

DATE IN 5.20.11	SUSPENSE	ENGINEER DB	LOGGED IN 5.20.11	TYPE NSL	APP NO 1114041311
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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



ConocoPhillips
 21787
Michener #100

ADMINISTRATIVE APPLICATION CHECKLIST 30045-35191

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 _____

RECEIVED OGD
 2011 MAY 19 A 11:44

[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

Patsy Clugston

Sr. Regulatory Specialist

5/18/11

Print or Type Name

Signature

Title

Date

Patsy.L.Clugston@conocophillips.com

e-mail Address



P.O. Box 4289
Farmington, NM 87499

Sent UPS Express

May 18, 2011

New Mexico Oil Conservation Division
NSL Examiner
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

Re: Michener #100 - API-30-045-35191
Unit E (SWNW), 2193' FNL & 438' FWL, Sec. 33, T28N, R9W

Dear Sirs:

ConocoPhillips Company proposes to drill the above reference well location as a Basin Fruitland Coal /Wildcat Fruitland Sand/ South Blanco PC well and is applying for administrative approval of an unorthodox gas well location for all three formations.

The subject well was staked 2193' FNL & 438' FWL, Sec. 33, T28N, R9W, a non-standard location as per Order R-8768-F for the Fruitland Coal and Rule 19.15.15.10 for the Pictured Cliffs and WC Fruitland Sands formations. As shown on the topo map, the NW/4 of Section 33 is primarily in severe topographic terrain. Rugged terrain encompasses a majority of the area within the legal spacing window for the FC/ FS and PC formations. Directionally drilling this well was considered, but the added expense to directionally drill this well was deemed non-economical, therefore we are requesting permission to drill at this non-standard well location.

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

- Cover page for the approved APD and C102 (FC/PC/FS) for referenced location
- Offset operator plat for the FC and WIO plat for the P/C & FS
- 9 section plat for all three formations
- Topography plat of Section 33

Production from the Basin Fruitland Coal is included in the 320.0 acre gas spacing unit, the north half dedication of Section 33, T28N, R9W. Production from the Fruitland Sands and Pictured Cliffs is included in the 160.0 acres gas spacing unit for the NW/4 of Section 33, T28N, R9W.

Richardson Operating Co. is the Offset Operator in Section 32, T28N, R9W for the Fruitland Coal formation. We will be notifying them for the encroachment on both the N/2 & S/2 of Section 32, T28N, R9W. ConocoPhillips Company is the offset Operator in Sec. 32, T28N, R9W for the Pictured Cliffs formation. Currently there are no Fruitland Sands wells in Section 32. ConocoPhillips owns 100% of the working interest in E/2 Section 32 and the SW/4 of Section 33 for both the Fruitland Sands and the Pictured Cliffs formations, so no notification will be needed. Please let me know if you have any questions about this application at 505-326-9518.

Sincerely Yours

Patsy Clugston
Regulatory Specialist



Michener #100 - NSL Application
2193' FNL & 438' FWL, Sec. 33, T28N, R9W, San Juan Co., NM
API - 30-045-35191

I hereby certify that Richardson Operating Co. is the Off-set Operator for the wells in the Section 32, T28N, R9W for the Fruitland Coal pools which is the area that is being encroached by the placement of our well in the NW/4 of Section 33, T28N, R9W. Notification is being sent to them on 5/18/11.

Richardson Operating Company
1700 Lincoln Street, Suite 1700
Denver, CO 80203

Also, I hereby certify that ConocoPhillips is the Off-set Operator and the only Working Interest for the Pictured Cliffs pool and the WC Fruitland Sands in the in E/2 Section 32 and the SW/4 of Section 33 T28N, R9W, therefore no notification will be required for the Pictured Cliffs and Fruitland Sands for this Non-Standard Well Location.

Patsy Clugst
5-18-11



P.O. Box 4289
Farmington, NM 87499

May 18, 2010

Richardson Operating Co.
1700 Lincoln Street Suite 1700
Denver, CO 80203

Non-Standard As Well Location for FC Interval
Michener 100
Unit E, 2193' FNL & 438' FWL, Sec. 33, T28N, R9W
San Juan County, NM; API-30-045-35191

Dear Sir:

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 Richardson Operating Co. 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 Michener 100 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 - Richardson Operating Co.

Richardson Operating co. does not object to ConocoPhillips Company completing the Michener #100, into the Basin Fruitland Coal, Fruitland Sands and Blanco Pictured Cliffs formations. We understand that all three zones are considered to be NSL. The well is located at a surface location of Unit E (SWNW), 2193' FNL & 438' FWL, Section 33, T28N, R9W.

Signature: _____

Title: _____

Date: _____

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

7110 6605 9590 0017 1271

Postage	\$ \$0.88
Certified Fee	\$2.80
Return Receipt Fee (Endorsement Required)	\$2.30
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ \$5.98

Postmark
Here

Sent To **RICHARDSON OPERATING CO.**
1700 LINCOLN STREET, SUITE 1700
Street, Apt. No.; **DENVER, CO 80203**
or PO Box No.
City, State, Zip+4
4/12/2011 5:34 PM

PS Form 3800, August 2006 See Reverse for Instructions

Code: MICRNER 100 - NSL NOTIF. - PCLUGSTON
Code2:

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

7110 6605 9590 0017 1271

Postage	\$	\$0.88
Certified Fee		\$2.80
Return Receipt Fee (Endorsement Required)		\$2.30
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$5.98

Postmark
Here

Sent To
Street, Apt. No.,
or PO Box No.
City, State, Zip+4

RICHARDSON OPERATING CO.
1700 LINCOLN STREET, SUITE 1700
DENVER, CO 80203

AUG 2011 5:34 PM

PS Form 3800, August 2006 See Reverse for Instructions

Code: MICRNER 100 - NSL NOTIF. - PCLUGSTON
Code2:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK AUG 16 2010

<p>1a. Type of Work DRILL</p>	<p>5. Lease Number ^{Farmington Field Office} SF-077107-C Bureau of Land Management Unit Reporting Number</p>
<p>1b. Type of Well GAS</p>	<p>6. If Indian, All. or Tribe</p>
<p>2. Operator ConocoPhillips Company</p>	<p>7. Unit Agreement Name RCVD NOV 5 '10 OIL CONS. DIV. DIST. 3</p>
<p>3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700</p>	<p>8. Farm or Lease Name Michener 9. Well Number 100</p>
<p>4. Location of Well Surf: Unit E (SWNW), 2193' FNL & 438' FWL Surf: Latitude: 36.619710° N (NAD83) Longitude: 107.801452° W</p>	<p>10. Field, Pool, Wildcat Basin FC/S. Blanco PC/Wildcat FS 11. Sec., Twn, Rge, Mer. (NMPM) Unit E, Sec. 33, T28N, R9W API # 30-045-35191</p>
<p>14. Distance in Miles from Nearest Town 27.3 miles from Bloomfield NM</p>	<p>12. County San Juan 13. State NM</p>
<p>15. Distance from Proposed Location to Nearest Property or Lease Line 438'</p>	<p>17. Acres Assigned to Well 320.0 N/2 (FC) -160.0 NW/4 (PC/FS)</p>
<p>16. Acres in Lease 160.000</p> <div style="text-align: center;">  <p>H₂S POTENTIAL EXIST</p> </div>	
<p>18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 1395.3' from Michener BLS 1 (PC)</p>	<p>20. Rotary or Cable Tools Rotary</p>
<p>19. Proposed Depth 3191' This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3185.4</p>	
<p>21. Elevations (DF, FT, GR, Etc.) 6869' GL</p>	<p>22. Approx. Date Work will Start DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".</p>
<p>23. Proposed Casing and Cementing Program See Operations Plan attached</p>	
<p>24. Authorized by: <u>Dollie L. Busse</u> Dollie L. Busse (Staff Regulatory Tech)</p>	<p><u>8-17-10</u> Date</p>

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY DJ Montez TITLE AFM DATE 11/1/2010

Archaeological Report attached A gas recovery unit may or may not be used on this location.
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 2 Bond Numbers **ES-0048** and **ES-0085**
A COMPLETE C-144 MUST BE SUBMITTED TO AND APPROVED BY THE NMOCD FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR PROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOCD PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.

HOLD C104 FOR NSL

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 AND INDIAN LANDS

NMOCDC JAN 05 2011

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 October 12, 2005
Submit to Appropriate District Office
State Lease - 7 Copies
Fee Lease - 3 Copies

RECEIVED
AUG 18 2010

Farmington Field Office AMENDED REPORT
Bureau of Land Management
WELL LOCATION AND ACREAGE DEDICATION PLAT
South Blanco WC 28N9W 33E

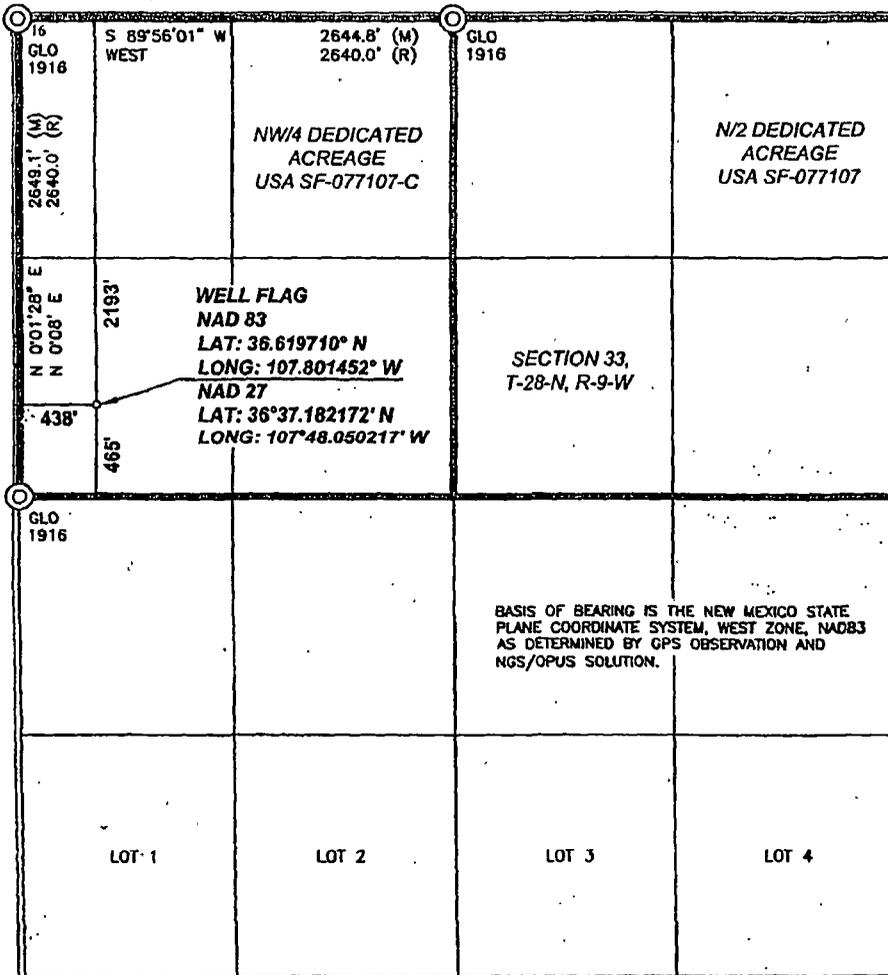
¹ API Number 30-045-35191	² Pool Code 72439/71629/	³ Pool Name BASIN FRUITLAND COAL / PICTURED CLIFFS / FRUITLAND SAND
⁴ Property Code 31825	⁵ Property Name MICHENER	⁶ Well Number 100
⁷ OGRID No. 21787	⁸ Operator Name CONOCOPHILLIPS COMPANY	⁹ Elevation 6869

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
E	33	28-N	9-W		2193	NORTH	438	WEST	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 FC -320.0- N/2 PC/FS -160.0- NW/4	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



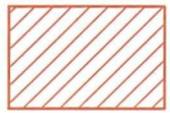
17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>Brandie Blakley</i> Signature Brandie Blakley Printed Name Staff Regulatory Technician Title and E-mail Address 06-02-2010 Date
18 SURVEYOR CERTIFICATION <i>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.</i> Date of Survey: 3/31/10 Signature and Seal of Professional Surveyor: Certificate Number: NM 11393

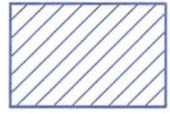


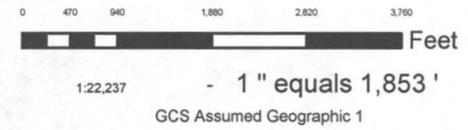
Legend

 Fruitland Coal

 Michener 100.shp

 Offset Operator:
COPC + Richardson
Operating Co.

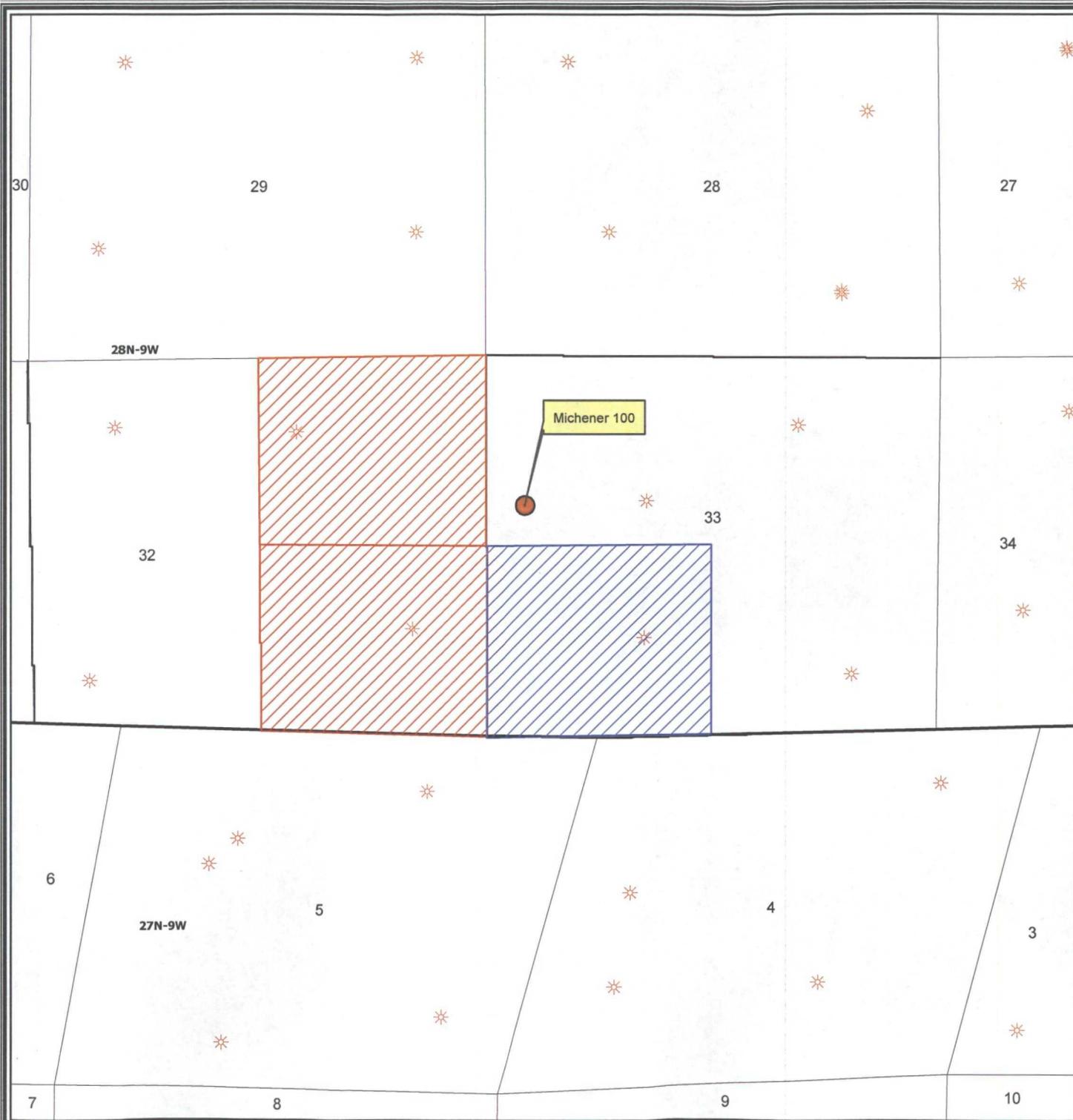
 No Offset Operator:
100% WOI - COPC



ConocoPhillips
© Unpublished Work, ConocoPhillips

**Michener 100
Sec. 33, T28N, R9W
Offset Operator Plat**

Author: Richard Davis	Date: 4/4/2011
Compiled by:	Scale:
Project File: R:\Plat\davisr\Projects\Land Template\Template 1.mxd	

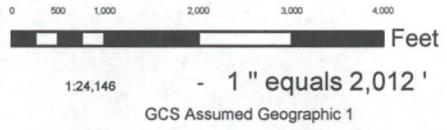


Legend

 PICTURED CLIFFS
 Michener 100.shp

 Offset Operator:
 ConocoPhillips Company
*LOPC OWNS 100%
 WOI*

 No Offset Operator:
 ConocoPhillips Company
*LOPC OWNS 100%
 WOI*



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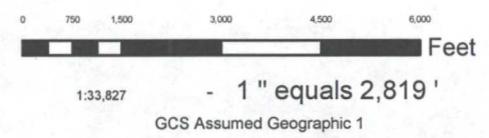
Michener 100
Sec. 33, T28N, R9W
Offset Operator Map

Author: Richard Davis	Date: 4/4/2011
Compiled by:	Scale:
Project File: R:\Plat\davisr\Project\Land Template\Template 1.mxd	



Legend
 Michener 100 (Fruitland Sand)

 No Offset Operator:
 COPE owns 100%
 WOI

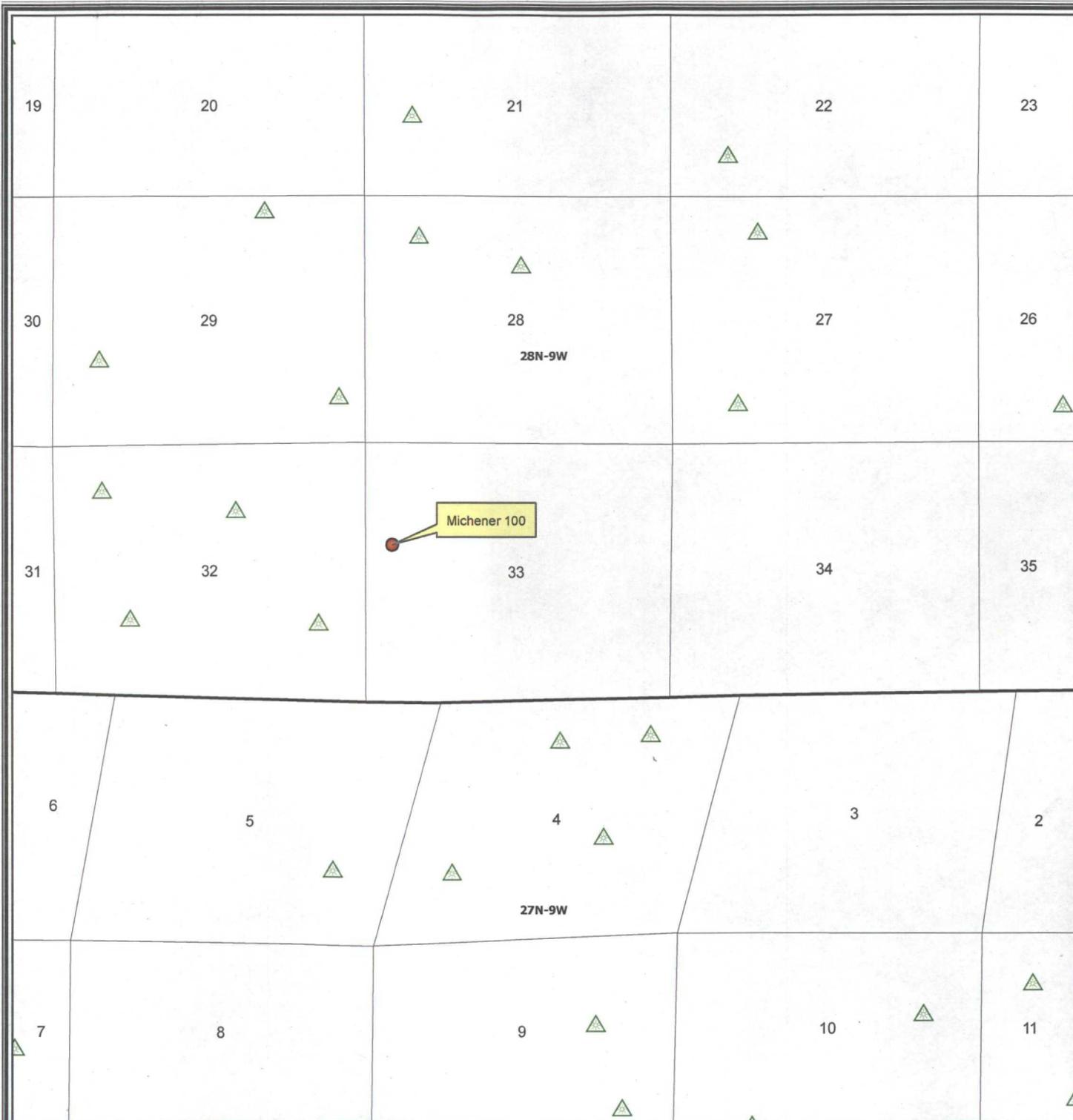


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**Michener 100
 Sec. 33, T28N, R9W
 Offset Operator Map**

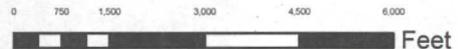
Author: Richard Davis	Date: 5/5/2011
Compiled by:	Scale:
Project File: R:\Plat\davisr\Projects\Land Template\Template 1.mxd	



Legend



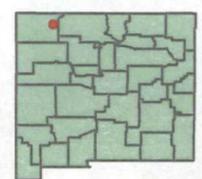
Fruitland Coal
Michener 100.shp

0 750 1,500 3,000 4,500 6,000 Feet

1:35,451 - 1" equals 2,954'

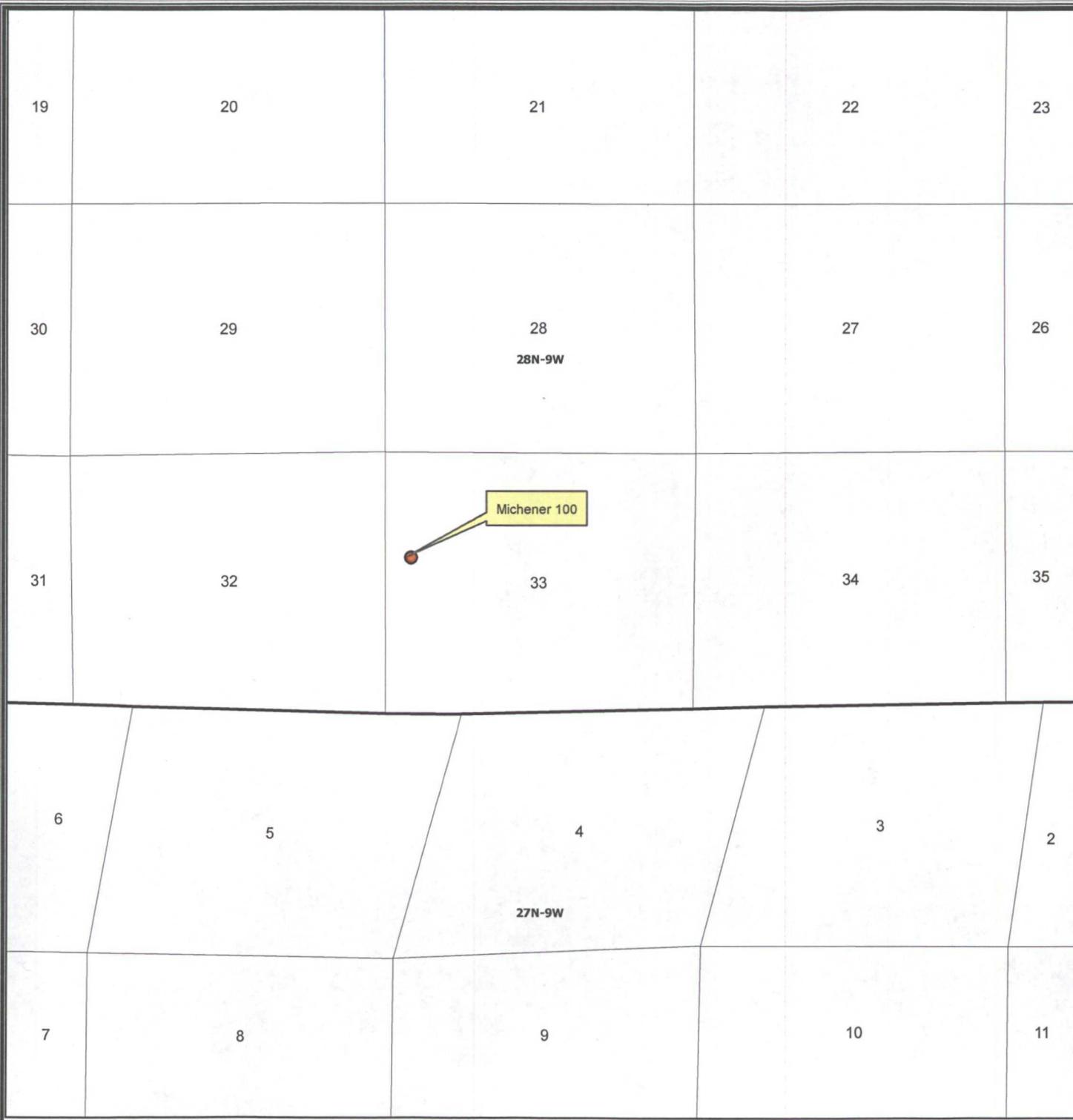
GCS Assumed Geographic 1



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Michener 100
Sec. 33, T28N, R9W
Nine Section Plat

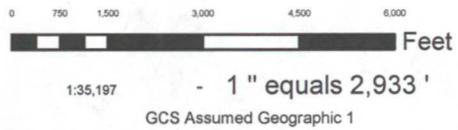
Author: Richard Davis	Date: 4/4/2011
Compiled by:	Scale:
Project File: R:\Plat\davis\Projects\Land Template\Template 1.mxd	



Legend

 Michener 100.dbf

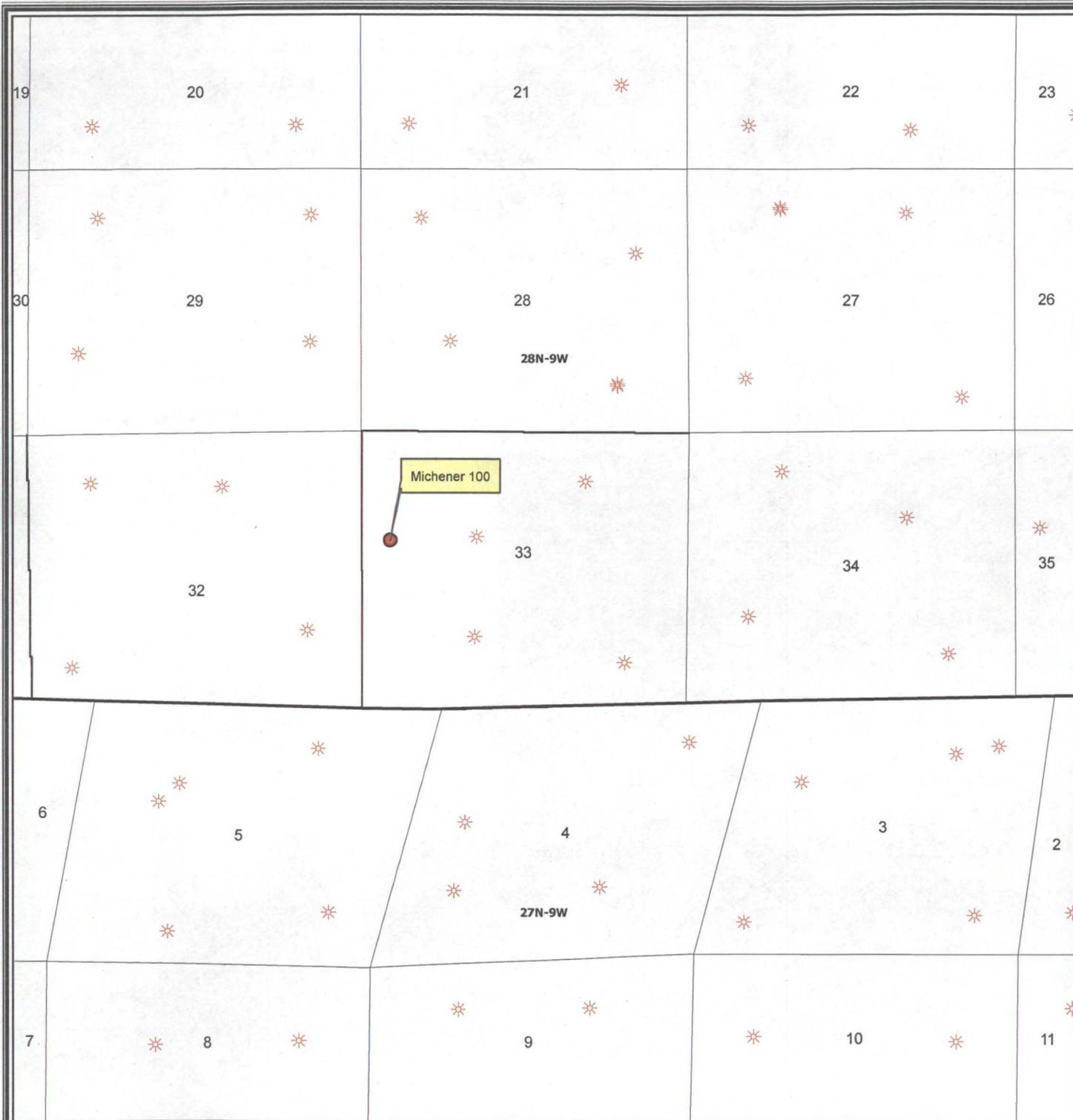
*Currently no existing
Fruitland Sand Wells
in the area



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**Michener 100
Sec. 33, T28N, R9W
Nine Section Plat**

Author: Richard Davis	Date: 5/6/2011
Compiled by:	Scale:
Project File: R:\Plat\davisr\Projects\Land_Template\Template_1.mxd	



Legend

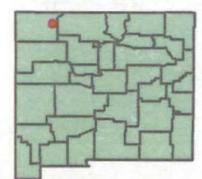
 PICTURED CLIFFS

 Michener 100.shp

0 700 1,400 2,800 4,200 5,600 Feet

1:33,246 - 1" equals 2,771'

GCS Assumed Geographic 1



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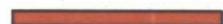
Michener 100
Sec. 33, T28N, R9W
9 Section Plat

Author: Richard Davis	Date: 4/4/2011
Compiled by:	Scale:
Project File: R:\Plat\davisr\Projects\1 and Template\Template 1.mxd	



Legend

 Fruitland Coal

 Michener 100.shp

 660' Setback

0 305 610 1,220 1,830 2,440 Feet

1:14,476 - 1" equals 1,206'

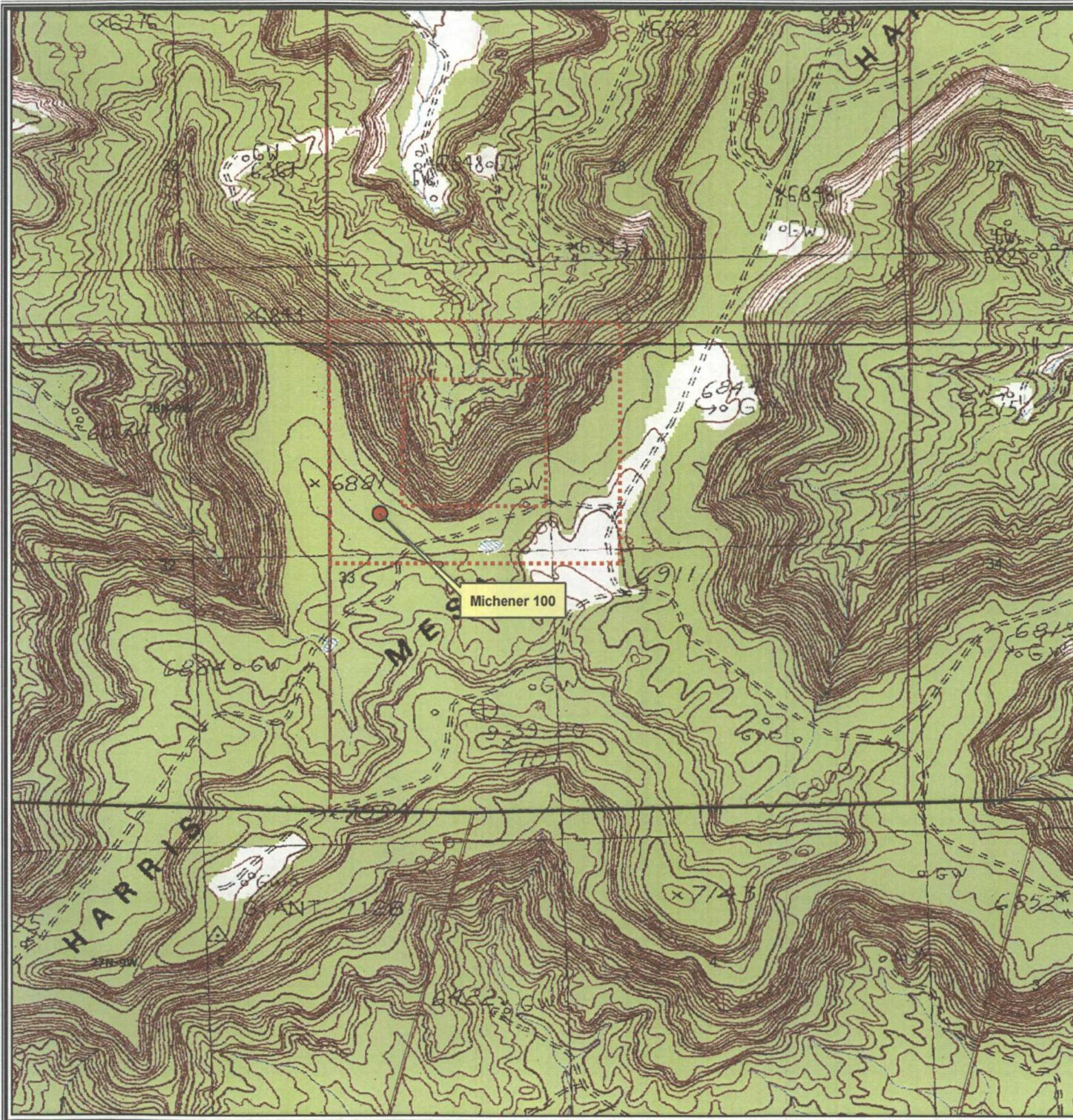
GCS Assumed Geographic 1



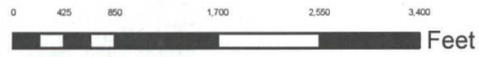
ConocoPhillips
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Michener 100
 Sec. 33, T28N, R9W
 2193' FNL, 438' FWL
 Topographical Map

Author: Richard Davis	Date: 4/4/2011
Compiled by:	Scale:
Project File: R:\Pig\davist\Projects\Land Template\Template 1.mxd	



Legend *FS/PC*
 Michener 100.shp



1:18,731 - 1" equals 1,561'
 GCS Assumed Geographic 1



ConocoPhillips
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**Michener 100
 Sec. 33, T28N, R9W
 2193' FNL, 438' FWL
 Topographical Map**

Author: Richard Davis	Date: 5/5/2011
Compiled by:	Scale:
Project File: \\Plat\davist\Projects\Land_Template\Template_1.mxd	