

07/16/2014 DATE IN	SUSPENSE	ENGINEER MAM	07/17/2014 LOGGED IN	NSL TYPE	PEH1419833064 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



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 SEMU #266 - API 30-025-XXXXX **217717**
☒ NSL ☐ NSP ☐ SD **ConocoPhillips Company**
API # pending
pool
57380
SKAGGS - GRAYBURG
- 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 M Upson
Print or Type Name

Deborah M Upson
Signature

Sr. Regulatory Specialist
Title

07-14-14
Date

Debi.M.Upson@conocophillips.com
e-mail Address

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025 ¹ API Number	57380 ² Pool Code	SKAGGS; GRAYBURG ³ Pool Name
⁴ Property Code	⁵ Property Name SEMU	⁶ Well Number 266
⁷ OGRID No. 217817	⁸ Operator Name ConocoPhillips Company	⁹ Elevation 3537'

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
I	19	20 S	38 E		1488	SOUTH	160	EAST	LEA

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
¹² Dedicated Acres 40	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.

NAD 83 (SURFACE LOCATION)	
LATITUDE	= 32°33'19.42" (32.555394)
LONGITUDE	= 103°10'47.18" (103.179772)
NAD 27 (SURFACE LOCATION)	
LATITUDE	= 32°33'18.99" (32.555275)
LONGITUDE	= 103°10'45.47" (103.179297)
STATE PLANE NAD 83	
N: 567708.40	E: 896765.40
STATE PLANE NAD 27	
N: 567647.98	E: 855582.38

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.

Susan B. Maunder 11/17/14
Signature Date

SUSAN B. MAUNDER
Printed Name

Susan.B.Maunder@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.

September 12, 2013
Date of Survey

Signature and Seal of Professional Surveyor:
Nelson J. Marshall
12-03-13

Certificate Number:



Deborah M Upson
Sr. Regulatory Specialist
Phone: (281) 206-5356

RECEIVED OGD

2014 JUL 16 P 4: 09

ConocoPhillips Company
600 N. Dairy Ashford Road, Off P10-3096
Houston, TX 77079-1175

July 14, 2014

State of New Mexico
Oil Conservation Division
Attn: Mr. Phillip Goetze
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

SUBJECT: REQUEST FOR APPROVAL OF NON-STANDARD LOCATION FOR SEMU #266

Dear Mr. Goetze,

ConocoPhillips Company respectfully requests a non-standard location exception to drill and produce the SEMU #266 well. The lease is recorded as NM LC 031670 (A). The well is located in UL I, 1488' from the south line and 160' from the east line of Section 19, Township 20S, Range 38E, Lea County, New Mexico. The footages place the well closer than 330' from a Qtr/Qtr Section line.

The table below details the operators of adjacent spacing units.

Spacing Unit	Adjacent Units	# of Wells	Operator(s)
UL I, Sec. 19, T20S, and R38E	UL G, H, J, O, and P, Sec. 19, T17S, and R32E	9	ConocoPhillips Company Apache Corporation Chevron
same	UL E, L, and M, Sec. 20, T17S, and R32E	5	ConocoPhillips Company Apache Corporation Chevron

Enclosed are the following documents in support of this request.

- Administrative Application Checklist
- Copy of the New Mexico Form C-102

A copy of this submittal has been sent to Bureau of Land Management - Carlsbad Field Office, Apache Corporation and Chevron via certified return receipt. A full copy of the package sent to Apache and Chevron is enclosed.

If you have questions regarding this request, I can be reached at 281-206-5356 or via email at Debi.M.Upson@conocophillips.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Deborah M. Upson". The signature is fluid and cursive, with the first name "Deborah" being more prominent and the last name "Upson" following in a similar style.

Deborah M Upson
Senior Regulatory Specialist
ConocoPhillips Company

w/Enclosures



ConocoPhillips Company
600 N. Dairy Ashford Road
P-10 Office 5046
Houston, TX 77079-1175

July 23, 2014

State of New Mexico
Oil Conservation Division
Attn: Mr. Michael McMillan
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Subject: Application for Non-Standard Location, SEMU #266
NE SE Sec. 19 T20S, R38E
Lea County, New Mexico
Lease Number: LC 031670A

Dear Sir:

Thank you for your July 21, 2014 phone call to Debi Upson of our office, in which you requested additional information in support of our NSL application for subject well.

The SEMU 266 is a Grayburg proposal which lies within the Grayburg PA, whose ownership consists of COPC (50%), ZPZ (Apache) (25%) and Penroc Oil Corporation (25%).

The location is non-standard as to the east line of the proration unit. This request for NSL approval is due to engineering and drainage. The immediate Grayburg offset owners are COPC (50%), ZPZ (Apache) (25%) and Chevron (25%). Apache and Chevron were both provided copies of our application by Certified Mail.

Please advise if you need additional information. Thank you for your time in reviewing and approving our application.

Sincerely,

Tom Scarbrough, CPL
Staff Landman
ConocoPhillips Company
600 N. Dairy Ashford, P10-05-5046
Houston, Texas 77079
Phone: 281-206-5352
Business Cell: 281-875-5269
Personal Cell: 832-594-8490
Fax: 918-662-1956
Tom.Scarbrough@ConocoPhillips.Com

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

CHEVRON U.S.A. INC.

ATTN: SANDRA STEDMAN
P.O. BOX 2100
Houston, TX 77252-2100

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? If YES, enter delivery address below.

Yes

No

3. Service Type

X Certified Mail®

Priority Mail Express™

Registered Return Receipt for Merchandise

Insured Mail

Collect on Delivery

4. Restricted Delivery? (Extra Fee)

Yes

2. Article Number

(Transfer from service label)

7013 2630 0001 2342 5300

PS Form 3811, July 2013

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

APACHE CORPORATION

ATTN: Michelle Hanson
303 Veterans Airpark Land, Suite 3000
Midland, TX 79705

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? If YES, enter delivery address below.

Yes

No

3. Service Type

X Certified Mail®

Priority Mail Express™

Registered Return Receipt for Merchandise

Insured Mail

Collect on Delivery

4. Restricted Delivery? (Extra Fee)

Yes

2. Article Number

(Transfer from service label)

7013 2630 0001 2342 5317

PS Form 3811, July 2013

Domestic Return Receipt

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)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	\$

SEMU #266
NSL
Postmark
HereSent To Apache
Street, Apt. No.,
or PO Box No.
City, State, ZIP+4

PS Form 3800, August 2006

See Reverse for Instructions

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)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	\$

SEMU #266
NSL
Postmark
HereSent To Chevron
Street, Apt. No.,
or PO Box No.
City, State, ZIP+4

PS Form 3800, August 2006

See Reverse for Instructions

2125 2422 1000 0692 ETOL

0055 2422 1000 0692 ETOL