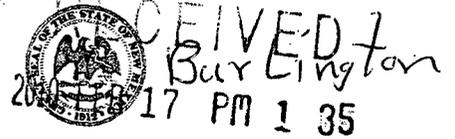


DATE IN 2-17-10	SUSPENSE	ENGINEER Jones	LOGGED IN 2-17-10	TYPE DHC 4262	APP NO. 1004855277
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



ADMINISTRATIVE APPLICATION CHECKLIST *CLU #2390*

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

30-039-30883

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.

Crystal Tafuya
 Print or Type Name

Crystal Tafuya
 Signature

Regulatory Tech
 Title

2/16/2010
 Date

crystal.tafuya@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
EXISTING WELLBORE
 Yes No

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

APPLICATION FOR DOWNHOLE COMMINGLING

DAC-4262

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

Canyon Largo Unit 239N Unit L, Sec. 1, 025N, 006W Rio Arriba
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No: 14538 Property Code 6886 API No. 300393088300000 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	OTERO CHACRA	BLANCO MESAVERDE	BASIN DAKOTA
Pool Code	82329	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3760' - 3880' Estimated	5000' - 5420' Estimated	7125' - 7309' 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)	700 psi	750 psi	1911 psi <i>OK</i>
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1000	BTU 1000	BTU 1000
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:

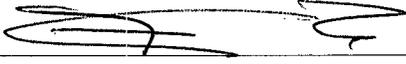
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation 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 2/11/10

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

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

Canyon Largo Unit 239N
Unit F, Section 29, T27N, R07W

The Canyon Largo Unit 239N is a Blanco Mesaverde, Basin Dakota and Otero Chacra New Drill. A cased hole neutron log will be run prior to completion to identify the Blanco Mesaverde, Basin Dakota and Otero Chacra zones. If the Blanco Mesaverde, Basin Dakota and Otero Chacra horizons can be isolated, a separator test will be performed and the allocation will be assigned with results using the subtraction method applied to the rate. In the event that the Blanco Mesaverde, Basin Dakota and Otero Chacra can not be tested separately, a volumetric calculation will be performed to determine the allocation percentages between the Blanco Mesaverde, Basin Dakota and Otero Chacra. All documentation will be submitted to the Aztec NMOCD office.

DISTRICT I
1626 N. French Dr., Hobbs, N.M. 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised October 12, 2005

DISTRICT II
1301 W. Grand Avenue, Artesia, N.M. 88210

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 Rio Brazos Rd., Asteo, N.M. 87410

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87605

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87605

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-30883		² Pool Code 82329/71599/72319		³ OTERO		⁴ Pool Name CHACRA/BASIN DAKOTA/BLANCO MESA VERDE	
⁵ Property Code 6886		⁶ Property Name CANYON LARGO UNIT				⁷ Well Number 239 N	
⁸ OGRID No. 14538		⁹ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP				¹⁰ Elevation 6749'	

¹⁰ Surface Location

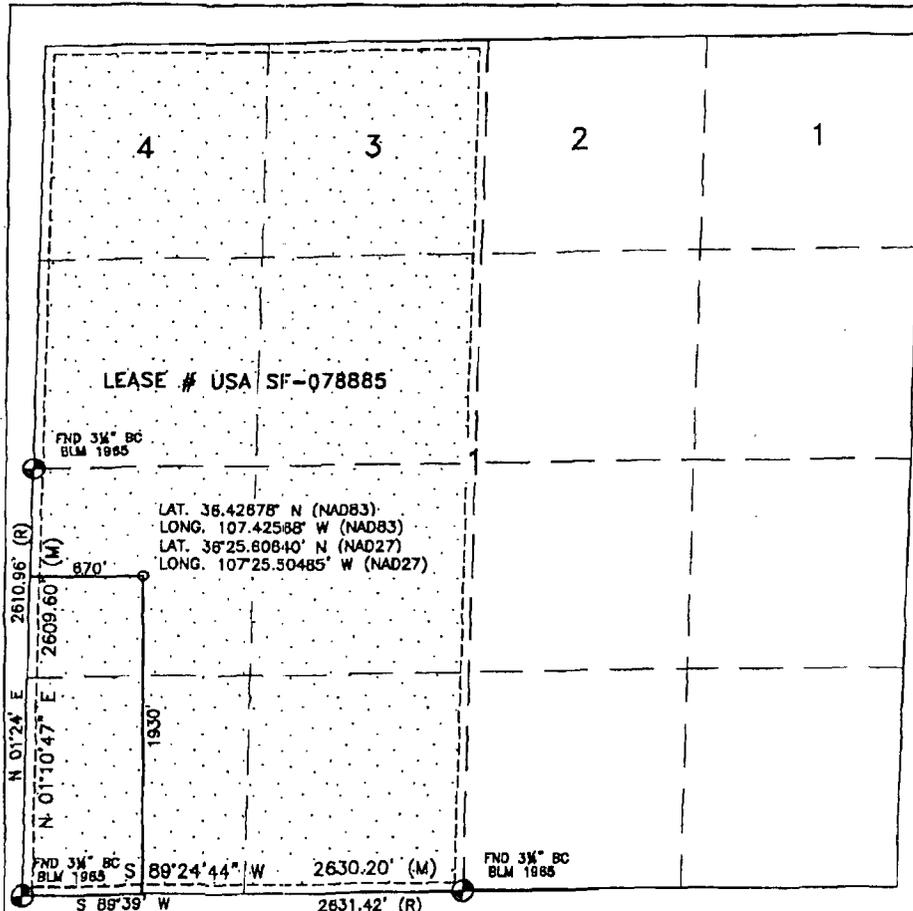
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	1	25N	6W		1930'	SOUTH	670'	WEST	RIO ARRIBA

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
L									
¹² Dedicated Acres 160.0 Acres - (SW/4) CH 320.6 Acres - (W/2) MV/DK			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

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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 or a compulsory pooling order heretofore entered by the division.

Crystal Tafoya 11/13/09
Signature Date

Crystal Tafoya 11/13/09
Printed Name

¹⁸ SURVEYOR CERTIFICATION

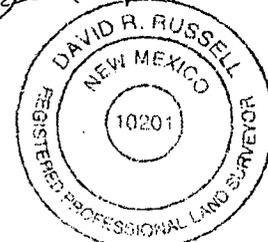
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

AUGUST 28, 2008

Date of Survey

Signature and Seal of Professional Surveyor:

David R. Russell



DAVID RUSSELL

Certificate Number

10201

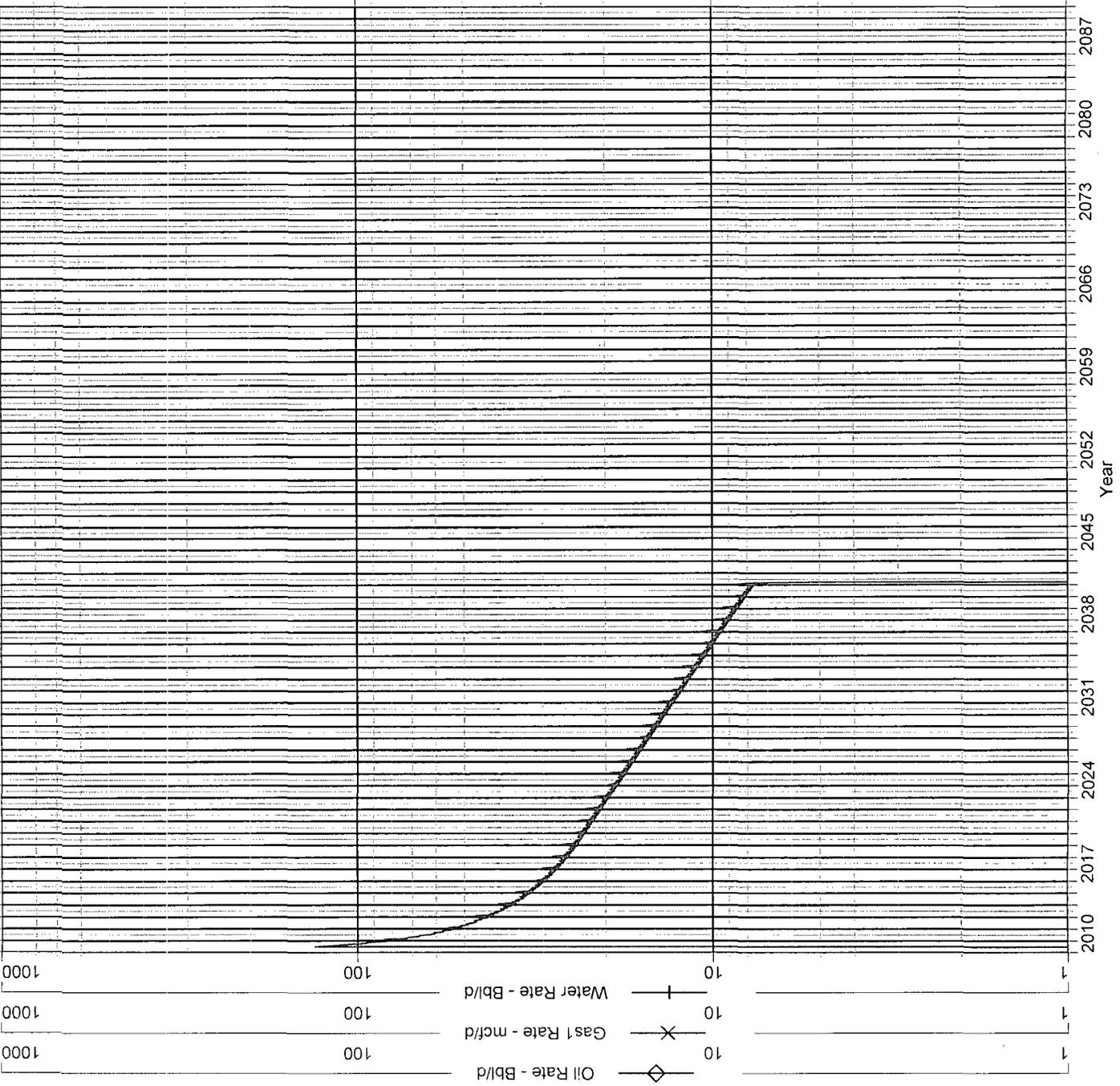
CANYON LARGO UNIT 239N CH Data: Jan. 2010-Jan. 2010

Operator:
Field:
Zone:
Type:
Group:

No
Active
Forecast

Production Cums
Oil: 0 MSTB
Gas: 0 MMSCF
Water: 0 MSTB
Cond: 0 MSTB

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



1000
100
10
1
1000
100
10
1
1000
100
10
1

◇ Oil Rate - Bbl/d
* Gas1 Rate - mcf/d
+ Water Rate - Bbl/d

2010 2017 2024 2031 2038 2045 2052 2059 2066 2073 2080 2087

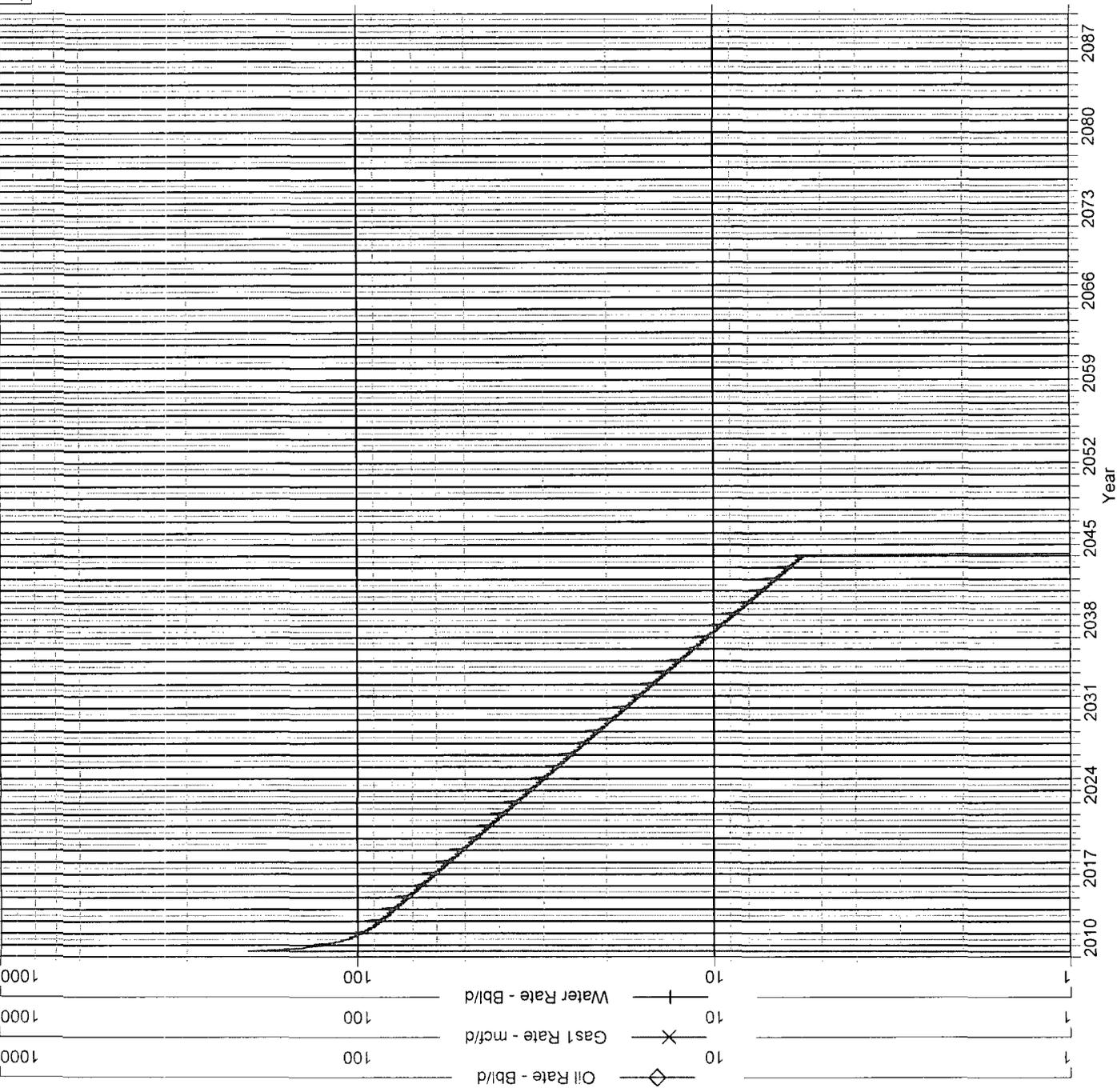
Year

CANYON LARGO UNIT 239N DK Data: Jan.2010-Jan.2010

Operator: No
 Field: Active
 Zone: Forecast
 Type: Other
 Group: None

Production Cumis
 Oil: 0 MSTB
 Gas: 0 MMSCF
 Water: 0 MSTB
 Cond: 0 MSTB

◇ Oil Rate - Bbl/d
 * Gas1 Rate - mcf/d
 + Water Rate - Bbl/d



1000
 100
 10
 1000
 100
 10
 1000
 100
 10

Oil Rate - Bbl/d
 Gas1 Rate - mcf/d
 Water Rate - Bbl/d

◇
 *
 +

2010 2017 2024 2031 2038 2045 2052 2059 2066 2073 2080 2087

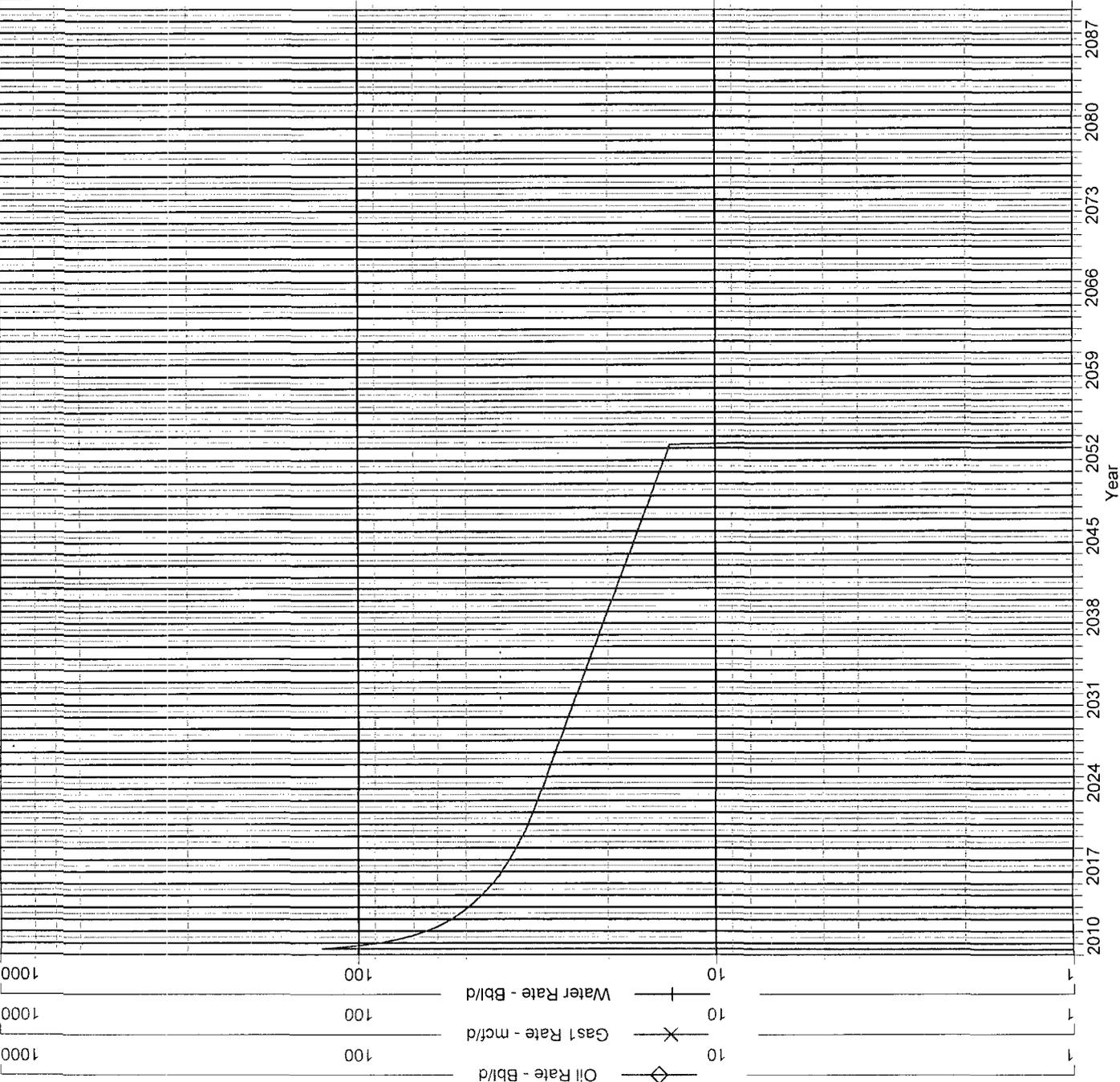
Year

CANYON LARGO UNIT 239N MV Data: Jan.2010-Jan.2010

Operator:
Field:
Zone:
Type:
Group:

No
Active
Forecast

Production Cumis
Oil: 0 MSTB
Gas: 0 MMSCF
Water: 0 MSTB
Cond: 0 MSTB



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

