

DATE IN 10-25-04	SUSPENSE 11/14/04	ENGINEER jones	LOGGED IN 10-26-05	TYPE DHC	PPR NO. DSEM0430044237
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ABOVE THIS LINE FOR DIVISION USE ONLY

DHC-3370

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 Deborah Marberry Regulatory Analyst 10/21/04
 Print or Type Name Signature Title Date
 e-mail Address deborah.marberry@consocphillips.com

District I
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

District II
1301 W. Grand Avenue, Artesia, NM 88210

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

District III
1000 Rio Brazos Road, Aztec, NM 87410

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

APPLICATION FOR DOWNHOLE COMMINGLING

CONOCOPHILLIPS CO. P.O. BOX 2197 WL3 6108 HOUSTON, TX 77252
Operator Address
WALKER COM LS 2A O Sec: 32 Twn: 31N Rng: 9W SAN JUAN
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 217817 Property Code 31747 API No. 30-045-22529 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)	3868 - 4232		4596 - 5624
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)	350		350
Oil Gravity or Gas BTU (Degree API or Gas BTU)	900		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: / /2004 Rates: NA	Date: Rates:	Date: 09/24/2004 Rates: 150 mcf/d
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 subtract % attached %	Oil Gas % %	Oil Gas subtract % attached %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? 10/11/04 Yes No
Are all produced fluids from all commingled zones compatible with each other? Yes No
Will commingling decrease the value of production? Yes No
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 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 Deborah Marberry TITLE REGULATORY ANALYST DATE 09/21/2004

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
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 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 30-045-22529		2 Pool Code 7162		3 Pool Name BASIN FRUITLAND COAL	
4 Property Code 31747		5 Property Name WALKER COM LS			6 Well Number 2A
7 OGRID No. 217817		8 Operator Name CONOCOPHILLIPS CO.			9 Elevation 6298 GR

10 Surface Location

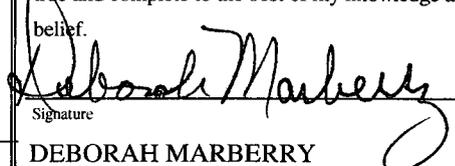
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	32	31N	9W		1140	SOUTH	1640	EAST	SAN JUAN

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 319.05	13 Joint or Infill	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					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 10/07/2004 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

1140'

1640'

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

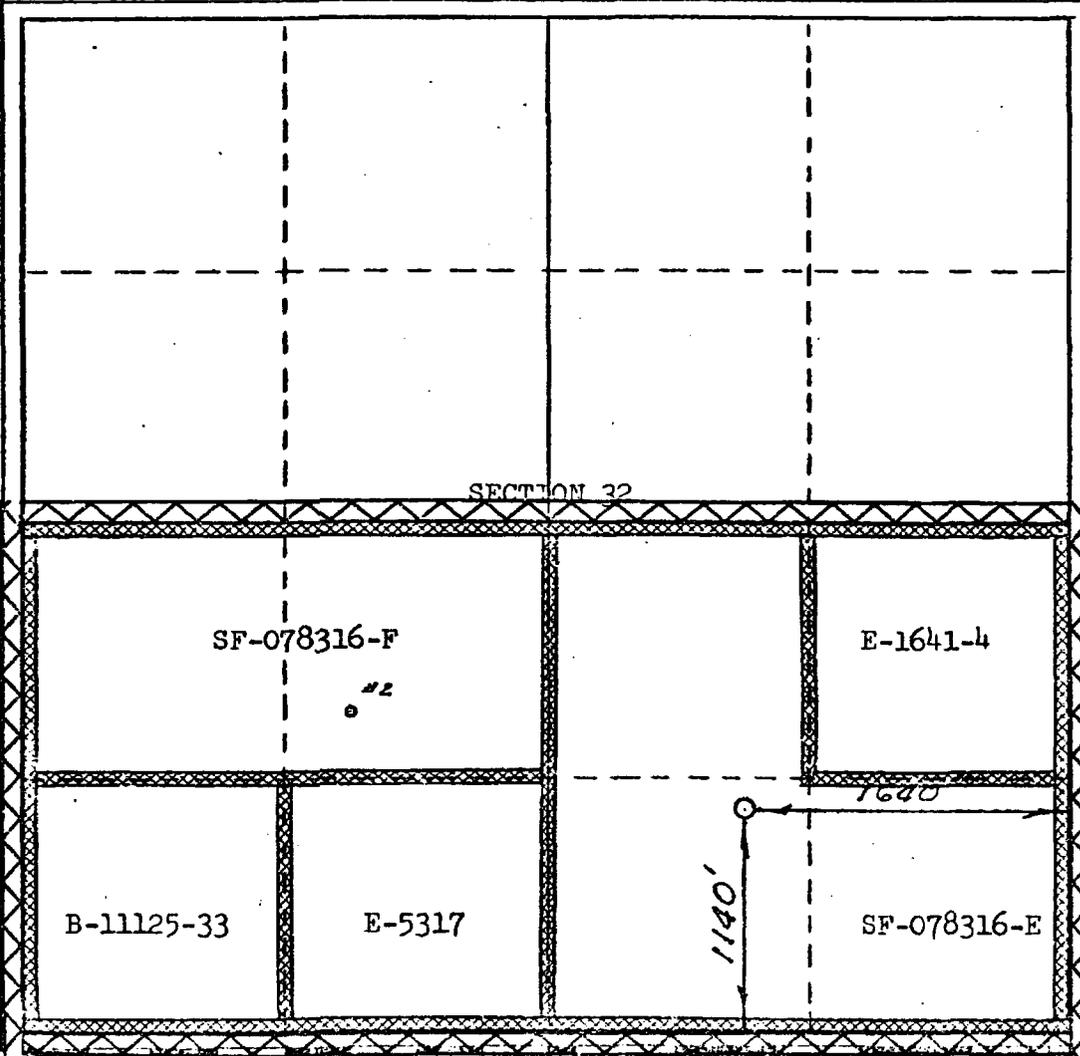
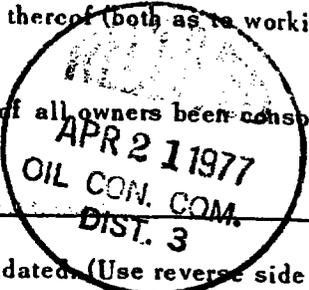
Operator EL PASO NATURAL GAS COMPANY		Lease WALKER COM. (SF-078316-E)		Well No. 2A
Unit Letter 0	Section 32	Township 31-N	Range 9-W	County SAN JUAN
Actual Footage Location of Well: 1140 feet from the SOUTH line and 1640 feet from the EAST line				
Ground Level Elev. 6298	Producing Formation MESA VERDE	Pool BLANCO MESA VERDE ✓	Dedicated Acreage: 319.05 ✓ Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

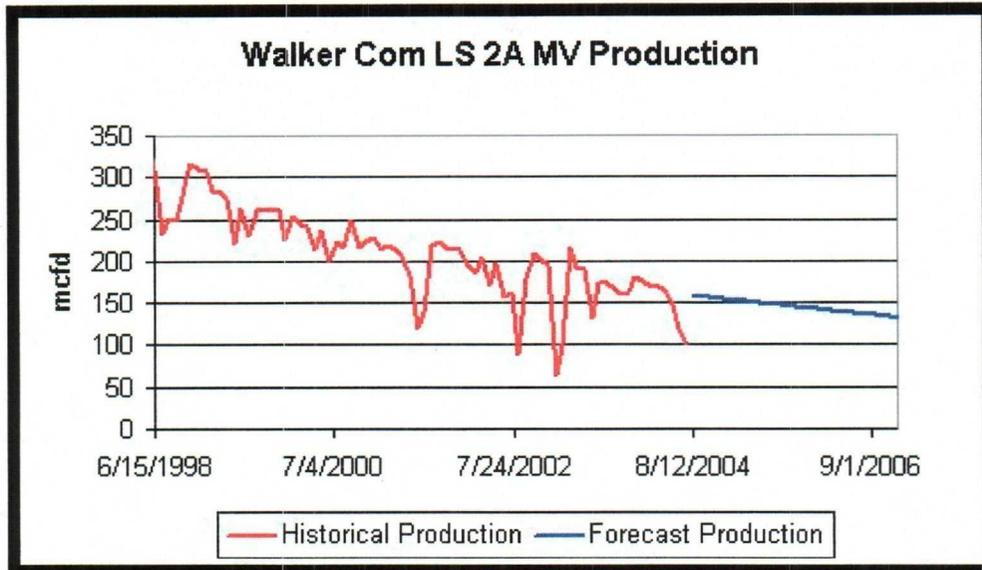
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Original Signed by D. C. Brisco	
Name	_____
Position	_____
Company	_____
Date	_____
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 knowledge and belief.	
Date Surveyed	APRIL 12, 1977
Registered Professional Engineer and/or Land Surveyor	<i>[Signature]</i>
Certificate No.	1760

Walker Com LS 2A Subtraction Allocation

Based on the most recent MV production, it is recommended to assign the following average daily volumes to the MV formation for the 24 months of production following the recompletion. All other production above this volume should be given to the Fruitland Coal. After the allocation runs out, please contact engineering to convert to a ratio allocation method.



(All condensate production should be allocated 100% to the Mesaverde formation)

Month	Average MCFD
1	159
2	158
3	157
4	156
5	155
6	154
7	153
8	152
9	151
10	150
11	149
12	148
13	147
14	146
15	145
16	144
17	143
18	142
19	141
20	140
21	140
22	139
23	138
24	137

BETSY BRYANT
2201 BROOKHOLLOW
ABILENE, TX. 79605-5507

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GEORGETOWN, TX. 78628

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BARBARA A BRYANT TRUSTEE
143 POP CASTLE RD.
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MESA ROYALTY TR
ATTN: NM PROPERTIES
ATTN: JT INTEREST
315 JOHNSTONE 1060 POB
BARTLESVILLE, OK 74004

KATHLEEN B LIPKINS
ATTN: JOINT INTEREST
315 JOHNSTONE 1060 POB
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ATKO PARTNERS LTD.
LORETHA BUMBAUGH
260 I-45, SUITE A
HUNTSVILLE, TX. 77340

NORTHSTAR PROD. & LAND LLC
P. O. BOX 2454
MIDLAND, TX 79702-2454

SHIRLEY K BERNSTEIN TR.
ATTN: NM PROPERTIES, JT.
INTEREST
315 JOHNSTONE 1060 POB
BARTLESVILLE, OK 74004

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L J & R R MONEY 1990 TR
DATED 10-9-90
LLOYD J & RUTH MONEY TRUST
98 BRECKENWOOD WAY
SACRAMENTO, CA. 95864-7154

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