

DATE IN 9/3/09	SUSPENSE	ENGINEER Jones	LOGGED IN 9/3/09	TYPE DHC	APP NO. 0924656871
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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



Burlington
 (14538)

ADMINISTRATIVE APPLICATION CHECKLIST East 7E

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

30-045-24146

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 _____

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- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or XXX 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.

Jamie Goodwin _____ Regulatory Tech. _____ 8/31/09
 Print or Type Name Signature Title Date

 Jamie.L.Goodwin@conocophillips.com
 e-mail Address

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

District III
1000 Rio Brazos Road, Aztec, NM 87410

Single Well
 Establish Pre-Approved Pools

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

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE
 Yes No

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

DHC-4209

East 7E Unit L, Sec. 14, 031N, 012W San Juan
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No: 14538 Property Code 18517 API No. 30045241460000 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	UNDES AZTEC PICTURED CLIFFS		✓ BASIN DAKOTA
Pool Code	71280		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2806'-2838'		7284' - 7445'
Method of Production (Flowing or Artificial Lift)	FLOWING		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)	700 psi		1500 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1000		BTU 1000
Producing, Shut-In or New Zone	PRODUCING		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: MAR 2009 Rates: 434 MCF		Date: MAR 2009 Rates: 300 MCF
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

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: _____

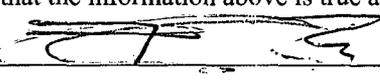
- Attachments:
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
 - Production curve for each zone for at least one year. (If not available, attach explanation.)
 - For zones with no production history, estimated production rates and supporting data.
 - Data to support 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 8/28/09

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

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

East 7E
Unit L, Section 14, T31N, R12W

The East 7E is an Aztec Pictured Cliffs and Basin Dakota commingle. A volumetric calculation will be performed to determine the allocation percentages between the Aztec Pictured Cliffs and Basin Dakota. All documentation will be submitted to the Aztec NMOCD office.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-78

All distances must be from the outer boundaries of the Section

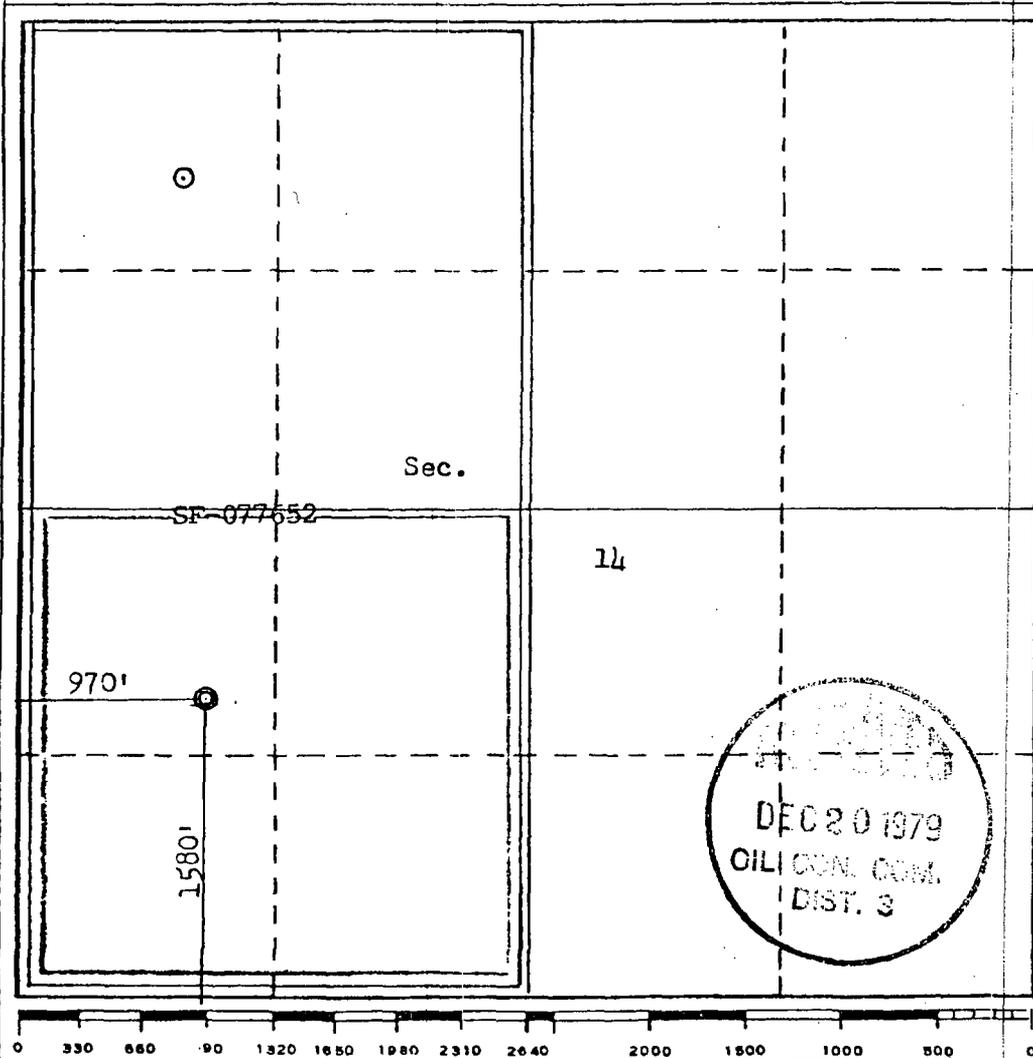
Operator SOUTHLAND ROYALTY COMPANY			Lease EAST		Well No. 7-E
Unit Letter L	Section 14	Township 31N	Range 12W	County San Juan	
Actual Footage Location of Well: 1580 feet from the South line and 970 feet from the West line					
Ground Level Elev. 6298	Producing Formation Dakota / Pictured Cliffs		Pool Blanco Aztec	Dedicated Acreage: 280.06 320/160 <small>139.26 Acres</small>	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.

C. Parsons

Name
Curtis C. Parsons

Position
District Engineer

Company
Southland Royalty Company

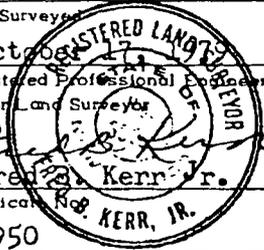
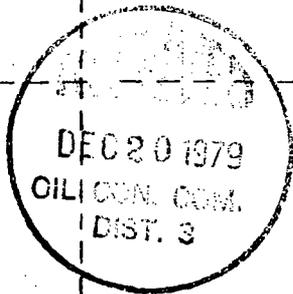
Date
December 4, 1979

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
October 17, 1979

Registered Professional Engineer and/or Land Surveyor
Fred A. Kerr, Jr.

Certificate No. **3950**



SAN JUAN NM
EAST 7E
BURLINGTON RESOURCES O&G CO LP
ACTIVE

Production Report

Lease Name:	EAST	Well Number:	7E
Lease Number:	018517	Cum Oil:	6,629
Operator Name:	BURLINGTON RESOURCES O&G	Cum Gas:	988,198
State:	NEW MEXICO	Cum Water:	2,284 since JAN 1981
County:	SAN JUAN	First Production Date:	NOV 1980
Field:	BASIN	Last Production Date:	MAR 2009
Sec Twn Rng:	14 31N 12W	Spot:	SE NW SW
Latitude/Longitude:	36.89616 -108.07137	Lat/Long Source:	TS
Regulatory #:		Completion Date:	AUG 05, 1980
API:	30045241460000	Total Depth:	7480
Production ID:	2300430452414671599	Upper Perforation:	7357
Reservoir Name:	DAKOTA	Lower Perforation:	7445
Prod Zone:	DAKOTA	Gas Gravity:	
Prod Zone Code:	602DKOT	Oil Gravity:	
Basin Name:	SAN JUAN BASIN	Temp Gradient:	1.75
Gas Gatherer:		N Factor:	
Liquid Gatherer:		GOR:	
Status:	ACTIVE		GAS

Annual Production	(30 years)		
Year	Oil BCLS	Gas MCF	Water BCLS

Beginning			
Cum:			
1980	206	21,982	
1981	722	86,135	631
1982	498	62,641	456
1983	380	49,912	60
1984	329	41,606	7
1985	252	34,347	61
1986	325	41,544	79
1987	341	48,151	12
1988	298	43,456	12
1989	313	33,304	
1990	320	34,432	
1991	56	25,006	
1992	275	31,962	
1993	177	33,157	
1994	171	30,049	
1995	163	30,452	
1996	264	39,653	
1997	181	35,830	
1998	155	34,967	
1999	160	25,684	17
2000	156	31,255	3

2001	147	23,956	8
2002	176	26,460	2
2003	88	20,943	
2004	39	28,171	1
2005	146	27,540	
2006	147	24,196	2
2007	124	15,815	364
2008	20	4,848	486
2009		744	83
Totals:	<u>6,629</u>	<u>988,198</u>	<u>2,284</u>

Monthly Production (Most recent 48 of 341 months)							
Date MO/YR	Oil BBLs	Gas MCF	Water BBLs	Cond Yld STB/MMCF	% Water	# of Wells	Days on
MAR 2005	36	2,433		14.80		1	31
APR 2005	7	2,165		3.24		1	30
MAY 2005	9	1,368		6.58		1	31
JUN 2005	19	2,889		6.58		1	30
JUL 2005	13	2,515		5.17		1	31
AUG 2005	10	2,406		4.16		1	31
SEP 2005	14	2,272		6.17		1	30
OCT 2005	16	2,448		6.54		1	31
NOV 2005	14	2,333		6.01		1	30
DEC 2005	8	2,302		3.48		1	31
Totals: 2005	<u>146</u>	<u>27,540</u>					
JAN 2006	17	2,106	2	8.08	10.53	1	31
FEB 2006	17	2,003		8.49		1	28
MAR 2006	9	2,267		3.98		1	31
APR 2006	13	2,229		5.84		1	30
MAY 2006	7	1,792		3.91		1	31
JUN 2006	8	1,610		4.97		1	30
JUL 2006	13	2,136		6.09		1	31
AUG 2006	12	1,777		6.76		1	24
SEP 2006	10	2,214		4.52		1	28
OCT 2006	15	2,230		6.73		1	31
NOV 2006	18	1,942		9.27		1	30
DEC 2006	8	1,890		4.24		1	31
Totals: 2006	<u>147</u>	<u>24,196</u>	<u>2</u>				
JAN 2007	12	1,671	31	7.19	72.09	1	31
FEB 2007	17	1,595	28	10.66	62.22	1	28
MAR 2007	13	1,652	31	7.87	70.45	1	31
APR 2007	19	1,482	30	12.83	61.22	1	30
MAY 2007	10	1,186	31	8.44	75.61	1	31
JUN 2007	8	1,439	30	5.56	78.95	1	30
JUL 2007	13	1,655	0	7.86		1	31
AUG 2007	8	1,709	31	4.69	79.49	1	31
SEP 2007	8	1,295	30	6.18	78.95	1	30

OCT 2007	8	714	41	11.21	83.67	1	31
NOV 2007	4	718	40	5.58	90.91	1	30
DEC 2007	4	699	41	5.73	91.11	1	31
Totals:							
2007	124	15,815	364				
JAN 2008	7	548	41	12.78	85.42	1	31
FEB 2008	9	614	39	14.66	81.25	1	29
MAR 2008	0	334	41			1	31
APR 2008	0	322	40			1	30
MAY 2008	4	554	41	7.23	91.11	1	31
JUN 2008		345	40			1	30
JUL 2008		319	41			1	31
AUG 2008		356	41			1	31
SEP 2008		486	40			1	30
OCT 2008		390	41			1	31
NOV 2008		285	40			1	30
DEC 2008		295	41			1	31
Totals:							
2008	20	4,848	486				
JAN 2009		297	41			1	31
FEB 2009		13	1			1	1
MAR 2009		434	41			1	31
Totals:							
2009		744	83				

SAN JUAN NM
EAST 7E
BURLINGTON RESOURCES O&G CO LP
ACTIVE

Production Report

Lease Name:	EAST	Well Number:	7E
Lease Number:	018517	Cum Oil:	
Operator Name:	BURLINGTON RESOURCES O&G	Cum Gas:	365,883
State:	NEW MEXICO	Cum Water:	1,505 since JAN 1981
County:	SAN JUAN	First Production Date:	NOV 1980
Field:	AZTEC	Last Production Date:	MAR 2009
Sec Twm Rng:	14 31N 12W	Spot:	SE NW SW
Latitude/Longitude:	36.89616 -108.07137	Lat/Long Source:	TS
Regulatory #:		Completion Date:	AUG 05, 1980
API:	30045241460000	Total Depth:	7480
Production ID:	2300430452414671280	Upper Perforation:	2806
Reservoir Name:	PICTURED CLIFFS	Lower Perforation:	2838
Prod Zone:	PICTURED CLIFFS	Gas Gravity:	
Prod Zone Code:	604PCCF	Oil Gravity:	
Basin Name:	SAN JUAN BASIN	Temp Gradient:	
Gas Gatherer:		N Factor:	
Liquid Gatherer:		GOR:	
Status:	ACTIVE		GAS

Annual Production	(30 years)		
Year	Oil	Gas	Water
	BBLs	MCF	BBLs

Beginning

Cum:	Oil	Gas	Water
	BBLs	MCF	BBLs
1980		4,986	
1981		21,927	69
1982		18,935	68
1983		16,170	334
1984		17,471	235
1985		9,313	16
1986		17,203	8
1987		18,614	35
1988		15,227	35
1989		12,956	
1990		12,828	
1991		10,686	
1992		12,896	
1993		10,780	
1994		10,128	
1995		9,609	
1996		9,474	
1997		8,832	
1998		9,641	
1999		10,296	
2000		12,211	

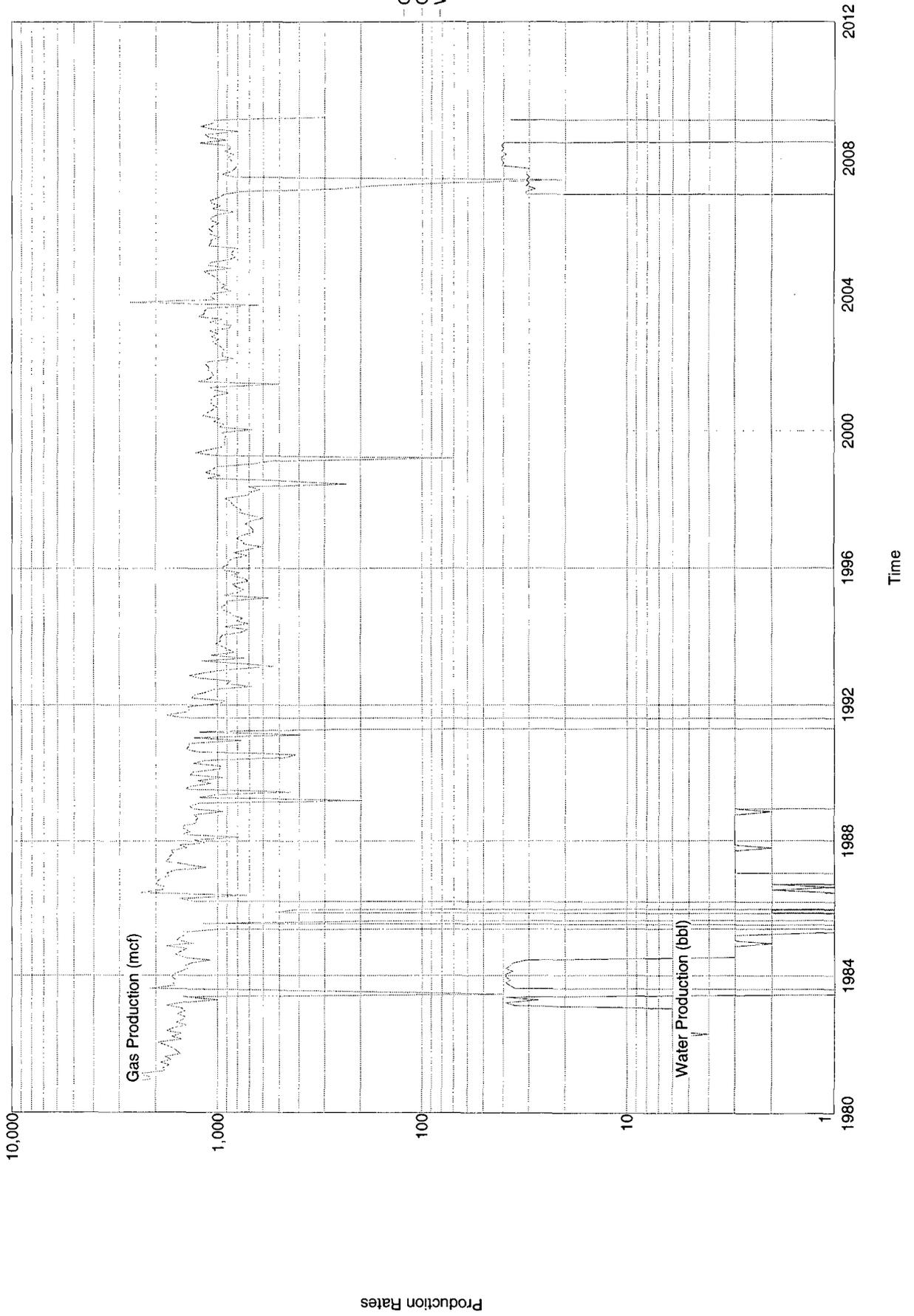
2001	12,303	
2002	11,941	
2003	13,956	
2004	12,105	
2005	11,718	
2006	12,139	31
2007	7,267	395
2008	11,865	242
2009	2,406	37
Totals:	<u>365,883</u>	<u>1,505</u>

Monthly Production (Most recent 48 of 341 months)							
Date MO/YR	Oil BCLS	Gas MCF	Water BCLS	Cond Yld STB/MMCF	% Water	# of Wells	Days on
MAR 2005		861				1	31
APR 2005		844				1	30
MAY 2005		800				1	31
JUN 2005		1,111				1	30
JUL 2005		1,079				1	31
AUG 2005		1,077				1	31
SEP 2005		978				1	30
OCT 2005		1,097				1	31
NOV 2005		1,064				1	30
DEC 2005		1,106				1	31
Totals: 2005		<u>11,718</u>					
JAN 2006		1,051	0			1	31
FEB 2006		987	0			1	28
MAR 2006		1,082	0			1	31
APR 2006		1,074	0			1	30
MAY 2006		1,003	0			1	31
JUN 2006		840	0			1	30
JUL 2006		1,065	0			1	31
AUG 2006		968	0			1	31
SEP 2006		1,073	0			1	30
OCT 2006		1,083	0			1	31
NOV 2006		980	0			1	30
DEC 2006		933	31			1	31
Totals: 2006		<u>12,139</u>	<u>31</u>				
JAN 2007		777	31			1	31
FEB 2007		252	28			1	28
MAR 2007		174	31			1	31
APR 2007		71	30			1	30
MAY 2007		21	31			1	31
JUN 2007		822	30			1	30
JUL 2007		949	31			1	31
AUG 2007		864	31			1	31
SEP 2007		826	30			1	30

OCT 2007	808	41	1	31
NOV 2007	842	40	1	30
DEC 2007	861	41	1	31
Totals:				
2007	<u>7,267</u>	<u>395</u>		
JAN 2008	890	41	1	31
FEB 2008	839	39	1	29
MAR 2008	924	41	1	31
APR 2008	870	40	1	30
MAY 2008	876	41	1	31
JUN 2008	1,236	40	1	30
JUL 2008	911		1	31
AUG 2008	1,107		1	31
SEP 2008	1,153		1	30
OCT 2008	786		1	31
NOV 2008	1,066		1	30
DEC 2008	1,207		1	31
Totals:				
2008	<u>11,865</u>	<u>242</u>		
JAN 2009	1,055	0	1	31
FEB 2009	1,051	37	1	28
MAR 2009	300	0	1	31
Totals:				
2009	<u>2,406</u>	<u>37</u>		

Lease Name: EAST
County, State: SAN JUAN, NM
Operator: BURLINGTON RESOURCES O&G CO LP
Field: AZTEC
Reservoir: PICTURED CLIFFS
Location: 14 31N 12W SE NW SW

EAST - AZTEC

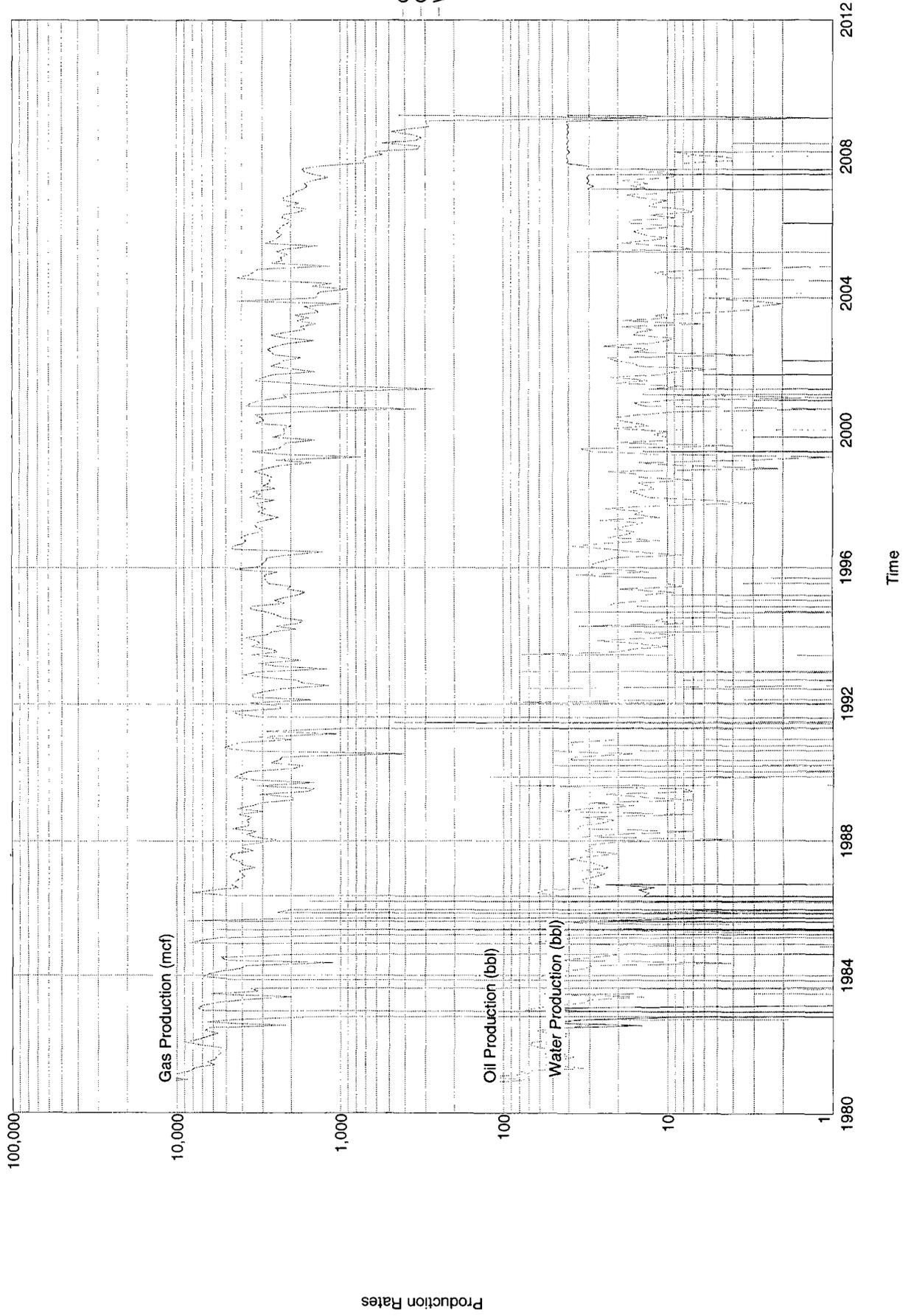


Production Rates

Oil Production (bbl)
Gas Production (mcf)
Water Production (bbl)

Lease Name: EAST
County, State: SAN JUAN, NM
Operator: BURLINGTON RESOURCES O&G CO LP
Field: BASIN
Reservoir: DAKOTA
Location: 14 31N 12W SE NW SW

EAST - BASIN



Production Rates

Oil Production (bbl)
Gas Production (mcf)
Water Production (bbl)

Time