

DATE IN <u>5.31.12</u>	SUSPENSE	ENGINEER <u>WVJ</u>	LOGGED IN <u>5.31.12</u>	TYPE <u>DHC</u>	APP NO. <u>1215250993</u>
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PTG-W

4572

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



RECEIVED OCD
 Bur Lington 145-38
 2 MAY 31 A 10:29
 Davis A Fed #1N

ADMINISTRATIVE APPLICATION CHECKLIST 30-045-35290

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.

Arleen Kellywood Arleen Kellywood Staff Regulatory Tech 5/30/12
 Print or Type Name Signature Title Date

Davis A Federal #1N
 30-045-35290

arleen.r.kellywood@conocophillips.com
 e-mail Address

M-25-30N-11W
 San Juan Fed

rk

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

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

District III
1000 Rio Brazos Road, Aztec, NM 87410

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

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

APPLICATION FOR DOWNHOLE COMMINGLING

DHC 4572

Burlington Resources Oil & Gas P.O.Box 4289 Farmington, NM 87499
Operator Address

DAVIS A FEDERAL 1N Unit M, Sec. 25, 030N, 11W SAN JUAN
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No: 14538 Property Code 24999 API No. 3004535290000 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BLANCO MESA VERDE ✓	BASIN MANCOS ✓	BASIN DAKOTA ✓
Pool Code	72319 ✓	97232 ✓	71599 ✓
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4250'-4850' estimated	5600'-6400' estimated	6715'-6898' estimated
Method of Production (Flowing or Artificial Lift)	New Zone	New Zone	New Zone
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)	1172psi	2196psi	1706psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1220	BTU 1000	BTU 1264
Producing, Shut-In or New Zone	New Zone	New Zone	New Zone
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: N/A Rates: N/A	Date: N/A Rates: N/A	Date: N/A Rates: N/A
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 Will be supplied upon completion	Oil Gas Will be supplied upon completion	Oil Gas Will be supplied upon completion

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? 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:

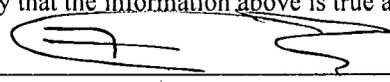
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation 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  TITLE Engineer DATE 5/29/12

TYPE OR PRINT NAME Bill Akwari, Engineer TELEPHONE NO. (505) 326-9700

E-MAIL ADDRESS Bill.N.Akwari@conocophillips.com

PC

DAVIS A FEDERAL 1N
Unit M, Section 25, T030N, R11W
Bottom Hole
Unit M, Section 25, T030N, R11W

The DAVIS A FEDERAL 1N is a Blanco Mesaverde, Basin Dakota and Basin Mancos new drill. A cased hole neutron log will be run prior to completion to identify the Mesaverde, Dakota and Mancos zones. If the Mesaverde, Dakota and Mancos horizons can be isolated, a spinner test will be performed and the allocation will be assigned. In the event that the Mesaverde, Dakota and Mancos can not be tested separately, a volumetric calculation will be performed to determine the allocation percentages between the Basin Mesaverde, Basin Dakota and Basin Mancos. Initial Oil allocation will be the same as the gas initial allocation until the first liquid sale is completed. After completing the first liquid sale and using known Dakota and Mesaverde liquid yields from offset Stand Alone wells a system of linear equations will be solved for Mancos liquid yield, and that Mancos liquid yield will be used in conjunction with the Mesaverde and Dakota liquid yields to calculate the oil allocations. The oil allocation will be calculated in a way that is a function of individual formation Gas production and Individual formation liquid yields. All documentation will be submitted to the Aztec NMOCD office.

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. 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, N.M. 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised July 16, 2010

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, N.M. 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-35290	² Pool Code 72319/71599/97232	³ Pool Name BLANCO MESA VERDE / DAKOTA / MANCOS	BASIN BASIN
⁴ Property Code 24999	⁵ Property Name DAVIS A FEDERAL		⁶ Well Number 1N
⁷ GRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP		⁹ Elevation 5906

¹⁰ Surface Location

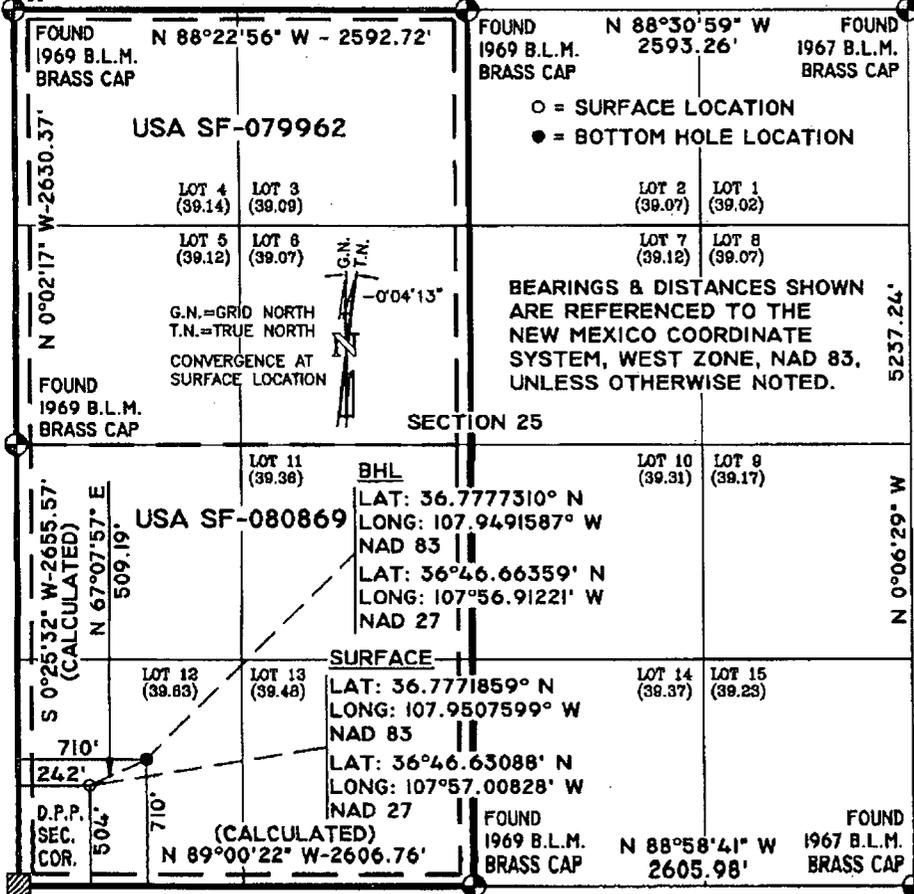
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	30 N	II W	LOT 12	504	SOUTH	242	WEST	SAN JUAN

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
M	25	30 N	II W	LOT 12	710	SOUTH	710	WEST	SAN JUAN

¹² Dedicated Acres 314.89 (W/2) MV 320.00 (W/2) DK	¹³ Joint or Infill MANCOS	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 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.

Arleen Kellywood 10/7/11
Signature Date
Arleen Kellywood
Printed Name
arleen.r.kellywood@conocophillips.com
E-mail Address

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.

12/28/10
Date of Survey
Signature and Seal
Matthew W. Linden
MATTHEW W. LINDEN
NEW MEXICO
17078
PROFESSIONAL SURVEYOR
17078
Certificate Number

PC

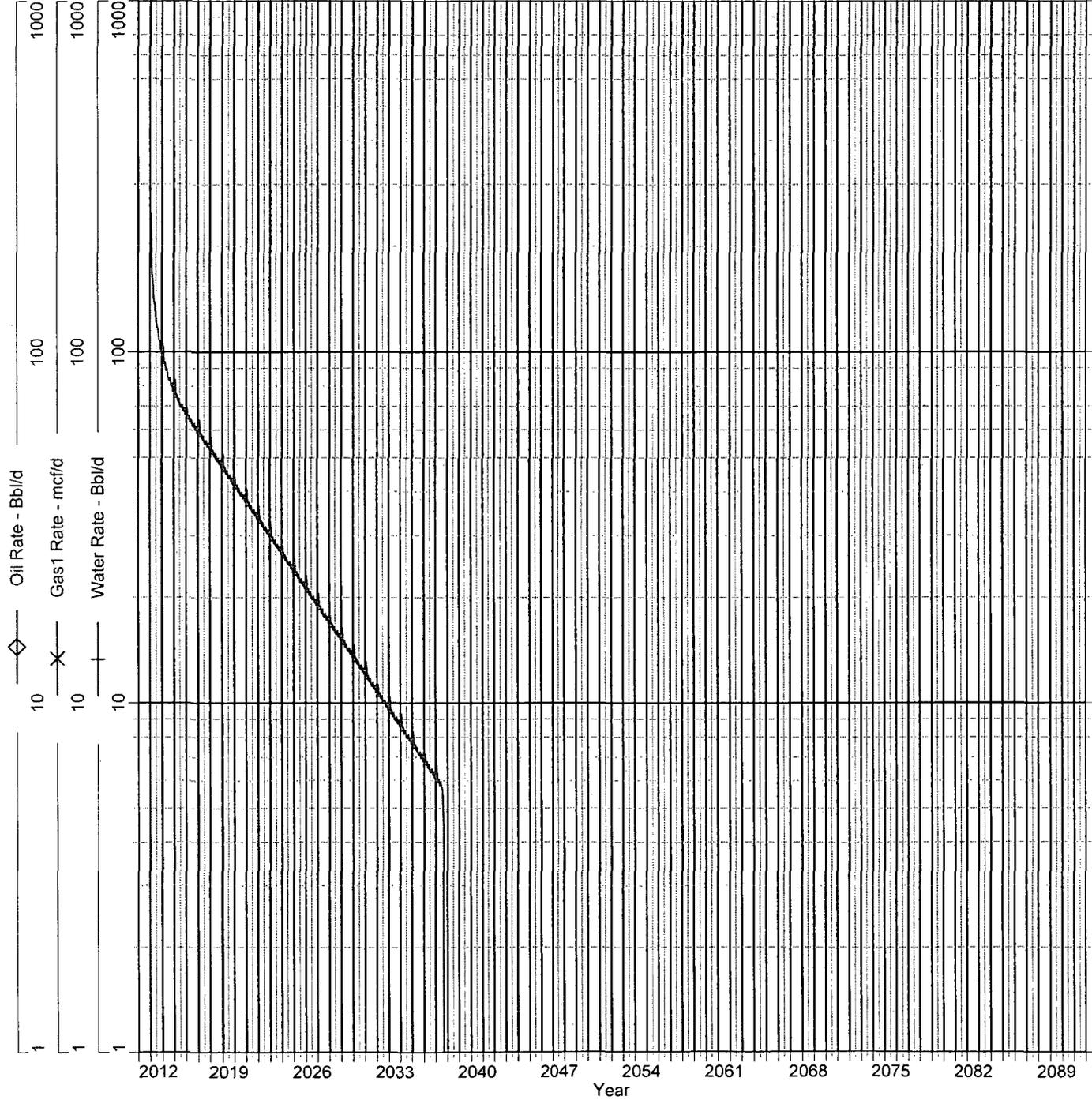
DAVIS A FEDERAL 1N DK Data: May.2012-May.2012

Operator: Unknown
 Field:
 Zone:
 Type: Other
 Group: None

No
 Active
 Forecast

Production Cums
 Oil: 0.000000 MSTB
 Gas: 380.468733 MMSCF
 Water: 0.000000 MSTB
 Cond: 1.817188 MSTB

Oil Rate - Bbl/d
 Cum: 0.00
 Gas1 Rate - mcf/d
 Cum: 0.00
 Water Rate - Bbl/d
 Cum: 0.00



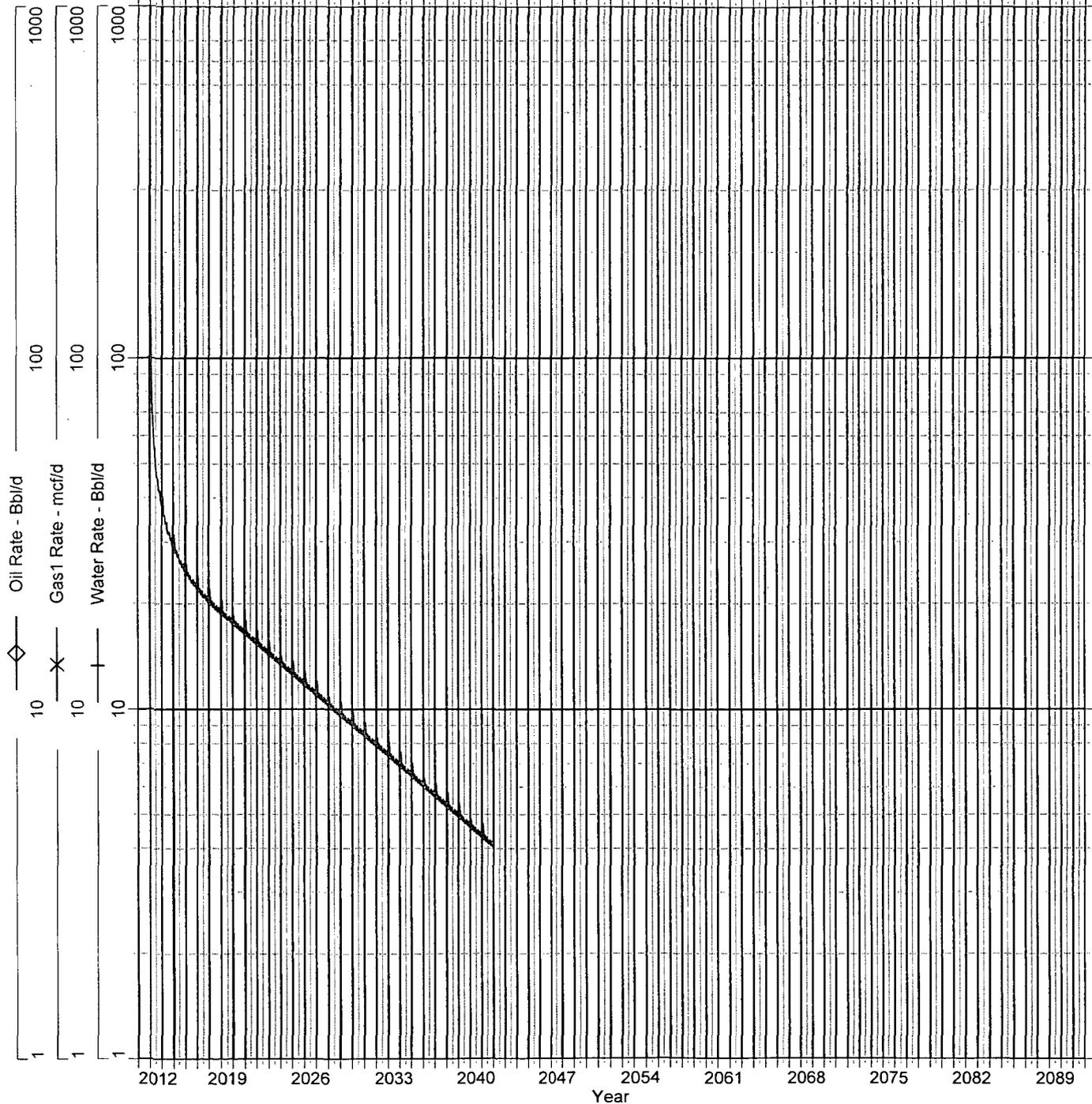
DAVIS A FEDERAL 1N MC Data: May.2012-May.2012

Operator: Unknown
 Field:
 Zone:
 Type: Other
 Group: None

No
 Active
 Forecast

Production Cums
 Oil: 0.000000 MSTB
 Gas: 185.920288 MMSCF
 Water: 0.000000 MSTB
 Cond: 0.887989 MSTB

Oil Rate - Bbl/d
 Cum: 0.00
 Gas1 Rate - mcf/d
 Cum: 0.00
 Water Rate - Bbl/d
 Cum: 0.00



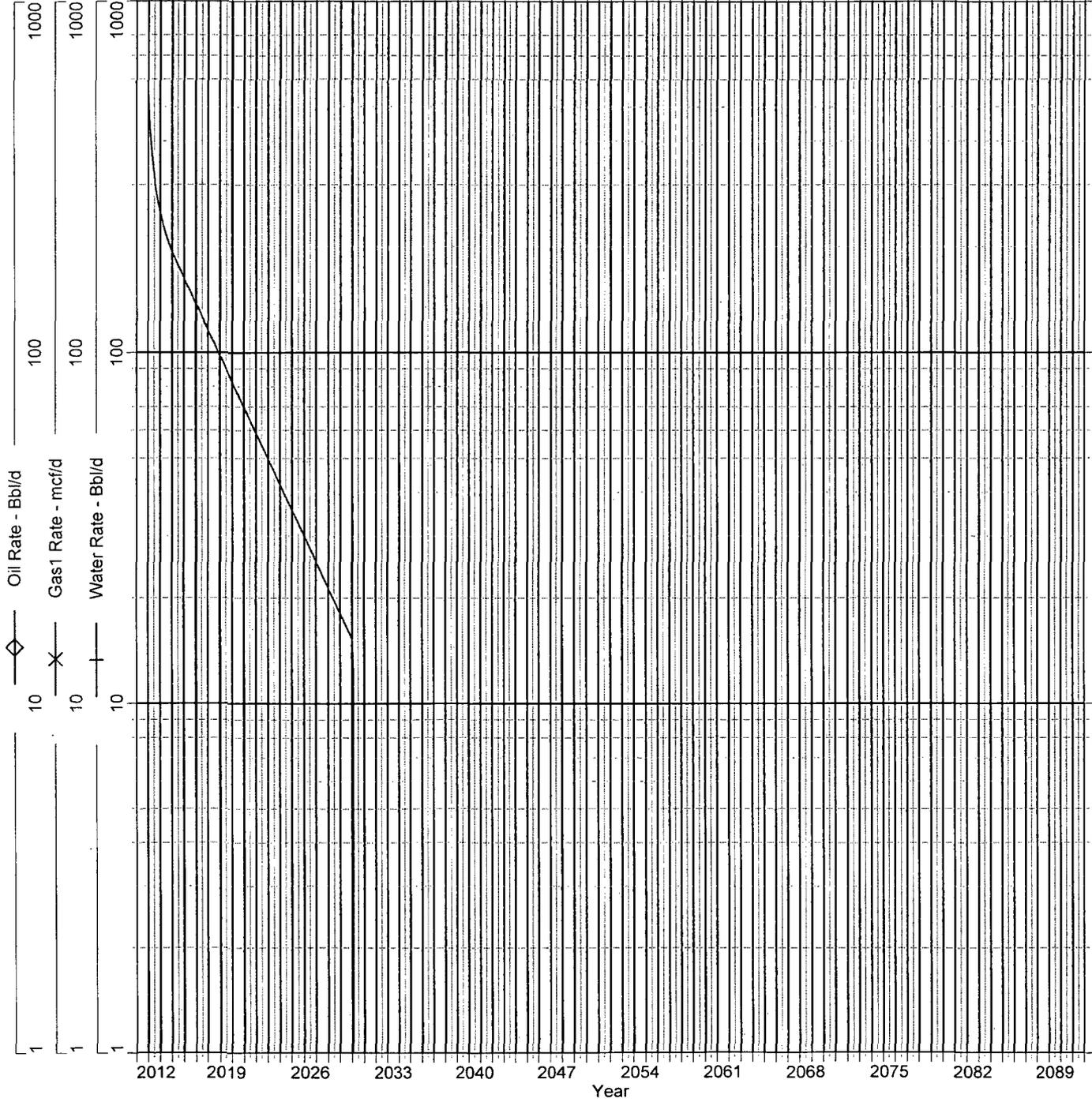
DAVIS A FEDERAL 1N MV Data: May.2012-May.2012

Operator: Unknown
 Field:
 Zone:
 Type: Other
 Group: None

No
 Active
 Forecast

Production Cums
 Oil: 0.000000 MSTB
 Gas: 596.154962 MMSCF
 Water: 0.000000 MSTB
 Cond: 1.418746 MSTB

Oil Rate - Bbl/d
 Cum: 0.00
 Gas1 Rate - mcf/d
 Cum: 0.00
 Water Rate - Bbl/d
 Cum: 0.00



BURLINGTON

RESOURCES Oil & Gas Company LP
3401 E. 30th St.
P.O. Box 4289
Farmington, NM 87499-4289

May 30, 2012

Subject well: Davis A Federal 1N

It has come to our attention that some interest owners may find the Down Hole Commingle application process slightly confusing. We hope this letter will clarify some of the questions you as an interest owner may have.

ConocoPhillips' (or Burlington's) plans are to add gas pay to the subject well and down hole commingle production. As required by regulation, we have enclosed a copy of the Commingling Application for your review. No action by you is required at this time unless you object.

If you object, you will need to send notice Burlington Resources/ConocoPhillips, PO Box 4289, Farmington, NM 87499 or New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505 within twenty (20) days. Again, if you do not object, you **do not need** to sign or return any paperwork at this time.

All interest owners have been notified by certified mail on 05/30/2012.

Thank you,



Arleen Kellywood
Staff Regulatory Technician
ConocoPhillips Company
505-326-9517

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

Burlington Resources Oil & Gas P.O.Box 4289 Farmington, NM 87499
Operator Address

DAVIS A FEDERAL IN Unit M, Sec. 25, 030N, 11W SAN JUAN
Lease Well No. Unit Letter-Section-Township-Range County

GRID No: 14538 Property Code 24999 API No. 30045352900000 Lease Type: Federal State Fee

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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: N/A Rates: N/A	Date: N/A Rates: N/A	Date: N/A Rates: N/A
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 Will be supplied upon completion	Oil Gas Will be supplied upon completion	Oil Gas Will be supplied upon completion

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
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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.)
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- Data to support allocation method or formula.
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- Any additional statements, data or documents required to support commingling.

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- 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  TITLE Engineer DATE 5/29/12

TYPE OR PRINT NAME Bill Akwari, Engineer TELEPHONE NO. (505) 326-9700

E-MAIL ADDRESS Bill.N.Akwari@conocophillips.com

DAVIS A FEDERAL 1N
Unit M, Section 25, T030N, R11W
Bottom Hole
Unit M, Section 25, T030N, R11W

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First Name	Last Name	Company	Address1	Address2	City	State	Zip	Addressee Code
BERNICE & RICHARD C WELLS FAMILY	TRUST DTD 9/14/91	RICHARD H WELLS SUCC TRUSTEE	7250 AUBURN BLVD #248		CITRUS HEIGHTS	CA	95610-3850	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
EDWARD H FORGOTSON			APT 902	1800 SUNSET HARBOUR DR	MIAMI BEACH	FL	33139	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
FORGOTSON FAMILY PARTNERSHIP	EDWARD H FORGOTSON INDV & AGENT	EDWARD H FORGOTSON JR & ELIZABETH	STE 902	1800 SUNSET HARBOUR DR	MIAMI BEACH	FL	33139	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
FORGOTSON FAMILY PTSHP RE	EDWARD H FORGOTSON SR AGENT		2104 FOOTHILL RD		SANTA FE	NM	87505	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
HERBERT W SMITH ESTATE	GARY W HARVEY INDEP EXECUTOR		4303 52ND B		LUBBOCK	TX	79413	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
JAKE ALBERT WELLS			APT 182	4635 ANTELOPE RD	ANTELOPE	CA	95843	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
JAMES M FORGOTSON III			2808 WALNUT		NORMAN	OK	73072-7504	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
JAMES M FORGOTSON JR			PO BOX 819		NORMAN	OK	73070	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
JAMES SHARP & KATHRYN	SHARP REV LVG TR	DTD 4-11-97; JAMES SHARP & KATHRYN	1020 FOXWOOD LN		WYLIE	TX	75098-5129	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
JULIE ANN ANTWEIL TRUST	DATED 4-25-76		4408 CANYON COURT NE		ALBUQUERQUE	NM	87111-3010	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
JULIE ANN ANTWEIL TRUST			4408 CANYON COURT NE		ALBUQUERQUE	NM	87111-3010	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
NORMA M WELLS			315 DURANTA ST		ROSEVILLE	CA	95678-2158	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
OFFICE OF NATURAL RESOURCES REVENUE	ONSHORE FEDERAL 17555		PO BOX 25627		DENVER	CO	80225-0627	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
ROBERT E MCAISTER			PO BOX 451541		GARLAND	TX	75045-1541	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
ROYALTY CLEARINGHOUSE LTD	SHANE MCCAIG MANAGING PARTNER		SUITE 1750	401 CONGRESS AVE	AUSTIN	TX	78701	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
SEAN MCAISTER			APT 36	911 MESCALERO	ALAMOGORDO	NM	88310	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
SINGER BROS A PARTNERSHIP			C/O BANK OF OKLAHOMA	REVENUE DEPT 1063	TULSA	OK	74182-2300	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
UNITED PIPE & SUPPLY CO INC			3622 RANCH CREEK DR		AUSTIN	TX	78730-3701	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
VICKSBURG ROYALTY LLC			PO BOX 2070		HOBBS	NM	88241-2070	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD
XTO ENERGY INC			PO BOX 730586		DALLAS	TX	75373-0586	DHC-DAVIS A FEDERAL 1N-A. KELLYWOOD