

5.23.05 DATE IN	6-13-2005 SUSPENSE	STOENER ENGINEER	5.23.05 LOGGED IN	NSL TYPE	PS&M0514342373 APP NO.
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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



RECEIVED
MAY 23 2005
CONSERVATION DIVISION

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
Print or Type Name

Deborah Marberry
Signature

Regulatory Analyst
Title

20
5/13/05
Date

deborah.marberry@conocoPhillips.com
e-mail Address



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

May 10, 2005

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

Re: Application for Non-Standard Location
Basin Fruitland Coal
San Juan 32-8 # 267
Unit Letter A, Section 23 T32N-R8W
61' FNL & 391' FEL
San Juan County, New Mexico

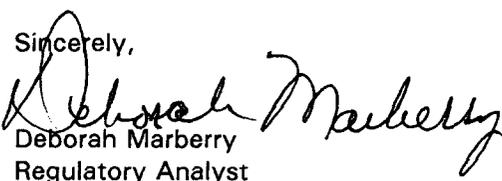
Mr. Stogner:

ConocoPhillips plans to drill the San Juan 32-8 # 267 located 61' FNL and 391' FEL, Section 23, T32N, R8W, San Juan County, New Mexico in 2006. The well will be drilled to access Fruitland Coal reserves from the NE/4 of Section 23. The current reservoir pressure in the area is 1500-1600 psi. The infill well is required to ensure complete drainage of remaining Fruitland Coal reserves. The offset drillblock to the north is operated by ConocoPhillips and the offset drillblock to the east is operated by Burlington.

Due to the topography (Wilmer Canyon) located in the NE/4 of Section 23 the well will require a surface location at 61' FNL and 391' FEL. Please see the attached letter from Gordon Chenault, Chenault Consulting Inc., stating: "The variation in elevation and the multitude of prominent drainages in this quarter section only provided two areas for the staking of a location. One is the proposed NSL location and the other was staked at 853' FNL and 748 FEL with 2,135' of access road, which the BLM would not allow"

There are currently no other wells present in the NE/4 Section 23 therefore there is no opportunity to drill from an existing well pad or expand an existing well pad. A horizontal well is not recommended due to the presence of multiple coal seams. Additional drilling/completion costs, possible completion and operational problems, and anticipated high water production (over 70 bbls/day) preclude the drilling of a deviated well.

ConocoPhillips respectfully requests that a non-standard location for the Fruitland Coal well be issued for the reasons cited above. If there are any questions concerning this application, please feel free to call Brad Peterson at (832)-486-2055.

Sincerely,

Deborah Marberry
Regulatory Analyst

San Juan 32-8 # 267 NSL
Attachments:

Plat
Topo Map
Surveyor letter
Certified Mail copy

Offset Operator

Burlington Resources Oil & Gas
Attn: Dawn Howell
P.O. Box 4289
Farmington, NM 87401

The above operator was notified via certified mail.

7002 3150 0001 8789

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at www.usps.com ®	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

32-8 # 267

Postmark Here

7002 3150 0001 8789

BURLINGTON RESOURCES ATTN: DAWN HOWELL	
Street, Apt. No., or PO Box No. 0 BOX 4289	
City, State, ZIP+4 FARMINGTON, NM 87401	

PS Form 3800, June 2002 See Reverse for Instructions

State of New Mexico
 Energy, Minerals & Natural Resources Department
 OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

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

Form C-102
 Revised June 10, 2003
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code 71629	Pool Name BASIN FRUITLAND COAL (GAS)
Property Code 31330	Property Name SAN JUAN 32-8 UNIT		Well Number 267
OGRID No. 217817	Operator Name CONOCOPHILLIPS COMPANY		Elevation 7040

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line	Feet from the East/West line	County
A	23	32N	08W	61	NORTH	391	SAN JUAN

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

Dedicated Acres E/2 320.0	Joint or Infill	Consolidation Code	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.

Vicki Westby
 Signature
 Vicki Westby
 Printed Name
 Staff Agent
 Title and E-mail Address
 April 25, 2005
 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: 03/24/05
 Signature and Title of Surveyor:

 Certificate Number: NM 11333

Standard 640-acre Section

CCI

**Chenault Consulting, Inc.
P.O. Box 282
Bloomfield, NM 87413
(505) 599-3456**

**Re: San Juan 32-8 #267
61 FNL 391 FEL
Section 23, T32N R8W
San Juan Co., NM**

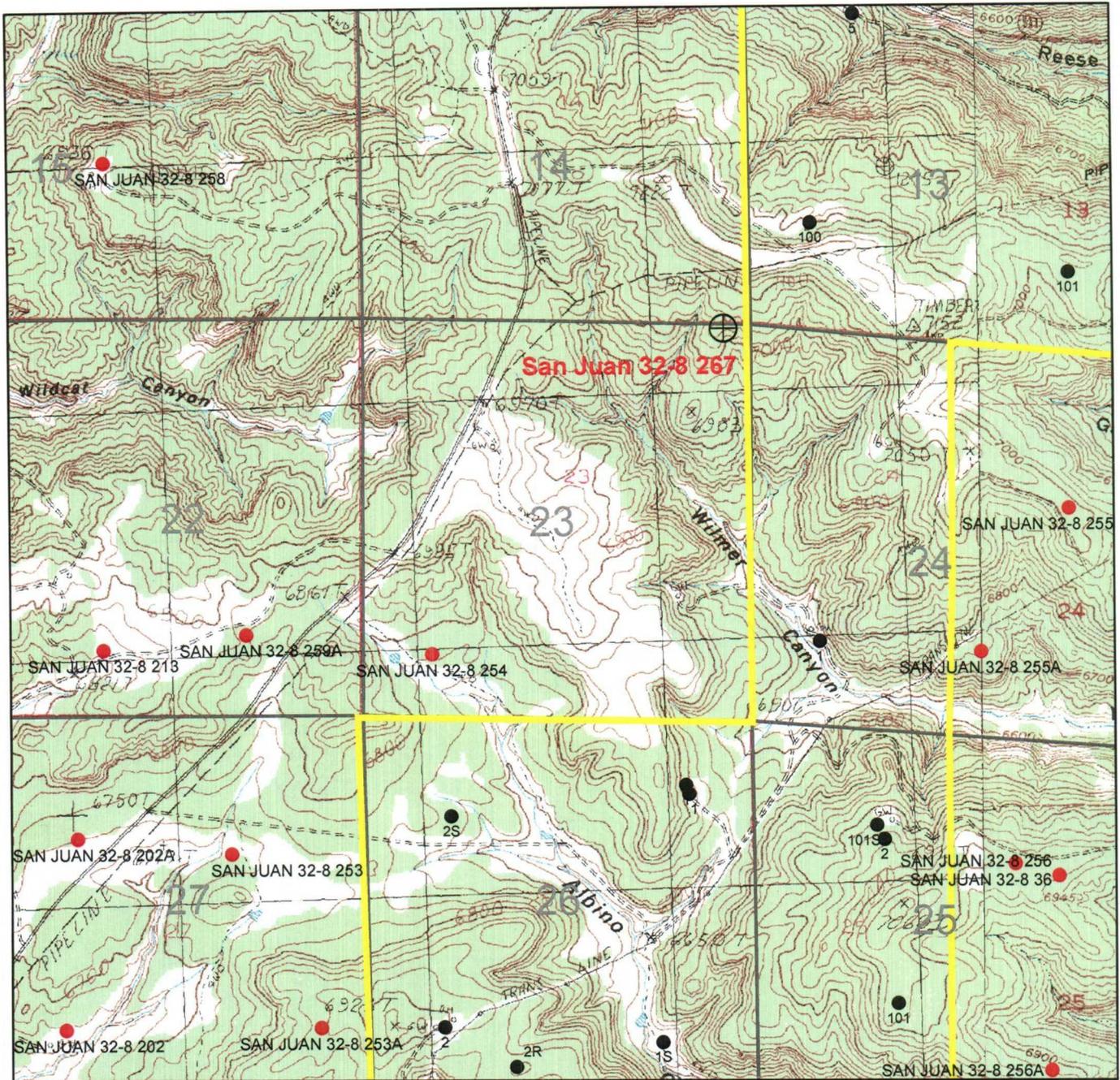
To Whom It May Concern:

The San Juan 32-8 #267 is a proposed Basin Fruitland Coal and is located inside a Federal Unit. This well was staked at 61 feet from the north line and 391 feet from the east line of Section 23, T32N R8W because of the Bureau of Land Management request that we reduce the length of the access road as much as possible. The variations in elevation and the multitude of prominent drainages in this quarter section only provided two areas for the staking of a location. One is listed above and the other was staked at 853 FNL 748 FEL with 2135 feet of access road, which the BLM wanted to move. If anyone has any questions or would like to field review the proposed well location please contact me at 505-599-3456.

Sincerely,

Gordon Chenault

Non Standard Plat for "San Juan 32-8 267"



ConocoPhillips

- ⊕ Proposed Location
- COP Operated FC Wells
- Non Operated FC Wells
- ▭ Company Operated Federal Units



San Juan Basin, N. M.	
San Juan 32-8 267	
T32N R8W Section 23 61' FNL & 391' FEL	
Author: Angela Whitfield	Date: 3-23-05
Compiled by:	Scale: 1"=2000'
MD File:	



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

Burlington Resources Oil & Gas
Attn: Dawn Howell
P.O. Box 4289
Farmington, NM 87401

Re: Application for Non-Standard Location
Basin Fruitland Coal
San Juan 32-8 # 267
Unit Letter A, Section 23 T32N-R8W
61' FNL & 391' FEL
San Juan County, New Mexico

To Whom It May Concern:

ConocoPhillips Proposes to drill the above well in a non-standard location. As an offset operator to this well we are required to notify you of our intent. Attached is our application to the New Mexico Oil Conservation Division.

If you have any questions or need additional information please contact me.

Sincerely,


Deborah Marberry
Regulatory Analyst