

DATE IN 8/28/06	SUSPENSE 9-18-06	ENGINEER MIKE STOGNER	LOGGED IN 8/31/06	TYPE NSL	APP NO. pTDSOL24331417
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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

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

### 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.

Celeste G. Dale

Print or Type Name

*Celeste G. Dale*  
Signature

Regulatory Specialist

Title

08/25/06

Date

celeste.g.dale@conocophillips.com  
e-mail Address



ConocoPhillips Company  
4001 Penbrook Street  
Odessa, TX 79762

EXPLORATION & PRODUCTION  
Permian Basin Business Unit

August 25, 2006

Attn: Michael Stogner, Hearings Examiner  
State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87504

Request for Unorthodox Location  
Jack B-26 Well #7  
Justis; Tubb-Drinkard & Justis; Blinebry

Dear Mr. Stogner,

ConocoPhillips Company respectfully requests Administrative Approval for an Unorthodox Location for the subject well based upon topographical considerations. It is understood the well is to be located 2310' FNL and 1580' FWL in Unit Letter F, Section 26, T-24-S, R-37-E, Lea County, New Mexico with a 40 acre Proration Unit. NMOCD Forms C-102 attached.

This location is Unorthodox because it is encroaching westward towards the SW  $\frac{1}{4}$  of the NW  $\frac{1}{4}$  of the Section by 70'. Chevron USA, Inc. has been notified of this application as they are the Operator of the east half of Sec. 26. Apache, BP and Chevron have been notified of this application because they have been identified as "affected parties" per Rule 1207 A (2). ConocoPhillips Company, as an Offset Operator, has no objections to the proposed location.

Under the provisions of NMOCD Rule 104.F(3); attached is the information requested for the topographical exhibit.

Your consideration given this matter is greatly appreciated. Should you require any additional information, please feel free to contact me at (432)368-1667, or email celeste.g.dale@conocophillips.com.

Sincerely,

A handwritten signature in cursive script that reads "Celeste G. Dale".

Celeste G. Dale  
Mid-Continent Business Unit  
Regulatory Specialist, Permian

cc: NMOCD, Hobbs  
BLM, Carlsbad

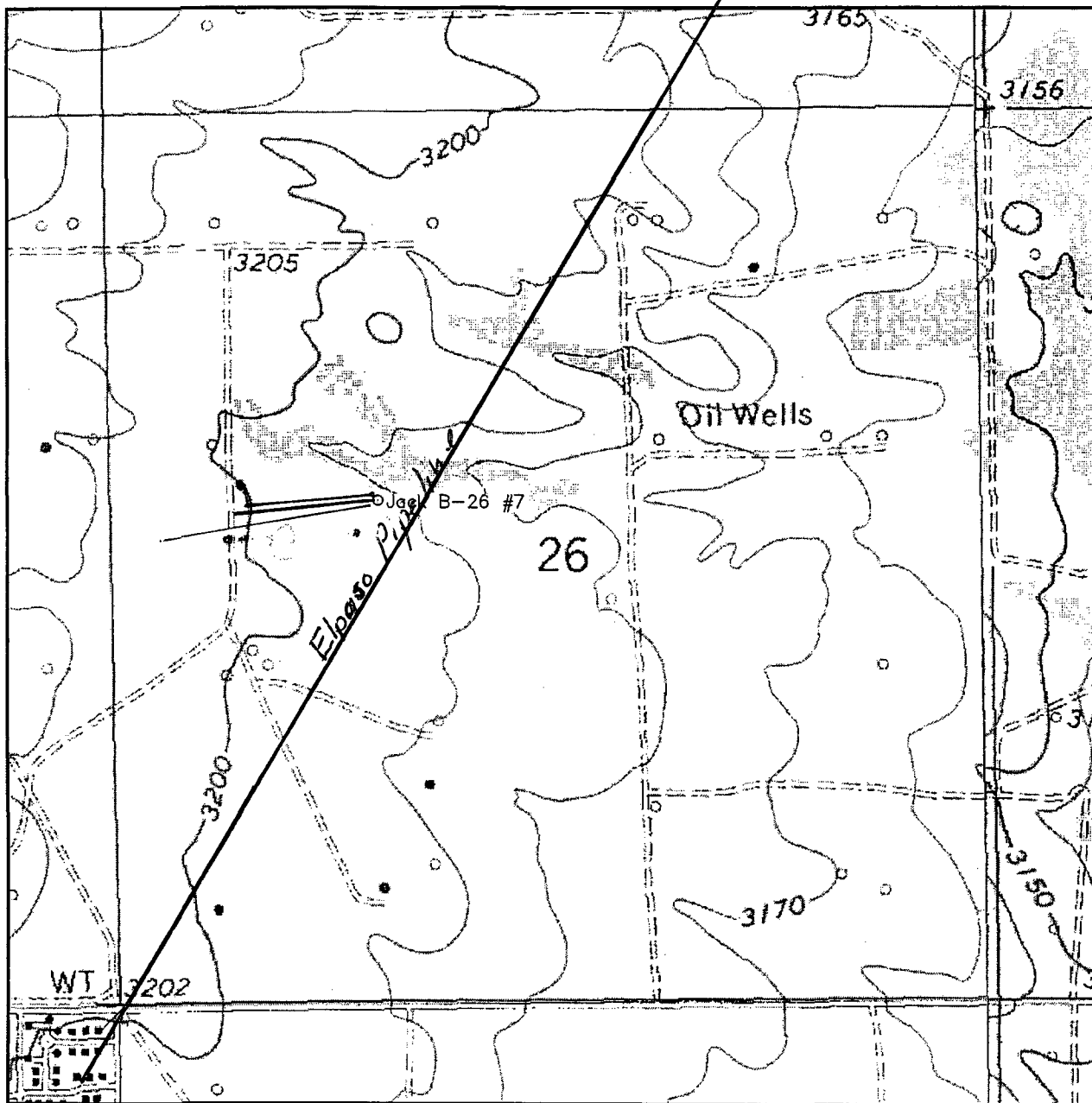
/cgd

**Unorthodox Location Topographical Justification**  
**Jack B-26 Well #7, Lea Co., NM**

Per the attached Location Verification (USGS Topographic) Map; the Jack B-26 #7 well location is staked south from a topographic draw and west from an El Paso pipeline.

A location move to the east will encroach upon the pipeline right-of-way. Additionally, moving the location to either the north or east will place the location within the draw. Since the location is on Federal minerals; the Bureau of Land Management (BLM) will not authorize the location to be drilled within the draw. The BLM is requiring the location pad to be situated away from the draw. It is proposed to place the drilling pits to the northwest from the location site.

# LOCATION VERIFICATION MAP



SCALE: 1" = 1000'

CONTOUR INTERVAL:  
JAL NW - 10'

SEC. 26 TWP. 24-S RGE. 37-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 2310' FNL & 1580' FWL

ELEVATION                     

OPERATOR CONOCOPHILLIPS

LEASE JACK B-26

U.S.G.S. TOPOGRAPHIC MAP  
JAL NW

*Drilling pits  
will be to the  
Northwest*

*Flowline  
Road  
Powerline*

*Any move to the East  
will put us on top of El Paso  
pipeline and a move to the  
North and East will put us in a  
draw and the BLM won't allow us  
to drill in the draw.*



**CONOCOPHILLIPS COMPANY**

**JACK B-26, WELL #7  
JUSTIS; BLINEBRY/ JUSTIS; TUBB-DRINKARD POOLS  
LEA COUNTY, NEW MEXICO  
08/25/06**

**NOTIFICATION OF OFFSET OPERATORS/"AFFECTED PERSONS"**

**Apache Corporation**

Attn: Elaine Linton  
6120 S. Yale, Ste. 1500  
Tulsa, OK 74136

**BP America Production Company**

P. O. Box 22048  
Tulsa, OK 74121

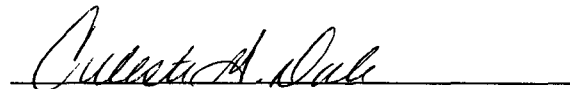
**Chevron U.S.A.**

P. O. Box 1150  
15 Smith Road  
Midland, TX 79705

**ConocoPhillips Company**

4001 Penbrook Street  
Odessa, TX 79762

I hereby certify that a complete copy of this Unorthodox Location Application has been sent by Certified Mail to the parties listed above on this 25<sup>th</sup> day of August, 2006.



Celeste G. Dale  
Mid-Continent Division  
Regulatory Specialist, Permian

DISTRICT I  
1625 N. FRZENCH DR., HOEDS, NM 88240

DISTRICT II  
1301 W. GRAND AVENUE, 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 Department

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised JUNE 10, 2003  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-	Pool Code 34200	Pool Name Justis; Blinebry
Property Code 35036	Property Name JACK B26	Well Number 7
OGRID No. 217817	Operator Name ConocoPhillips Company	Elevation 3194'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	26	24-S	37-E		2310	NORTH	1580	WEST	LEA

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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><b>OPERATOR CERTIFICATION</b></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>Celeste G. Dale</i> Signature</p> <p>Celeste G. Dale Printed Name</p> <p>Regulatory Specialist Title</p> <p>08/17/06 Date</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>MARCH 16, 2005</p> <p>Date Surveyed Signature and Seal of Professional Surveyor GARY EIDSON 05-11-0441 Certified No. GARY EIDSON 12841</p>
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Standard 640-acre Section

DISTRICT I  
1625 N. FRENCH DR., HOHEN, NM 88240

DISTRICT II  
1301 W. GRAND AVENUE, 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 Department

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Santa Fe, New Mexico 87505

Form C-102  
Revised JUNE 10, 2003  
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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-	Pool Code 35280	Pool Name Justis; Tubb-Drinkard
Property Code 35036	Property Name JACK B26	Well Number 7
OGED No. 217817	Operator Name ConocoPhillips Company	Elevation 3194'

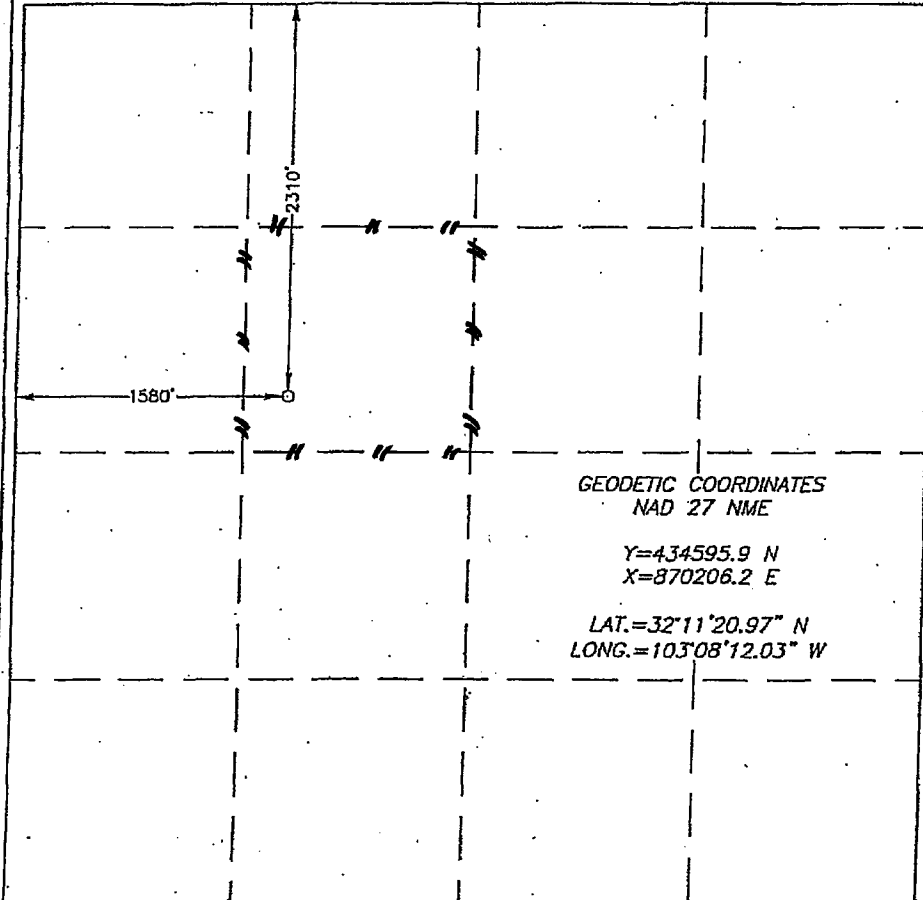
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	26	24-S	37-E		2310	NORTH	1580	WEST	LEA

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
Dedicated Acres 40		Joint or Infill	Consolidation Code	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>GEODETIC COORDINATES NAD 27 NME Y=434595.9 N X=870206.2 E LAT.=32°11'20.97" N LONG.=103°08'12.03" W</p>	<p><b>OPERATOR CERTIFICATION</b></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>Celeste G. Dale</i> Signature Celeste G. Dale Printed Name Regulatory Specialist Title 08/17/06 Date</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>MARCH 16, 2005</p> <p>Date Surveyed Signature &amp; Seal of Professional Surveyor G. EIDSON NEW MEXICO 3/16/05 05-11-0441 Certified PROFESSIONAL SURVEYOR 12841</p>
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## OPERATOR'S COPY


FORM APPROVED  
OMB No. 1004-0136  
Expires March 31, 2007UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT


## APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-0321613
1b. Type of Well: <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator CONOCOPHILLIPS CO.		7. If Unit or CA Agreement, Name and No.
3a. Address P.O. BOX 2197 WL3 6108 HOUSTON, TX 77252		8. Lease Name and Well No. JACK B26 7
3b. Phone No. (include area code) (832)486-2326		9. API Well No.
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2310' FNL & 1580' FWL SEC.26 T24S R37E At proposed prod. zone		10. Field and Pool, or Exploratory JUSTIS TUBB DRINKARD/JUSTIS F
14. Distance in miles and direction from nearest town or post office* CAPITAN CONTROLLED WATER BASIN		11. Sec., T., R., M., or Blk. and Survey or Area F Sec: 26 Twn:24S Rng: 37E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2310 NORTH 1580 WEST	16. No. of Acres in lease	12. County or Parish LEA
17. Spacing Unit dedicated to this well 40	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	13. State NEW MEXICO
19. Proposed Depth 6600	20. BLM/BIA Bond No. on file ES0084	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3194' GL	22. Approximate date work will start* 07/01/2006	23. Estimated duration 30 DAYS
24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operation certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) DEBORAH MARBERRY	Date 05/25/2006
--	--	--------------------

Approved by (Signature) 	Name (Printed/Typed) Russ Sorensen	Date 7/10/06
Title Acting FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify the 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, are attached.

APPROVAL FOR 1 YEAR

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 and false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

Witness Surface Casing