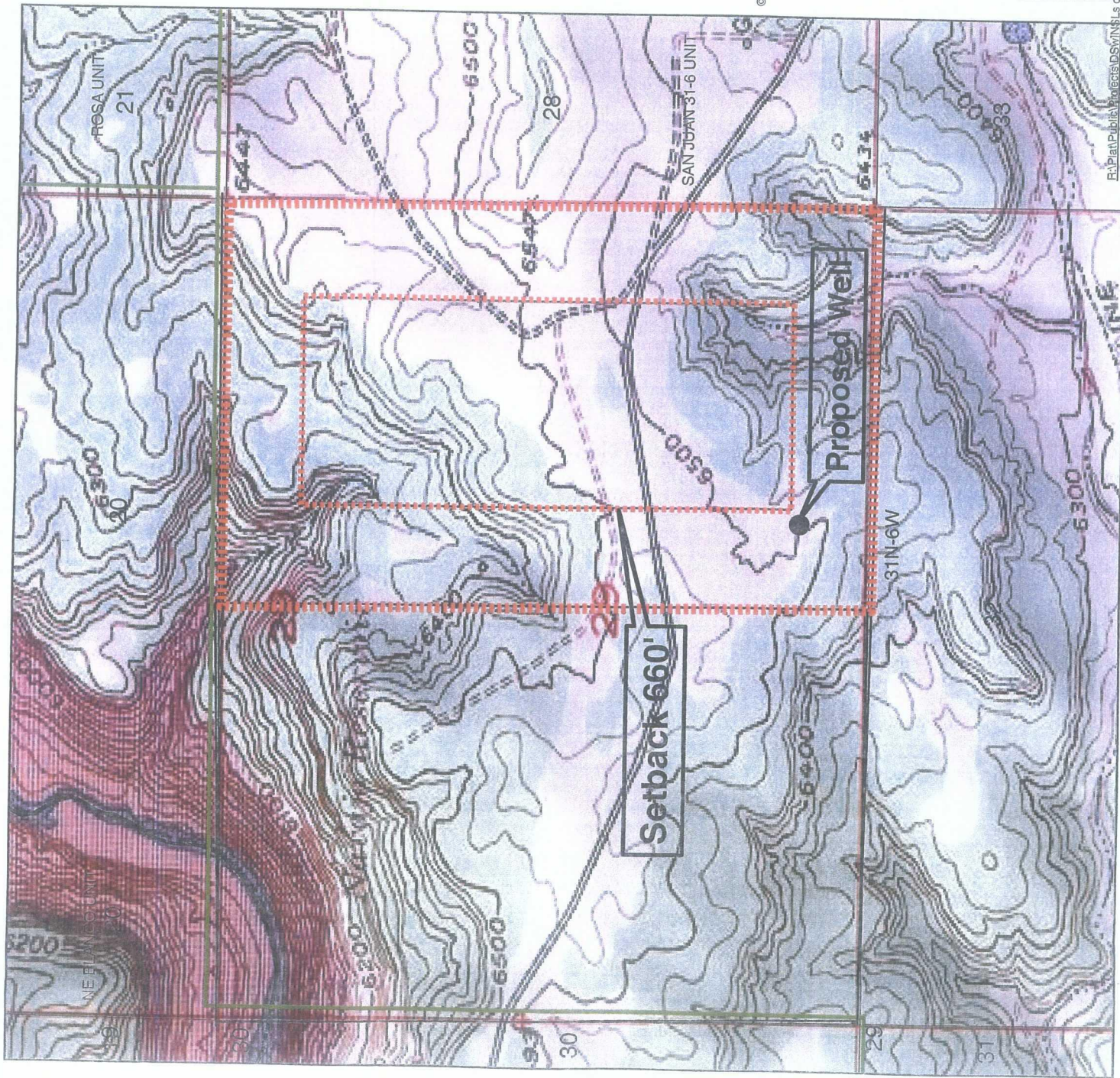
© Unpublished Work, ConocoPhillips

ConocoPhillips

Proposed
San Juan 31-6 Unit 44M
Nine Section Map

Author:	Date: 2/16/2009
Compiled by:	Scale: -Scale-
Project File: 2009\San Juan 31-6 Unit 44M - Nine Section Map - 2-16-09.mxd	

Project File: 2009\San Juan 31-6 Unit 44M - Nine Section Map - 2-16-09.mxd



1:13,488
1" equals 1,125'

GCS North American 1927



© Unpublished Work, ConocoPhillips

ConocoPhillips

Proposed San Juan 31-6 Unit 44M
Sec 29, T31N, R6W
Rio Arriba County
650' FSL; 2055' FEL
Topo Map

Author:
Compiled by:

Date: 2/16/2009

Scale: 1:13,488

File Path: \\P:\Public\Projects\DS\WINSL\2-16-09.mxd



BLM Report Number: 2008(IV)034.1F
USGS Map: Gomez Ranch
Activity Code: 1310

CULTURAL RESOURCE RECORD OF REVIEW
BUREAU OF LAND MANAGEMENT
FARMINGTON FIELD OFFICE

1. Description of Report/Project:

Project Name: San Juan 31-6 #44M well pad, proposed [REVISED] access and pipeline
NOTE: THE REVISED ACCESS ROUTE WILL BE USED – SEE ACCESS PLAT DATED 11/4/08.

Project Sponsor: ConocoPhillips / Williams Four Corners

Arch. Firm & Report No.: LAC 2008-12t

Location: T31N R6W Section 29 Well Footages: 650 FSL 2055 FEL

Project Dimensions:

Well Pad: Staked – 230' x 300' with 50' construction zones = 330' x 400'
PROPOSED [Revised] Access: 50' x 946.14' [Abandoned Access: 50' x 882']
Pipeline: 50' x 294.7' - does not parallel access

Sites Located: No Yes X

LA 55174 [NM 01-33362] is a previously recorded Category II site and is still considered eligible for the National Register of Historic Places under criteria d. The site boundary has been expanded to the east to encompass additional cultural resources. The northern portion of the original access alignment crossed the site. The site has been avoided by using the existing road to the east to the compressor station. A new alignment will extend west to connect with the original alignment south of the site.

SEE ATTACHED STIPULATIONS

LA 160690 [NM 210-46036] is a Category I site. By definition the site is not eligible for the National Register of Historic Places.

Determination: No Cultural Resources [] No Historic Properties [] No Effect [X]
No Adverse Effect ☐ Adverse Effect ☐

2. Field Check: No [] Yes [X] Date: July 28, 2008

Comment/Results: Site LA 55174 was larger than previously identified and original access alignment went through the site. Access rerouted to avoid site. Cultural resources were found in the pad survey area. They were recorded as site LA 160690 – not eligible.

3. ACEC: No ☒ Yes ☐

- continued -

CULTURAL RESOURCES RECORD OF REVIEW - PAGE 2 2008(IV)034.1F

Project Name: San Juan 31-6 #44M well pad, proposed [REVISED] access and pipeline

Sponsor: ConcoPhillips / Williams Four Corners

4. Traditional Cultural Property: No ☒ Yes ☐:

5. Recommendation: *PROCEED WITH ACTION* ☒ *STIPULATIONS ATTACHED* ☒

NOTE: THE REVISED ACCESS ROUTE WILL BE USED – SEE ACCESS PLAT DATED 11/4/08.

6. Reviewer /Archaeologist: Peggy Gaudy **Date:** 1/26/09

Report Summary	BLM	Other	Total
Acres Inventoried	10.8	0	10.8
Sites Recorded	1	0	1
Prev. Recorded Sites	1	0	1
Sites Avoided	1	0	1
Sites Treated	0	0	0

CULTURAL RESOURCE STIPULATIONS

Farmington Field Office

BLM Report Number: 2008(IV)034.1F

Project Name: San Juan 31-6 #44M well pad, proposed [REVISED] access and pipeline

Project Sponsor: ConocoPhillips / Williams Four Corners

1. Site Protection and Employee Education:

All employees of the project will be informed that cultural sites are to be avoided by all personnel, personal vehicles and company equipment. They will also be notified that it is illegal to collect, damage, or disturb cultural resources. Personnel are prohibited from leaving the permitted well pad, access or pipeline, or the existing well pads, roads or pipelines. ConocoPhillips is responsible for any damage or loss of cultural resources contained within LA 33362 by their personnel or anyone acting on their behalf. This includes all personnel associated with construction, use, maintenance and abandonment of the proposed San Juan 31-6 #44M well pad, well facilities, access and pipeline.

2. Monitoring is Required:

- a. A copy of these stipulations will be supplied to the archaeological monitor at least two working days prior to the start of construction activities.
- b. Access construction will not begin before the arrival of the archaeological monitor.
- c. The monitor will:
 1. ensure the rerouted access is used.
 2. monitor placement of the temporary barrier and ensure it is placed as indicated below.
 2. monitor access construction from ES 0+00 to ES 3+06.
 3. Submit a report of the monitoring activities within 30 days of completion of monitoring.

3. REVISED ACCESS Route and Temporary Site Barrier:

- a. ***The REVISED ACCESS ROUTE WILL BE USED – SEE ACCESS PLAT DATED 11/4/08 to ensure avoidance of site LA 33362.***
- b. A temporary lath barrier will be placed along the northern edge of the proposed access alignment between ES 0+00 to ES 3+06 prior to the start of access construction.
- c. The lath will be no further than 20 feet apart.
- d. It will be removed at the completion of access construction.

4. Notification:

In case of discovery or questions concerning these stipulations contact Peggy Gaudy at 505.599.6337.

Brooks, David K., EMNRD

From: Clugston, Patricia L [Patsy.L.Clugston@conocophillips.com]
Sent: Thursday, February 19, 2009 2:49 PM
To: Brooks, David K., EMNRD
Subject: FW: NSL Waiver for SJ 31-6 #44M
Attachments: SKMBT_C45109021915330.pdf

Hi David,

I sent an NSL application to the NMOCd on 2/17/09 and sent a copy of the application and waiver request to Williams. Attached is a copy of the waiver that Williams Production Company has signed and sent via email to us. Please let me know if this copy will be sufficient for your records and will help facilitate the NSL approval for the SJ 31-6 Unit #44M. Thanks for your help.

Patsy Clugston
Sr. Regulatory Specialist
ConocoPhillips Company
clugspl@conocophillips.com
505-326-9518

From: Croff, Twyla (E&P) [mailto:Twyla.Croff@williams.com]
Sent: Thursday, February 19, 2009 2:41 PM
To: Clugston, Patricia L
Subject: NSL Waiver for SJ 31-6 #44M

Original waiver is headed your way via U.S. Mail.

Thanks,
Twyla Croff
Land Data Technician II
Williams Production Company
Phone: 918-573-4995
Email: twyla.croff@williams.com

This inbound email has been scanned by the MessageLabs Email Security System.



WILLIAMS PRODUCTION COMPANY, LLC
One Williams Center
P.O. Box 3102
Tulsa, OK 74101-3102
918/573-0491

February 19, 2009

CONOCOPHILLIPS CO
PO Box 4289
Farmington, NM 87499-4289

Attn: Patsy Clugston

Re: SJ 31-6 UT #44M
SW SE Sec. 29-31N-8W
RIO ARriba COUNTY, NM

Ms. Clugston:

Williams Production Company received your NSL application and waiver for the above captioned well. We do not object to the drilling of the referenced well at the non-standard location.

Should you have any questions, please feel free to contact Barbara Burnett, Senior Landman, at 918-573-0491.

Yours truly,


Twyla Croff
Land Data Technician II

Enclosure

Waiver to NSL - San Juan 31-6 Unit #44M

Williams Production Company does not object to ConocoPhillips Company drilling the San Juan 31-6 Unit #44M at the current non-standard location Unit O (SWSE), 650' FSL & 2055' FEL, Sec. 29, T31N, R6W in Rio Arriba County, New Mexico. API # 30-039-30636.

Marcia Brueggjenjohann
Company agent

2-19-2009
Date

Marcia Brueggjenjohann
Team Leader
Joint Interest Operations - E&P
Williams Production Company
918-573-3066