

DATE IN 3.17.12	SUSPENSE	ENGINEER DB	LOGGED IN 3.19.12	TYPE NSL	APP NO. 1207942992
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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

Huerfano Unit #79N

ADMINISTRATIVE APPLICATION CHECKLIST

30-045-34950

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 XX 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

Print or Type Name

Patsy Clugston
 Signature

Sr. Regulatory Specialist

Title

Patsy.L.Clugston@conocophillips.com

3/14/12

Date

Huerfano Unit 79N
 30-045-34950

e-mail Address

RECEIVED OGD
 2012 MAR 14 A 10:09

6581

Burlington Resources Oil & Gas Company, LP

3401 East 30th Street
Farmington, NM 87402

March 14, 2012
Sent Overnight UPS

New Mexico Oil Conservation Division - NSL Examiner
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Huerfanito Unit #79N – NSL application for Mancos Pool
Unit P (SESE), 445' FSL & 355' FEL, Sec. 26, T27N, R9W
API – 30-045-34950

Dear Sir:

This is a request for administrative approval for a non-standard gas well location in the Basin Mancos Pool.

The proposed Huerfanito Unit #79N was originally staked as a commingled MV/DK well and a decision was made to also add the Mancos pool, see sundry attached dated 10/11/11. The placement of the well is non-standard for the Mancos pool per Order R-12984 because a Mancos Participating Area (PA) does not exist in this unit. Both the Mesaverde and the Dakota are within a PA therefore both are considered standard locations as per Order R-10987-A (1) for Mesaverde and Order R-10987-B (2) for Dakota. The well was staked closer than 660' from the section line therefore it is considered non-standard in the Mancos pool.

The Huerfanito Unit 79N surface location was selected due to existing topography, utilities, surface drainages and short access to minimize disturbance per BLM request to satisfy BLM/Industry Best Management Practices. Production from the Basin Dakota, Basin Mancos and Blanco Mesaverde are included in the 320.00 acre gas spacing unit E/2 Section 26, T27N, R9W.

To comply with the New Mexico Oil Conservation Division rules, we are submitting the following to help with your decision process:

1. Approved APD cover page and sundry adding the Mancos formation and its C102 plat showing both the surface and bottomhole locations
2. 9 Section Plat showing wells in the area
3. Offset Operator plat for Section 26 T27N, R9W
4. Topo maps showing the location of the well

There is not an offset operator in neither the west half of Section 25, nor the north half of Section 35 or in the northwest of Section 36 because there are no Mancos wells in these sections. Burlington Resources owns 100% leasehold in the Mancos in all Offset sections; therefore no notification was required on this NSL application.

Regretfully when we added the Mancos to this well, we missed determining that the Mancos interval would be NSL. Normally if we miss the determination the NMOCD District office will notify us that NSL approval is needed and they too missed this determination initially.

Huerfanito Unit #79N – NSL application for Mancos Pool
Unit P (SESE), 445' FSL & 355' FEL, Sec. 26, T27N, R9W
API – 30-045-34950
Page 2

We spud this well on March 8, 2012 and this is when we discovered the NSL approval wasn't in place for the Mancos zone. Our plans are to continue with the drilling, but we will not move the completion rig on location to complete the MV/DK/Mancos zones until NSL approval is received. Because of this we sincerely would appreciate an NSL approval as soon as it is possible if your work load allows this consideration. Please let me know if you have any questions about this application by calling me at 505-326-9518.

Respectfully,

A handwritten signature in cursive script, reading "Patsy Clugston".

Patsy Clugston
Sr. Regulatory Specialist

Burlington Resources Oil & Gas Company, LP

3401 East 30th Street
Farmington, New Mexico 87402

Huerfanito Unit #79N – NSL application for Mancos Pool
Unit P (SESE), 445' FSL & 355' FEL, Sec. 26, T27N, R9W
API – 30-045-34950

I hereby certify that Burlington Resources owns 100% leasehold in the Mancos in all offset sections therefore no notification is required.

Patsy Clugston
3-13-12

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number SF-078358 Unit Reporting Number NMMN078394B-DK/NMMN078394C-MV	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator BURLINGTON RESOURCES Oil & Gas Company, LP	7. Unit Agreement Name Huerfanito Unit	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name	
4. Location of Well Surf: Unit P (SESE), 445' FSL & 355' FEL Surf: Latitude: 36.540049° N (NAD83) Longitude: 107.750289° W	9. Well Number 79N 10. Field, Pool, Wildcat Basin DK/Blanco MV 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 26, T27N, R9W API # 30-045-34950	
14. Distance in Miles from Nearest Town 30 miles/Bloomfield	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 355'	17. Acres Assigned to Well MV/DK 320.00 (E/2)	
16. Acres in Lease 160.00	20. Rotary or Cable Tools Rotary	
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 1357' from Huerfanito Unit 46R	22. Approx. Date Work will Start	
19. Proposed Depth 6806'	BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS	
21. Elevations (DF, FT, GR, Etc.) 6309' GL	23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <u>Crystal Tafoya</u> Crystal Tafoya (Regulatory Technician)	Date <u>1/16/2009</u>	

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

Archaeological Report attached

Threatened and Endangered Species Report attached

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

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 presentations as to any matter within its jurisdiction.

Example Master Plan Type 4

Bond Numbers NMB-000015 and NMB-000089

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

OPERATOR

Operator is authorized and subject to compliance with attached "General Requirements".

RECEIVED

submitted in lieu of Form 3160-5

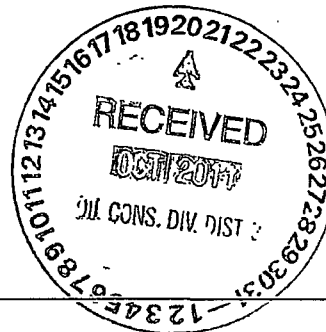
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCT 12 2011

Farmington Field Office
Bureau of Land Management

Sundry Notices and Reports on Wells

1. Type of Well
GAS
2. Name of Operator
BURLINGTON
RESOURCES OIL & GAS COMPANY LP
3. Address & Phone No. of Operator
PO Box 4289, Farmington, NM 87499 (505) 326-9700
4. Location of Well, Footage, Sec., T, R, M
Surface: Unit P (SESE), 445' FSL & 355' FEL, Section 26, T27N, R9W, NMPM
5. Lease Number
SF-078358
6. If Indian, All. or
Tribe Name
7. Unit Agreement Name
Huerfanito Unit
8. Well Name & Number
79N
9. API Well No.
30-045-34950
10. Field and Pool
Blanco MV/Basin DK/
Basin Mancos
11. County and State
San Juan, NM



12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission	Type of Action			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans	<input checked="" type="checkbox"/> Other	<input type="checkbox"/> Add Mancos
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction		
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Plugging	<input type="checkbox"/> Non-Routine Fracturing		
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut off		
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection		

13. Describe Proposed or Completed Operations

Burlington Resources Oil & Gas would also like to complete the Basin Mancos formations and trimingle production on this well (DK/MV/Mancos). Attached is a new plat that includes the Basin Mancos and C107A will be submitted and approval received before the well is commingled. ✓

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

Signed Arleen Kellywood Title Staff Regulatory Technician Date 10/11/11

(This space for Federal or State Office use)

APPROVED BY Troy L. Salyers Title Petroleum Engineer Date 10/17/2011

CONDITION OF APPROVAL, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations.

NMOC

A

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

PC

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

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

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

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

State of New Mexico
Energy, Minerals & Natural Resources Department

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

RECEIVED

Form C-102
Revised October 12, 2005

OCT 12 2011

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
Farmington Field Office
Bureau of Land Management

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34950	² Pool Code 71599/72319/97232	³ Pool Name BASIN DAKOTA/BLANCO MESAVERDE /MANCOS	BASIN
⁴ Property Code 7138	⁵ Property Name HUERFANITO UNIT		⁶ Well Number 79N
⁷ OGRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP		⁹ Elevation 6309'

¹⁰ Surface Location

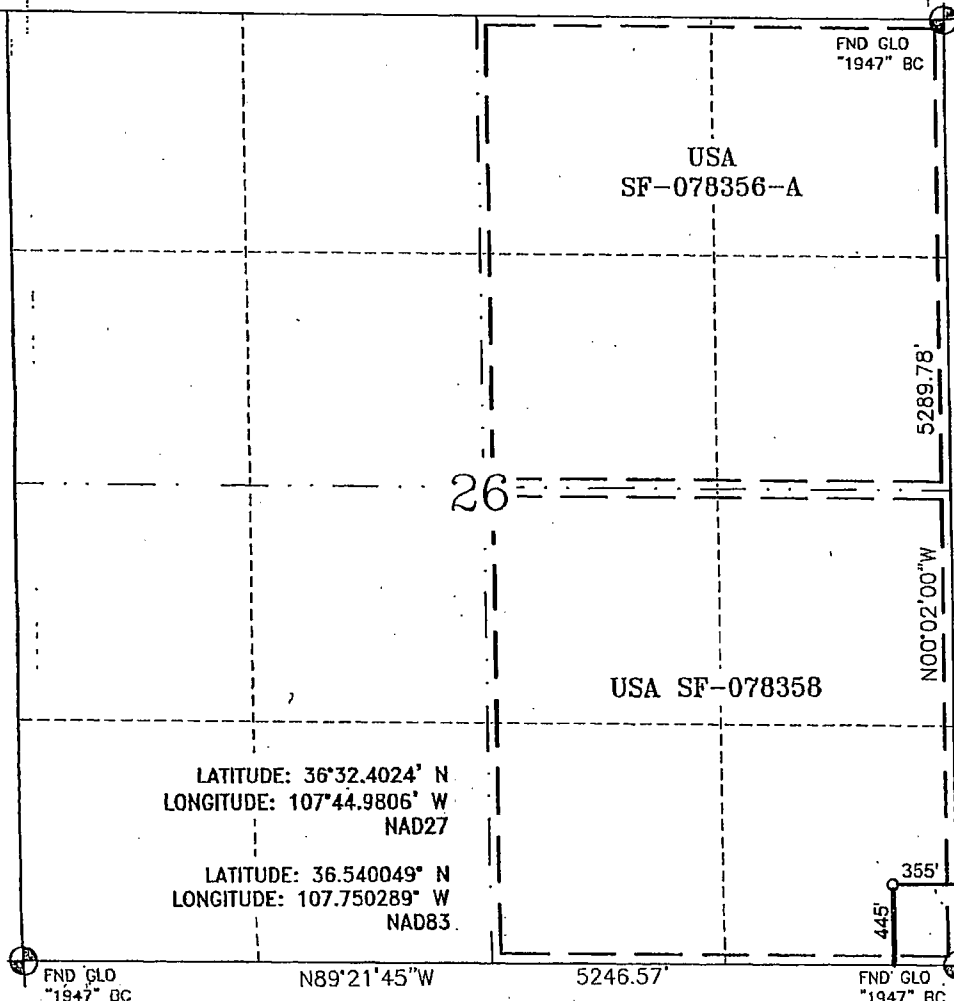
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	26	27-N	9-W		445'	SOUTH	355	EAST	SAN JUAN

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 DK 320.00 ACRES E/2 MV 320.00 ACRES E/2					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

16



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 a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Arleen Kellywood 10/7/11
Signature
Arleen Kellywood
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.

11-7-2011
Date of Survey
Signature and Seal of Professional Surveyor
GLEN NEW MEXICO
15703
LICENSED PROFESSIONAL SURVEYOR
Glen New Mexico
Certificate Number 15703

PC



Legend

- Huerfanito Unit 79N/Lap
- P2000_Well_Headers_Formations
- FORMATION1
- MANCOS
- MANCOS B
- MANCOS / GALLUP
- TOCITO
- GALLUP
- GALLUP / SD / SW
- GALLUP LOWER



1" = 2,877'
GCS Assumed Geographic 1



ConocoPhillips
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Huerfanito Unit 79N

Sec. 26, T27N, R9W

Nine Section Plat

Author: Richard Davis	Date: 3/12/2012
Compiled by:	Scale:
Project Files: StandardTemplate.mxd and TemplateTemplate1.mxd	

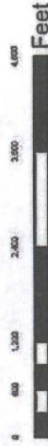
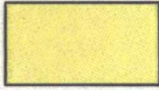
Legend



BROG Offset

Huerfanito Unit 79N.shp

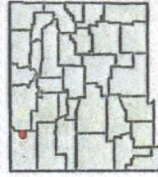
Offset: 100% Leasehold
Burlington Resources



1:26,452

1" = 2,204'

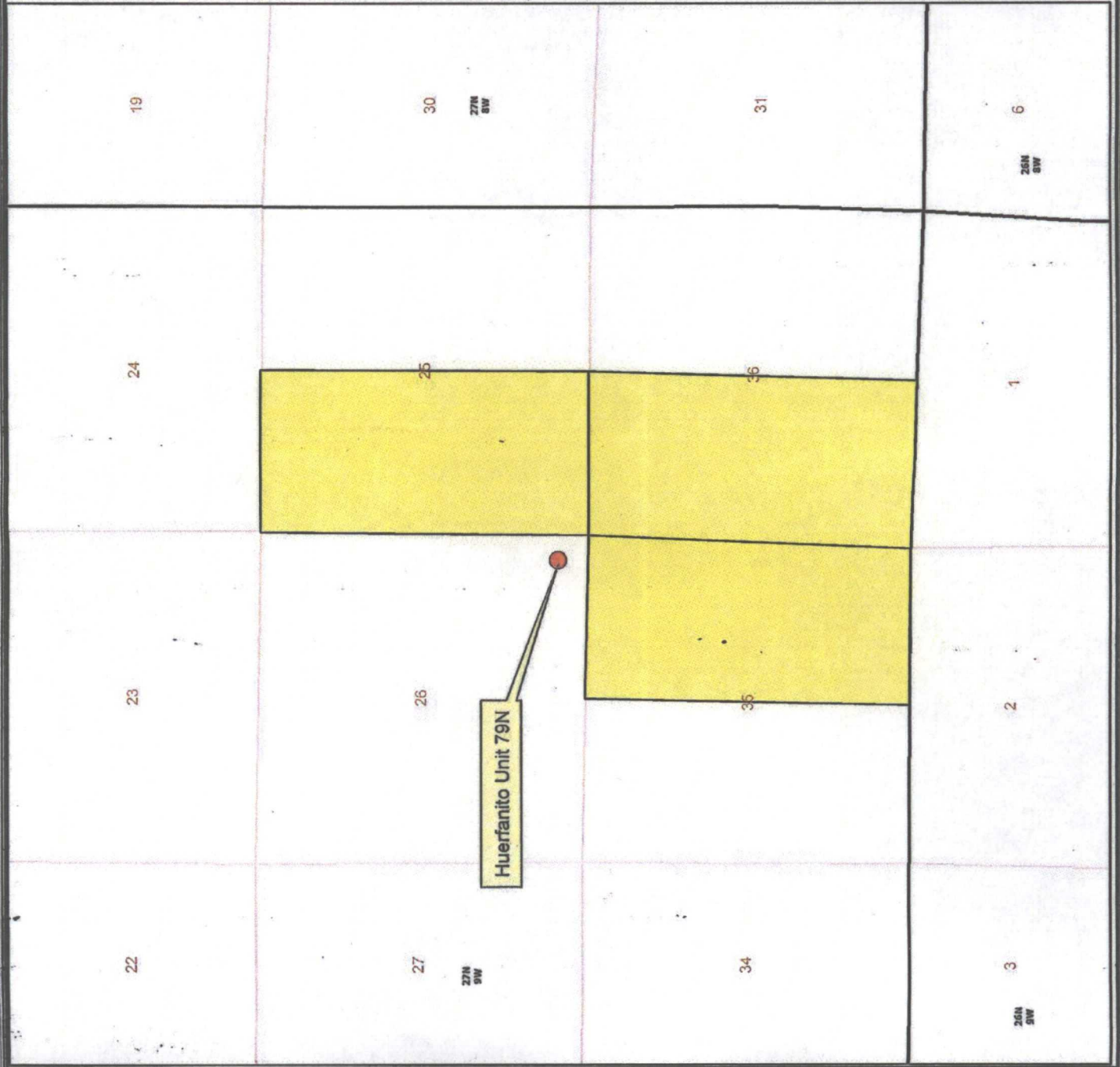
GCS Assumed Geographic 1

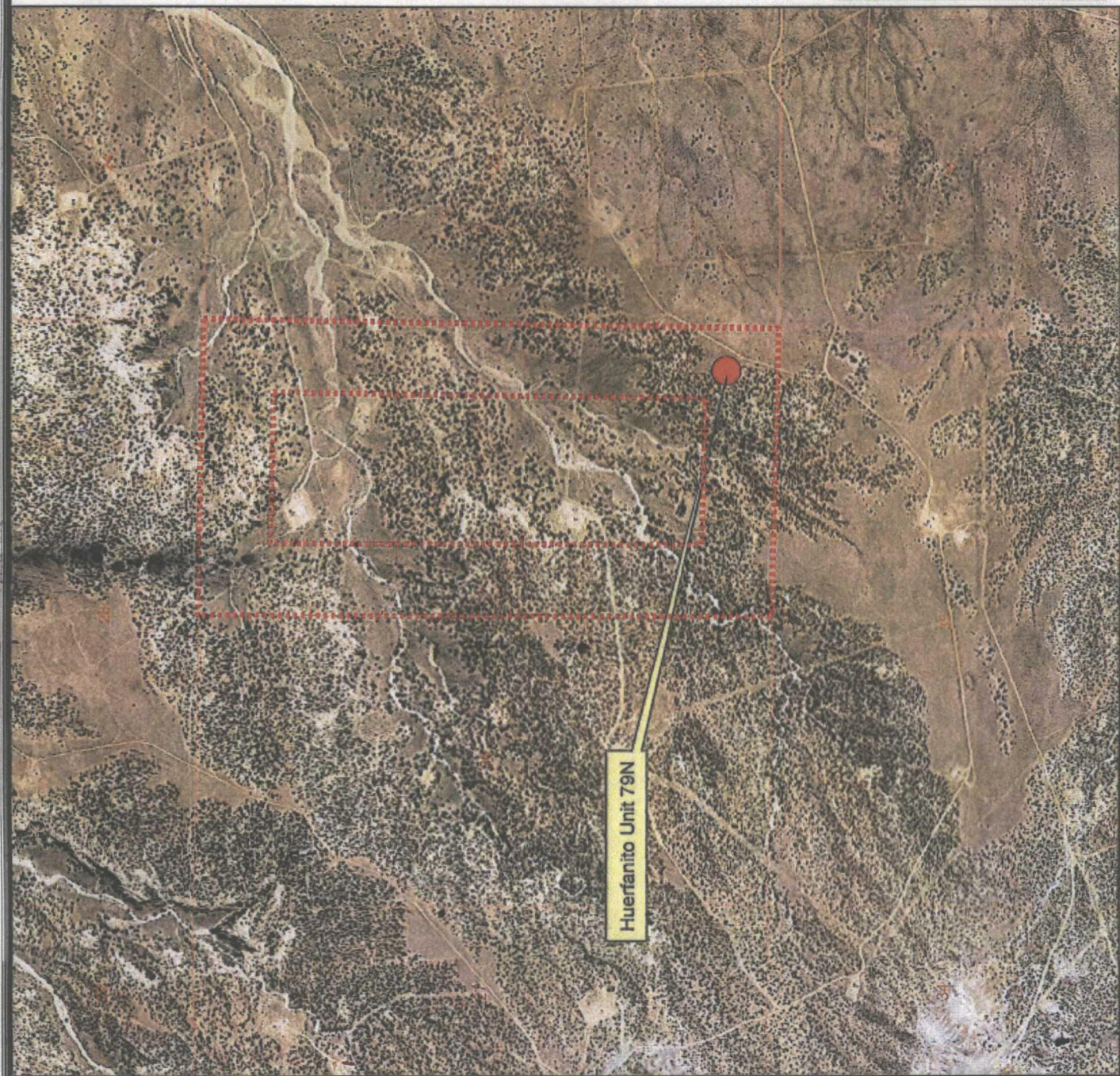


ConocoPhillips
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Huerfanito Unit 79N Sec. 26, T27N, R9W Offset Plat

Author: Richard Davis	Date: 3/12/2012
Compiled by:	Scale:
Project File: g:\2012\Huerfanito\Huerfanito Unit 79N.shp	





Legend



Huerfanito Unit 79N.shp



660' Offset



1:15,183

1" = 1,265'

GCS Assumed Geographic 1



ConocoPhillips
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Huerfanito Unit 79N
Sec. 26, T27N, R9W
445' FSL, 355' FEL
Aerial Plat

Author: Richard Davis	Date: 3/12/2012
Compiled by:	Scale:
Project Files: 79N.shp, 79N.shx, 79N.mxd, 79N.apr, 79N.apr, 79N.apr	