



August 31, 2010

BY HAND DELIVERY

Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Case #4553

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RECEIVED OGD

Re: Case Nos. 11601, 11626, 11627, 11628, 11629, 11708, 11709, 11685, 12136, and 11815
(Reopened): Application of ConocoPhillips Company and Burlington Resources Oil & Gas Company, LP to reopen Cases 11601, 11626, 11627, 11628, 11629, 11708, 11709, 11685, 12136 and 11815 to amend the Division orders entered therein to permit the allocation of production in commingled wells by Alternative methods approved by the Division prior to commingling, Rio Arriba and San Juan Counties, New Mexico.

Dear Mr. Fesmire:

Enclosed is the application of ConocoPhillips Company and Burlington Resources Oil & Gas Company, LP in the above-referenced matter and a copy of a legal advertisement. Applicants request that this application be included on the September 30, 2010 examiner hearing docket.

Your attention to this application is appreciated.

Very truly yours,

William F. Carr
Attorney for ConocoPhillips Company and
Burlington Resources Oil & Gas Company, LP

cc: Charles E. Creekmore

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF CONOCOPHILLIPS COMPANY AND BBURLINGTON
RESOURCES OIL & GAS COMPANY, LP TO REOPEN CASES 11601, 11626, 11627, 11628,
11629, 11708, 11709, 11685, 12136 AND 11815 TO AMEND THE DIVISION ORDERS ENTERED
THEREIN TO PERMIT THE ALLOCATION OF PRODUCTION IN COMMINGLED WELLS
BY ALTERNATIVE METHODS APPROVED BY THE DIVISION PRIOR TO
COMMINGLING, RIO ARRIBA AND SAN JUAN COUNTIES, NEW MEXICO.**

**CASE NOS. 11601, 11626, 11627, 11628,
11629, 11708, 11709, 11685,
12136 AND 11815
(REOPENED)**

APPLICATION

CONOCOPHILLIPS COMPANY and BURLINGTON RESOURCES OIL & GAS COMPANY, LP (hereinafter referred to as ConocoPhillips/ Burlington), through their undersigned attorneys, hereby make application for orders amending certain Oil Conservation Division orders that approved voluntary units which ConocoPhillips operates in Rio Arriba and San Juan Counties, New Mexico, to permit the allocation of downhole commingled production in wellbores by alternative methods approved by the Division prior to commingling and in support of its application states:

1. ConocoPhillips/Burlington operate certain voluntary units in Rio Arriba and San Juan Counties that were approved by the following Division orders:

- A. Order No. R-10692 (Case No. 11601) San Juan Unit 32-9 Unit;
- B. Order No. R-10694 (Case No. 11626) San Juan Unit 27-5 Unit;
- C. Order No. R-10695 (Case No. 11627) San Juan Unit 28-5 Unit;
- D. Order No. R-10696 (Case No. 11628) San Juan Unit 28-6 Unit;
- E. Order No. R-10697 (Case No. 11629) San Juan Unit 29-7 Unit;
- F. Order No. R-10707 (Case No. 11708) San Juan Unit 29-5 Unit;
- G. Order No. R-10771 (Case No. 11709) San Juan Unit 30-5 Unit
- H. Order No. R-10786 (Case No. 11685) Canyon Largo Unit;
- I. Order No. R-10476-B (Case No. 11815) San Juan 28-7 Unit; and
- J. Order No. R-11187 (Case No. 12136) San Juan Unit 29-6 Unit.

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different
units*

These units are hereinafter collectively referred to as the "Unit Approval Orders."

2. Each of the Unit Approval Orders authorizes the allocation of commingled production by either the subtraction or fixed allocation method.

3. The allocation of production in certain new commingled wells by the use of a gas composition analysis has been approved by the Division but the Unit Approval Orders that limit allocation to the subtraction and fixed allocation methods may prevent its use.

4. ConocoPhillips therefore seeks amendment of each of the Unit Approval Orders by the addition of a finding that provides: "Nothing in this order shall prevent the use of alternative methods for the allocation of commingled production where the method has been or subsequently is approved by the Division prior to commingling."

5. The proposed amendment of each of the Unit Approval Orders is in the interest of conservation, the prevention of waste and protection of correlative rights and should be approved.

WHEREFORE, ConocoPhillips Company and Burlington Resources Oil & Gas Company LP request that this application be set for hearing before an Examiner of the Oil Conservation Division on September 30, 2010, that notice be given as required by law and the rules of the Division, and that this application be granted.

Respectfully submitted,
HOLLAND & HART, LLP

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ATTORNEYS FOR CONOCOPHILLIPS COMPANY AND
BURLINGTON RESOURCES OIL & GAS COMPANY, LP

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Cases 11601, 11626, 11627, 11628, 11629, 11708, 11709, 11685, 12136 and 11815 (Reopened).
Application of ConocoPhillips Company and Burlington Resources Oil & Gas Company, LP to reopen Cases 11601, 11626, 11627, 11628, 11629, 11708, 11709, 11685, 12136 and 11815 to amend the Division orders entered therein to permit the allocation of production in commingled wells by alternative methods approved by the Division prior to commingling, Rio Arriba and San Juan Counties, New Mexico. These units are contiguous and the center of the unit areas is approximately 9 miles southeast of Gobernador Camp, New Mexico, except for the San Juan 32-9 unit (Case No. 11601), the center of which is located approximately 5 miles southeast of Gobernador Camp, New Mexico.