

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Conoco Phillips
Novack Com # 1B
5485

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] [NSR-Non-Standard Production 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.

Patsy Clugston _____ Sr. Regulatory Specialist _____ 10/13/06
 Print or Type Name Signature Title Date

 pclugston@br-inc.com
 e-mail Address



P.O. Box 4289
Farmington, NM 87499-4289

Sent Overnight UPS

October 13, 2006

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

Re: Non-Standard Location Application
Houck Com #1B
Sec. 1, T29N, R10W, San Juan Co., NM
API- #30-045-30139

Dear Sirs:

This is a request for administrative approval for a non-standard gas well location in the Blanco Mesaverde and Aztec Pictured Cliffs pools.

The OCD in Aztec notified us on October 9, 2006 that this well, the Houck Com #1B needed an NSL approval. The well was permitted in 2/2000 and completed in 10/2001 as a Mesaverde well and then in September 2006 was also completed into the Aztec Pictured Cliffs. During the process of permitting and completing this well, the COPC office in Houston didn't notice the well was non-standard. The NMOCD in Aztec also missed the need for the NSL and allowed us to produce this well. Since it has now been brought to our attention, we are applying for the non-standard approval for both pools.

Looking into the file we noticed that a majority of the area within the legal spacing window for the Mesaverde is encompassed by extreme terrain (see attached photography and topography maps). In order to fit the surrounding geology and the existing topography the well was located at the non-standard location. Therefore the well was staked at an unorthodox location due to extreme topography within the "legal drilling window". Since the Pictured Cliffs formation was completed almost five years later we should have also filed for the non-standard approval for the Pictured Cliffs formation to take advantage of the uphole availability of the wellbore in this Mesaverde well already NSL.

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

1. C102 plats showing location of the well
2. Copies of approved APD dated 3/20/2000 and approved sundry to recomplete into the Aztec Pictured Cliffs dated 10/20/2004.
3. Plat showing offset owners/operators,
4. Affidavit of notification of offset owner/operators
5. Topo & Aerial Maps showing the location of the well

Copies of this application are being submitted to offset operator / working interest owners by certified mail. Please let me know if you have any questions about this application.

Sincerely,


Patsy Clugston
Sr. Regulatory Specialist

Re: Houck Com #1B
Sec. 1, T29N, R10W, San Juan County
30-045-33988

I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard well location of the above well.



Patsy Clugston 10/13/06

BP America Production Company
Attn: Caren Clay
West Lake 1 Rm 19-158
501 Westlake Park Blvd.
Houston, TX 77079-3092

Waiver

_____ Hereby waives objection to ConocoPhillips' application for non-standard location for the Houck Com #1B as proposed above.

By: _____ Date: _____

Form 3160-3
(July 1992)

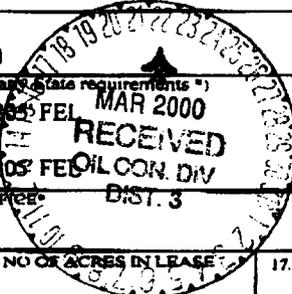
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO SF077092B	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Conoco Inc.		7. UNIT AGREEMENT NAME Houck Com	
3. ADDRESS AND TELEPHONE NO 10 Desta Dr. Ste 430E, Midland, Tx. 79705-4500		8. FARM OR LEASE NAME WELL NO IB	
4. LOCATION OF WELL (Report location clearly and in accordance with any state requirements *) At surface 875' FSL & 2205' FEL		9. API WELL NO 30-045-30139	
At proposed prod. zone 875' FSL & 2205' FEL		10. FIELD AND POOL, OR WILDCAT Blanco Mesa Verde	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE DIST. 3		11. SEC. T. R. M. OR BLK. AND SURVEY OR AREA 0 Sec. 1, T29N, R10W	
5. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		12. COUNTY OR PARISH San Juan	13. STATE NM
8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		17. NO. OF ACRES ASSIGNED TO THIS WELL 324.61	
21. ELEVATIONS (Show whether DF, RT, GR, etc) 5777'		20. ROTARY OR CABLE TOOLS Rotary	
16. NO. OF ACRES IN LEASE		22. APPROX. DATE WORK WILL START* 3/1/00	
19. PROPOSED DEPTH 5450'			



23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	WC-50, 9-5/8"	32.5#	250'	145 sxs, circ.
8-3/4"	WC-50, 7"	20#	1876'	235 sxs, circ.
6-1/4"	WC-50, 4-1/2"	10.5#	5150'	360 sxs, tol @ 1676'

It is proposed to drill a vertical wellbore to the Blanco Mesaverde Pool. An NOS was filed 10/11/99. The well will be drilled and equipped according to the following additional attachments:

1. Well Location & Acreage Dedication Plat (C-102).
2. Proposed Well Plan Outline.
3. Cementing Plan.
4. Blowout Preventer Hookup.
5. Surface Use Plan with Production Facility layout.
6. Temporary Pipeline Tie Specifications.

This action is subject to technical and procedural review pursuant to 43 CFR 3166.3 and appeal pursuant to 43 CFR 3166.4.

This application includes ROW's for the well pad, road access and pipeline.

DESIGNS OR SPECIFICATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. Jo Ann Johnson DATE 2/4/00
 TITLE: Sr. Property Analyst
 (This space for Federal or State office Use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY: /s/ Charlie Beecham TITLE: MMOCD DATE: MAR 20 2000

*See Instructions On Reverse Side

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 representations as to any matter within its jurisdiction.

OK CTP

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-11
Revised February 21, 1995
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-30139		*Pool Code 72319	*Pool Name BLANCO MESAVERDE
*Property Code 22386	*Property Name HOUCK COM		*Well Number 18
*GRID No. 005073	*Operator Name CONOCO, INC.		*Elevation 5777'

10 Surface Location

Lot No.	Section	Township	Range	Lot 10	Feet from the	North/South line	Feet from the	East/West line	County
0	1	29N	10W		875	SOUTH	2205	EAST	SAN JUAN

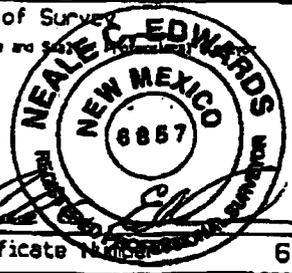
11 Bottom Hole Location If Different From Surface

Lot No.	Section	Township	Range	Lot 10	Feet from the	North/South line	Feet from the	East/West line	County

*Dedicated Acres 324.61	*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

1386.00'	LOT 8	LOT 7	LOT 6	LOT 5	1329.24'	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Mike L. Mankin</i></p> <p>Signature Mike L. Mankin Printed Name Right-of-Way Agent Title 11-29-99 Date</p>
	1326.60'	LOT 10	LOT 11	LOT 12		
2652.54'	LOT 16	LOT 15	LOT 14	LOT 13	2670.36'	<p>5278.68'</p> <p>075'</p> <p>2205'</p>
	LOT 17	LOT 18	LOT 19	LOT 20		



Submit 3 Copies To Appropriate District Office

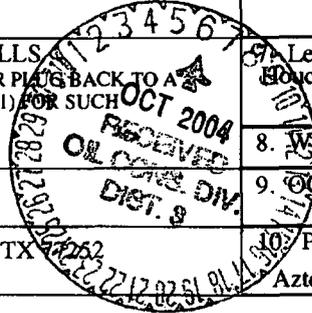
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.	30-045-30139
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Blanco Com
8. Well Number	1B
9. GRID Number	217817
10. Pool name or Wildcat	Aztec Pictured Cliffs / Blanco Mesaverde
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	5777' GR
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	



SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
CONOCOPHILLIPS CO.

3. Address of Operator P.O. BOX 2197 WL3 6108 HOUSTON TX

4. Well Location
Unit Letter O : 875 feet from the South line and 2205 feet from the East line
Section 1 Township 29N Range 10W NMPM County San Juan

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER:DHC <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

In reference to Order #R-11363 ConocoPhillips proposes to downhole commingle in the Aztec Pictured Cliffs and Blanco Mesaverde.

Perforations are:
Blanco Mesaverde 3892 - 4662
Aztec Pictured Cliffs 2280 - 2355

Allocation will be by test.

Commingle in this well will not reduce the value of the remaining production.

BLM has been notified of our intent.

Interest owners are identical in all pools.

DHC1648AZ

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Deborah Marberry TITLE REGULATORY ANALYST DATE 09/22/2004
Type or print name DEBORAH MARBERRY E-mail address: deborah.marberry@conocophillips.com Telephone No. (832)486-2326
For State Use Only

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 9 DATE OCT - 6 2004
Conditions of Approval (if any):

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMSF077092B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

8. Well Name and No.
HOUCK COM 1B

9. API Well No.
30-045-30139-00-S1

10. Field and Pool, or Exploratory
BLANCO MVL ~~PS~~

11. County or Parish, and State
SAN JUAN COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
CONOCOPHILLIPS COMPANY
Contact: DEBORAH MARBERRY
E-Mail: deborah.marberry@conocophillips.com

3a. Address
P O BOX 2197 WL 6106
HOUSTON, TX 77252
3b. Phone No. (include area code)
Ph: 832.486.2326
Fx: 832.486.2764

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 1 T29N R10W SWSE 875FSL 2205FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

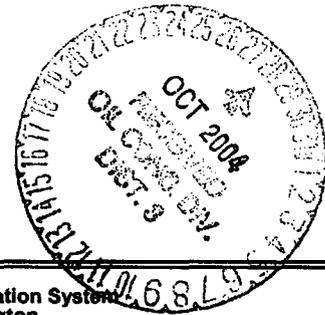
TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Deepen
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Subsurface Commingling

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

ConocoPhillips proposes to recomplete and downhole commingle this well in the Aztec Pictured Cliffs and Blanco Mesaverde as per the attached procedure. Also attached is the application sent to the NMOCD.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

DNCL648AZ



14. I hereby certify that the foregoing is true and correct.

Electronic Submission #50106 verified by the BLM Well Information System For CONOCOPHILLIPS COMPANY, sent to the Farmington Committed to AFMS for processing by MATTHEW HALBERT on 10/19/2004 (05MXH0038SE)

Name (Printed/Typed) DEBORAH MARBERRY	Title SUBMITTING CONTACT
Signature (Electronic Submission)	Date 10/15/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>[Signature]</i>	Title <i>Petr. Eng.</i>	Date <i>10/20/04</i>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 representations as to any matter within its jurisdiction.

NMOCD

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico
Energy, Minerals and Natural Resources**

**Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505**

Form C-102
Permit 38498

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-30139	2. Pool Code 71280	3. Pool Name AZTEC PICTURED CLIFFS (GAS)
4. Property Code 31811	5. Property Name HOUCK COM	6. Well No. 001B
7. OGRID No. 217817	8. Operator Name CONOCOPHILLIPS COMPANY	9. Elevation 5777

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	1	29N	10W		875	S	2205	E	SAN JUAN

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 162.34		13. Joint or Infill		14. Consolidation Code			15. Order No.		

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

	<p align="center">OPERATOR CERTIFICATION</p> <p><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(s) 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></p> <p>E-Signed By: <i>Fancy Clough</i> Title: <i>S. Reg. Specialist</i> Date: <i>9/25/06</i></p> <hr/> <p align="center">SURVEYOR CERTIFICATION</p> <p><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></p> <p>Surveyed By: Neale C Edwards Date of Survey: 10/21/1999 Certificate Number: 6857</p>
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HOLD C104 FOR NSL ←

31

31

BR

6
29N-9W

BR

7

36 30N-10W

36

BR

BR
SUNRAY 2F

ConPill
HOUCK COM 1A

ConPill
HOUCK COM 1B

29N-10W
1

ConPill
HOUCK 1

ConPill
HOUCK COM 1B

ConPill
FLORANCE E LS 1A

Energen
AQUIGLEY 1

BP
FLORANCE-E-2

ConPill
FLORANCE 1E

12

BR
LACKEY-A 1-R

BR
LACKEY 1-A

BR
LACKEY A 2A

BR
HOUCK 3M

Energen
LACKEY A 8

BR
HOUCK 3-12

29N-10W
12

BR
LACKEY 2-A

BR
LACKEY A 6

BR
LACKEY A 1A

BR

Offset Operator Map

P200 Wells by Formation

★ PICTURED CLIFFS

⊙ MESAVERDE

San Juan Federal Units

Sections (SJD)

Townships (SJD)



BURLINGTON
RESOURCES



© Unpublished Work, Burlington Resources, Inc.



1:18,603 - 1" equals 1,550'

GCS North American 1927

ConocoPhillips Company

San Juan

Houck Com 1B - NSL

Sec. 1 T29N R10W

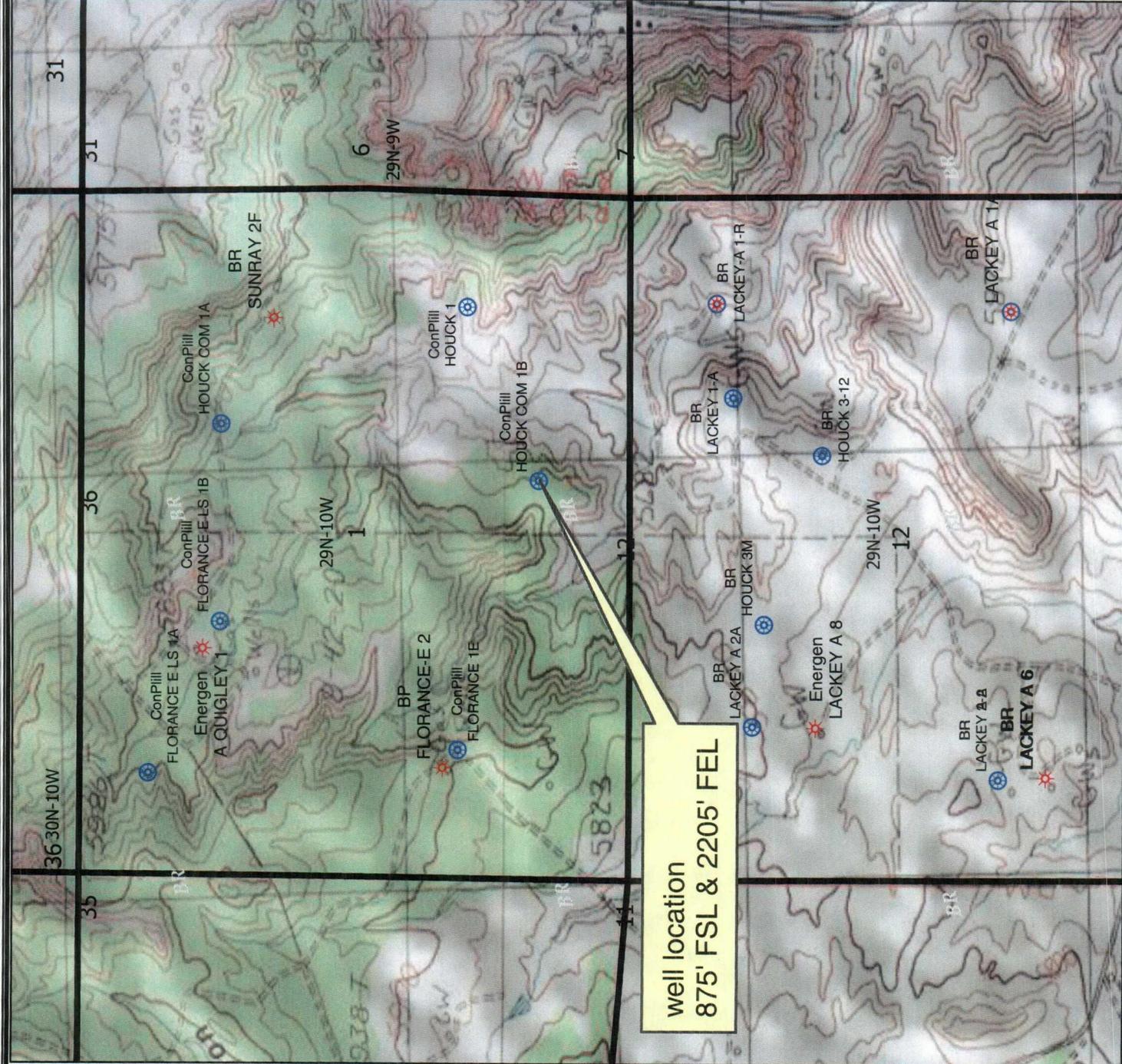
San Juan County, New Mexico

Prepared By: gmm1 Date: 10/12/2006

File Number: PLAT0001\Projects\Houck Com. 1B - NSL.mxd Revised Date: 10/12/2006

File Name: PLAT0001\Projects\Houck Com. 1B - NSL.mxd

well location
875' FSL & 2205' FEL



Offset Operator Map

P200 Wells by Formation

- PICTURED CLIFFS
- MESA VERDE
- San Juan Federal Units
- Sections (SJD)
- Townships (SJD)

BURLINGTON RESOURCES

© Unpublished Work, Burlington Resources, Inc.

PLAT

1:16,933 - 1" equals 1,411'

GCS North American 1927

0 400 800 1,600 2,400 3,200 Feet

ConocoPhillips Company
San Juan

Houck Com 1B - NSL
Sec. 1 T29N R10W
San Juan County, New Mexico

Prepared By: pmm1 Date: 10/12/2006
File Number: Revised Date: 10/12/2006
File Name: r:\platt\pmm1\Projects\Houck.Com.1B - NSL.mxd



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

November 6, 2006

Ms. Patsy Clugston
Sr. Regulatory Specialist
ConocoPhillips
P.O. Box 4289
Farmington, NM 87499

**Re: Administrative Application No. pDRC06-28950235
Houck Com Well No. 1B
O-1-29N-10W
San Juan County**

Dear Ms. Clugston:

The referenced application does not contain sufficient information for us to determine if all necessary notices have been given.

The information on the offset map shows that BP America, whom your certificate indicates was notified, is the offset Pictured Cliffs operator. However, it also indicates that ConocoPhillips is the offset Mesa Verde operator. Thus notice to all working interest owners in the W/2 of Section 1 would be required unless ownership of Mesa Verde in the W/2 of Section 1 is identical to that in the E/2 where the well is located.

Please specifically confirm, if such is the case, that ownership of all interests in the Mesa Verde formation is identical throughout the section. Otherwise please furnish proof of notice of this application to all owners of working interests in the W/2 of Section 1 in the Mesa Verde.

Should you have questions, please feel free to call the undersigned at (505)-476-3450.

Very truly yours,

David K. Brooks,
david.brooks@state.nm.us
Assistant General Counsel

Brooks, David K., EMNRD

From: Clugston, Patricia L [Patsy.L.Clugston@conocophillips.com]
Sent: Friday, November 10, 2006 4:39 PM
To: Brooks, David K., EMNRD
Cc: Alexander, Alan E
Subject: RE: NSL Applications

1. Bruington LS #4M - update
Offset Operators/WIOs
N/2 of Section 6, T30N, R11W - ConocoPhillips operator and 100% WIO for DK formation (Yeager Com #1 & 1E)
W/2 of Section 6, T30N, R11W - ConocoPhillips Operator and 100% WIO for MV formation (Yeager Com #1 & 1E)

Apparently P2000 (PI Dwights) had the old well and shows it as inactive (Yeager Com #1E). This well was originally a DK well that BP plugged back and then completed in the MV & FC and the name now is the Bruington LS #3A (MV/FC commingle. Conoco became the Operator in 1998 and the well.

We hope that we have answered all the questions you asked on this well. Next

2. San Juan 32-7 Unit #69M - update
We are researching the ownership for the WIO for the S/2 of Section 35, T32N, R7W. Our Landman had a note that the WIO was 82% COPC and 18% Williams, however we will be verifying this and will get back with you as soon as we do.

3. Houck Com #1B - update
MV W/2 (Florance E LS wells and the Florance 1E well) - Operator - Conocophillips - WIO - 49.58% COPC and 50.42% Burlington.
Would you like us to send you a waiver from Burlington or you can treat this email as Burlington's waiver?

David, please let us know if you need anything else from us on these NSL applications. We appreciate your patience with us and want you to know that with the merger came hic-ups, but we are trying to work through these. Thanks again. Patsy

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Monday, November 06, 2006 10:04 AM
To: Clugston, Patricia L
Subject: NSL Applications

Dear Ms. Clugston

I have on my desk several administrative NSL applications from ConocoPhillips for which I was unable to determine if there was compliance with all notice requirements.

Attached are letters, hard copies of which have been mailed to you, indicating the specific information I concluded was needed with respect to each of these applications.

Please feel free to respond either by e-mail or regular mail.

Very truly yours,
David K. Brooks

11/13/2006

Assistant General Counsel
505-476-3450

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