

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			

ConocoPhillips

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SEP 22 2004

OIL CONSERVATION
DIVISION

September 21, 2004

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

ConocoPhillips Company
Deborah Marberry
Regulatory Analyst
Mid-America Business Unit
Lower 48
WL3 - 6108
P.O. Box 2197
Houston, TX 77252
Phone: 832-486-2326
Fax: (832) 486-2764

Re: Application for Non-Standard Location
Basin Dakota Pool
San Juan 29-6 Unit #33M (MV/DK)
165' FSL & 1,840' FEL
Unit Ltr. O, Section 13-T29N-R6W
Rio Arriba County, New Mexico

Dear Mr. Stogner,

ConocoPhillips plans to drill the referenced well in 4th quarter of 2004. In an effort to prevent waste and to efficiently develop the 29-6 Unit, this location was selected to serve two purposes: it will serve to accommodate both an E/2 160-acre Dakota infill, and an 80-acre Mesaverde infill withdrawal point. An attempt was made to find a location that would be standard for both Mesaverde and Dakota in this narrow, E/2 GPU. The only place this is possible is in the narrow canyon which extends into the SE/4 of Section 13 from the east. Topographic considerations within the canyon precluded the identification of any viable surface locations, much less one that was 660' from the south, and east or west boundaries of the E/2 (non-DK PA) GPU. The need for an access road of at least 1,500' in length to access the canyon was an additional negative. Please see the attached letter from Jason C. Edwards, NCE Surveying, Inc., stating: 'The terrain within the "truncated drilling window" does not provide a suitable location for drilling a new Dakota well at a standard location due to the drastic relief in topography and the vast number of natural drainages and arroyos in the area, without crowding the existing Mesaverde well in the SE/4 of Section 13 (the 33A)'.

The ability to access both horizons in a single wellbore will reduce development cost and surface disturbance. Since the Mesaverde PA is fully expanded in the 29-6 Unit, this location is standard for the Blanco Mesaverde Pool. The requested location is preferred over other potential SE/4, non-standard Dakota locations on the mesa top in that it

- 1) is immediately adjacent to a road, dramatically reducing surface disturbance needed for access construction
- 2) 2) is equidistant from existing offset Mesaverde wells in Sections 13 and 24
- 3) 3) provides maximum distance from existing and proposed offset Dakota wells in Sections 13 and 24.

The requested #33M location encroaches on the west and south offset Dakota GPUs, which are in the Dakota PA and operated by ConocoPhillips. The east (Unit edge) GPU boundary is not encroached upon. Based on offset Dakota well performance, we have firm expectations

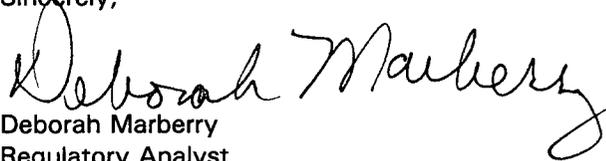
Pg. 2

San Juan 29-6 Unit #33M (MV/DK)
165' FSL & 1,840' FEL
Unit Ltr. O, Section 13-T29N-R6W
Rio Arriba County, New Mexico

that Dakota performance in the subject #33M should merit the inclusion of the E/2 GPU in the 29-6 Unit Dakota PA. An application to downhole commingle production from the Blanco Mesaverde and Basin Dakota pools will be filed once the APD has been approved.

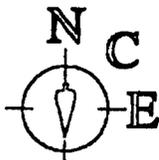
ConocoPhillips respectfully requests that a non-standard location for the Basin Dakota Pool be issued for the referenced well for the reasons cited above. If there are any questions concerning this application, please feel free to call me at (832) 486-2326.

Sincerely,

A handwritten signature in cursive script that reads "Deborah Marberry". The signature is written in black ink and is positioned above the printed name and title.

Deborah Marberry
Regulatory Analyst
ConocoPhillips

attachments



SURVEYS, INC.

P.O. BOX 6612
FARMINGTON, NM 87499
OFFICE: (505)325-2654
FAX: (505)326-5650

CONOCOPHILLIPS COMPANY SAN JUAN 29-6 UNIT #33M

Currently staked at:

165' FSL & 1840' FEL Section 13, T29N, R6W

Reasons for non-standard staking of proposed new drill:

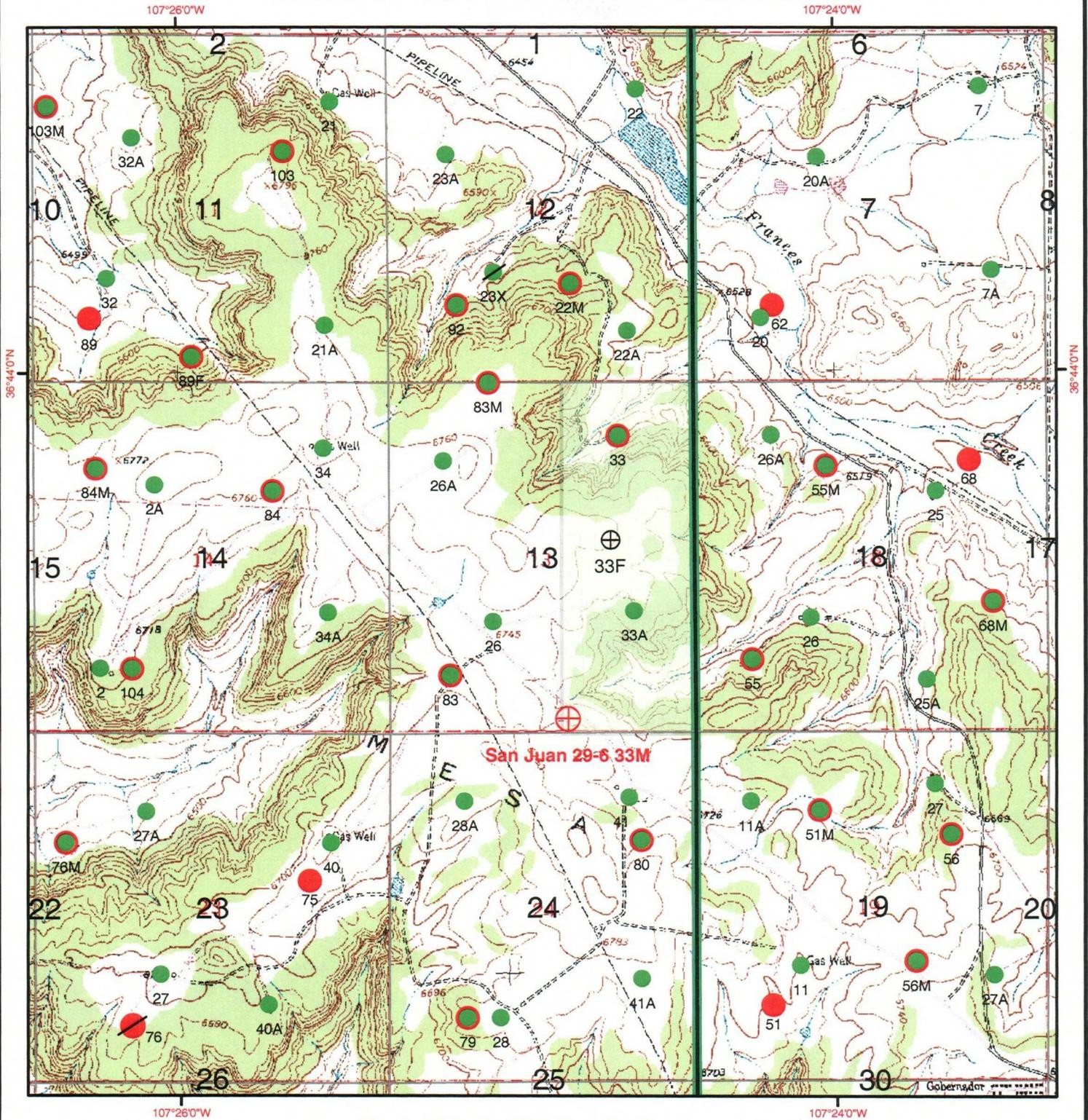
The San Juan 29-6 Unit #33M is a Blanco Mesaverde / Basin Dakota well located within a Federal Unit; however, the proposed well is not located within the Basin Dakota participating area. Furthermore, the project is located within a fractional section, further limiting the area within the "legal drilling window". The terrain within the truncated "drilling window" does not provide a suitable location for drilling a new Dakota well at a standard location due to the drastic relief in topography and the vast number of natural drainages and arroyos in the area, without crowding the existing Mesaverde well in the SE/4 of Section 13 (the 33A).

JASON C. EDWARDS

Jason C. Edwards

New Mexico LS 15269

Unit Ltr. O, Section 13-T29N-R6W



Basin Dakota NSL Application

-  SAN JUAN 29-6 33M
-  SAN JUAN 29-6 33F
-  Mesa Verde Wells
-  Dakota Wells

Sec. 13 E/2 GPU is non-DK PA.
 South & West Offset GPU's are DK PA.
 The narrow canyon in the SE/4 of 13 contains no viable standard DK locations (arch & topo).
 The proposed location is standard MV (29-6 MV PA fully developed).

ConocoPhillips

San Juan Basin, N. M.

San Juan 29-6 #33M

165 FSL 1840 FEL

Unit Letter O

Section 13-T29N-R6W

Author <i>A</i>	Date B-1-04
Map of	

