ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



clugspl@conocophillips.com

e-mail Address

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] **TYPE OF APPLICATION** - Check Those Which Apply for [A] [1] Location - Spacing Unit - Simultaneous Dedication [A] \square NSL \square NSP \square Check One Only for [B] or [C] Commingling - Storage - Measurement \square DHC \square CTB \square PLC \square PC \square OLS \square OLM Injection - Disposal - Pressure Increase - Enhanced Oil Recovery [C] □ WFX □ PMX □ SWD □ IPI □ EOR □ PPR [D] Other: Specify _____ NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply [2] Working, Royalty or Overriding Royalty Interest Owners [A] [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. 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 2/19/07 Print or Type Name Date



February 16, 2006 Sent Overnight UPS

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

Re:

San Juan 30-6 Unit #95B

Unit C (NENW), 750' FNL & 2170' FWL, Section 26, T30N, R7W,

San Juan, New Mexico API # - 30-039-29807

Dear Sir:

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

The proposed San Juan 30-6 Unit #95B was staked as a single Mesaverde formation well in 2005. The location was placed in a standard location for the MV as it falls within the MV Participating Area (PA) Order - 10987-A (1). After the acquisition of Burlington Resources by ConocoPhillips, it was decided that we would also add the Dakota interval. The placement of the well is non-standard for the Dakota as per Order 10987-B (2) as it is not within the DK PA. Consequently, this location is non-standard for the Basin Dakota formation to best fit the terrain, access road and pipeline. Moving the location was discussed but with the terrain in the area it was decided to leave it where it was. See the attached topo and aerial map for further clarification.

Production from the Basin Dakota is included in the 320.0 acre gas spacing unit on the W/2 of Section 26, T30N, R7W.

To comply with the New Mexico Oil Conservation Division rules, we are submitting the following for your approval of this non-standard location:

- 1. Approved APD cover page and C102 plat showing location of the well (MV & DK)
- 2. 9 Section Plan showing wells in the area
- 3. Offset Operator Plat for Section 32

Clugaton

4. Topo and aerial maps showing the location of the well

There are no DK wells in the encroached section, E/2 of Sec. 26 and one DK well in E/2 of Sec. 23 which is non-commercial. Burlington (a subsidiary of ConocoPhillips) is the operator of the sections affected by the proposed well and ConocoPhillips is the WIO in the drill blocks for Dakota (E/2 of 23 & E/2 of 26), therefore no notification is required. Please let me know if you have any questions about this application by calling me at 505-326-9518.

Sincerely

Patsy Cluaston

Sr. Regulatory Specialist

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK US. Lease Number 1a. Type of Work 2006 FEB NMSF-079382079383 DRILL **Unit Reporting Number** RECEIVED NMNM-078420A-MV 070 FARMINGTON NM 6. If Indian, All. or Tribe 1b. Type of Well GAS 2. 7. Unit Agreement Name Operator BURLINGTON RESOURCES Oil & Gas Company San Juan 30-6 Unit 3. Address & Phone No. of Operator 8. Farm or Lease Name PO Box 4289, Farmington, NM 87499 San Juan 30-6 9. Well Number (505) 326-9700 #95B 10. Field, Pool, Wildcat 4. Location of Well Unit C (NENW), 750' FNL, 2170' FWL Blanco Mesaverde/ Basin Dakota 11. Sec., Twn, Rge, Mer. (NMPM) Latitude 360 47.3290'N Sec. 26, T30N, R7W Longitude 107° 32.4752'W API # 30-039-29807 14. Distance in Miles from Nearest Town 12. County 13. State Rio Arriba 11 miles to Navajo City MM 15. Distance from Proposed Location to Nearest Property or Lease Line 750' 16. Acres in Lease 17. Acres Assigned to Well W/2 320 MV/DK 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 1200' - San Juan 30-6 Unit #418 Proposed Depth 19. 20. Rotary or Cable Tool 7673 Rotary 21. Elevations (DF, FT, GR, Etc.) 22. Approx. Date Work will Start 6245'GL 23. **Proposed Casing and Cementing Program** See Operations Plan attached 24. Authorized by: Regulatory Compliance Assistant II PERMIT NO. APPROVAL DATE **APPROVED BY** TITLE

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 willium to make to any approximately united States any false, fictitious or fraudulent statements or presentations as to any matter within its jurisdiction. This action is subject to technical and 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 istrict, I , 0 Box 1980, Hobbs, NM 88241-1980 State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

Form C-102 Revised February 21, 1994 Instructions on back

District II PO Drawer DD, Artesia, NM 88211-0719 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

District III 1000 Rio Brazos Ad., Aztec, NM 87410 PO Box 2088 Santa Fe, NM 87504-12088 PM 3 09

AMENDED REPORT

Well Number

District IV PO Box 2088, Santa Fe, NM 87504-2088

'API Number

Property Code

30-039- 2980-

RECEIVED 070 FARMINGTON NM

Blanco Mesaverde/Basin Dakota

³Pool Name

WELL LOCATION AND ACREAGE DEDICATION PLAT

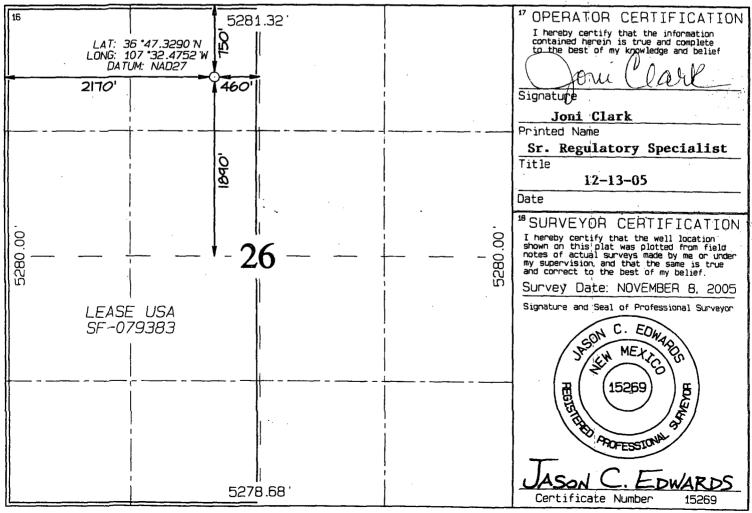
²Pool Code

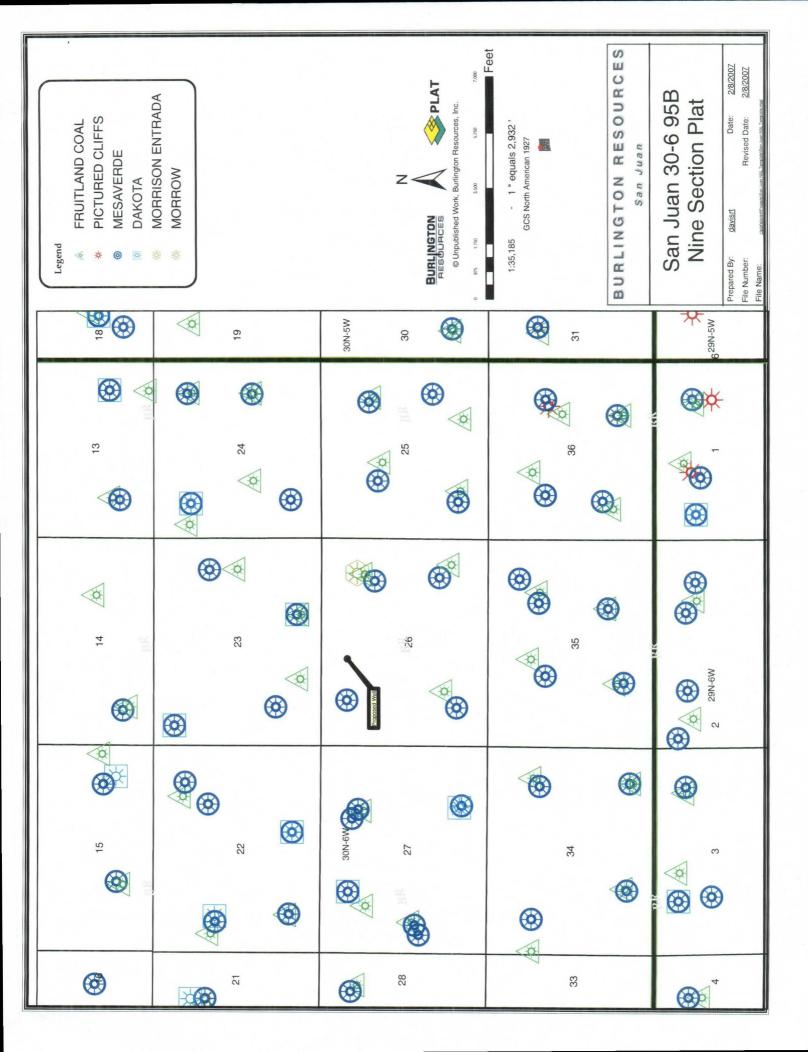
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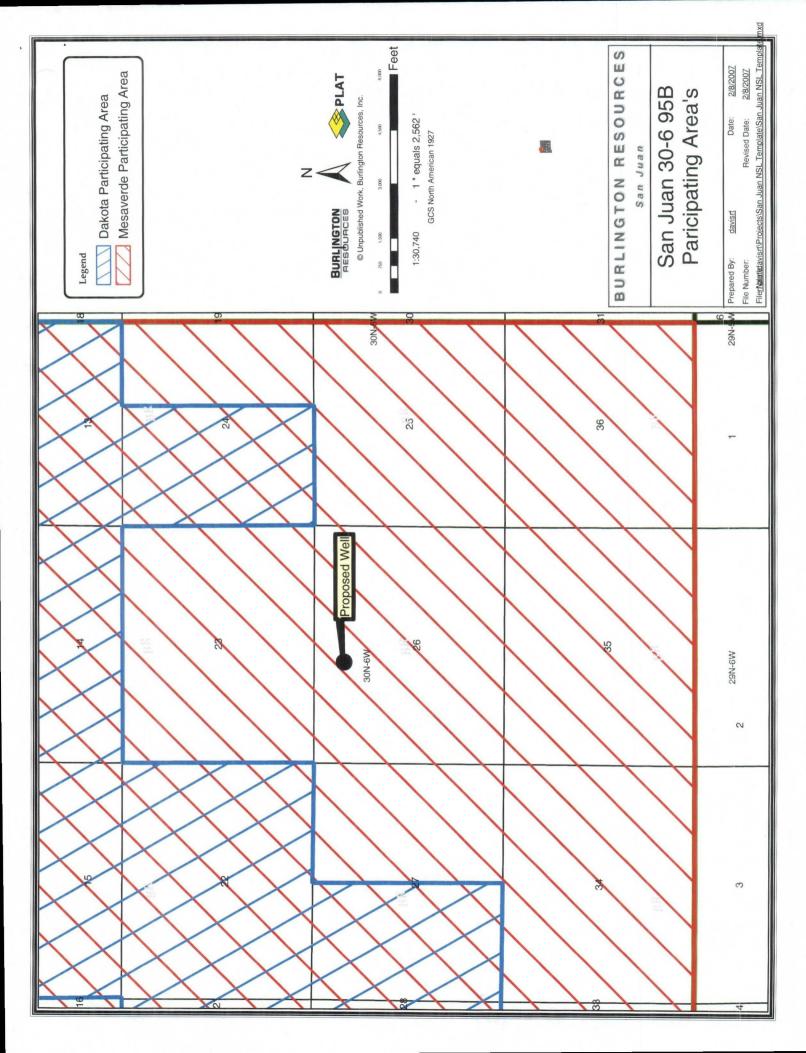
7469		SAN JUAN 30-6 UNIT							95B	
'OGRID No.		*Operator Name						9	*Elevation	
14538		BURLINGTON RESOURCES OIL & GAS COMPANY, LP							6245	
					¹⁰ Surface	Location				
UL or lot no.	Section	Township	Aange	Lot Idn	Feet from the	North/South line	Feet from the	East/West .line	County	
С	26	30N	7W		750	NORTH	2170	WEST	RIO ARRIBA	
		11 8	ottom	Hole L	ocation I	f Different	From Surf	ace		
UL or lat no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
ı										
12 Dedicated Acres					¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.	1	- 	
W/2 320 acres MV/DK										

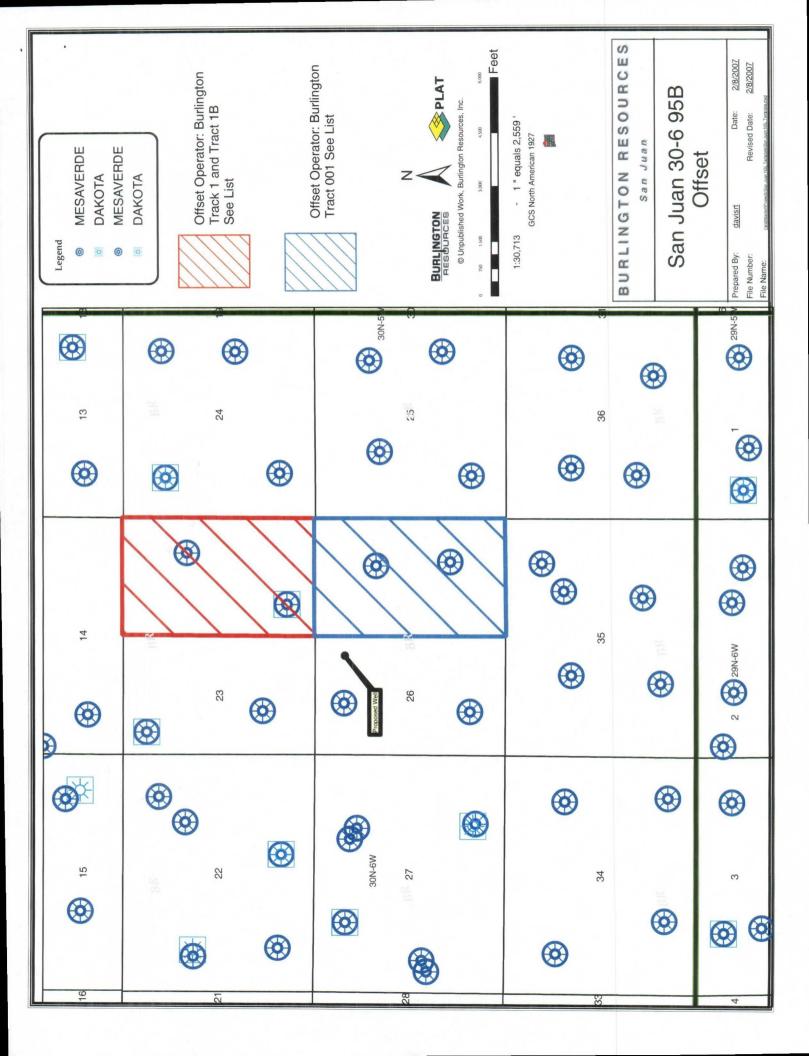
Property Name

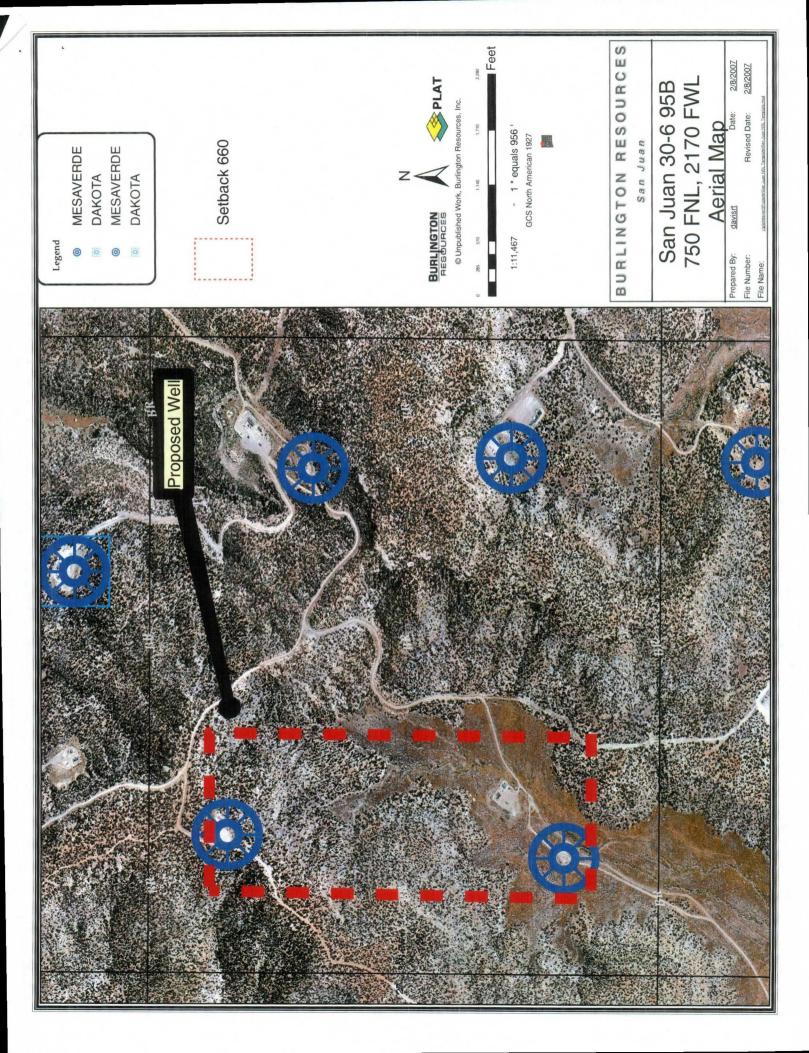
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

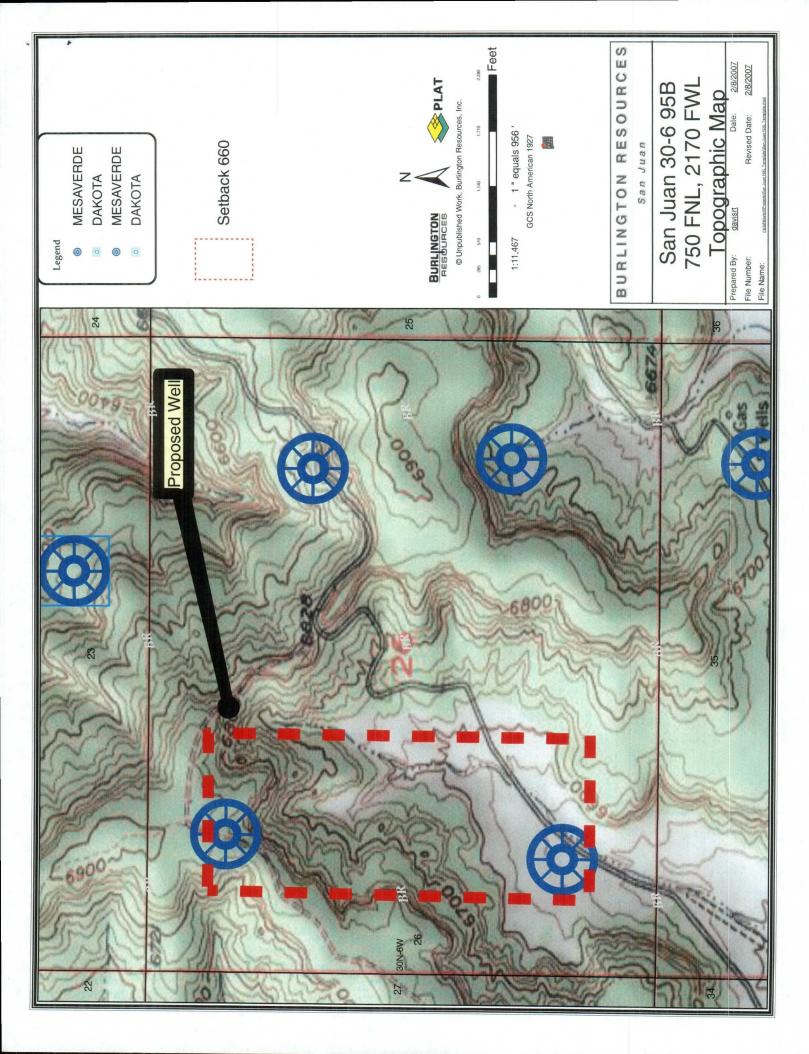












Brooks, David K., EMNRD

From: Brooks, David K., EMNRD

Sent: Tuesday, February 27, 2007 3:05 PM

To: 'Clugston, Patricia L'

Subject: NSL Application - San Juan 30-6 #95B

Ms. Clugston

I have before me the referenced application.

I want to clarify the ownership of the offsetting units.

You state that "ConocoPhillips is the WIO in the drill blocks for Dakota (E/2 of 23 and E/2 of 26)." Does this mean that ConocoPhillips owns 100% of the working interest in both these spacing units?

Also please specifically confirm the E/2 of Section Section 26 is not included in the Dakota PA for this unit.

Thanks

David K. Brooks Assistant General Counsel 505-476-3450

Brooks, David K., EMNRD

From: Clugston, Patricia L [Patsy.L.Clugston@conocophillips.com]

Sent: Tuesday, February 27, 2007 4:31 PM

To: Brooks, David K., EMNRD

Subject: FW: NSL Application - San Juan 30-6 #95B

See the note from Richard Davis, the landman that helped me gather the data for this NSL for the answer to your question. If you need anything else on this well let me know. I will try to be more precise in the future. Thanks. Patsy

From: Davis, Richard T

Sent: Tuesday, February 27, 2007 4:25 PM

To: Clugston, Patricia L

Subject: RE: NSL Application - San Juan 30-6 #95B

For the Dakota formation I found the following: COP owns 100% WI for the E/2 of Section 23. Which is the section that we are encroaching on. We are also 100% WIO in the E/2 of section 26. No notification is required.

From: Clugston, Patricia L

Sent: Tuesday, February 27, 2007 3:22 PM

To: Davis, Richard T **Cc:** Alexander, Alan E

Subject: FW: NSL Application - San Juan 30-6 #95B

Per our conversation just now, this is the part of the letter he is questioning.

"There are no DK wells in the encroached section, E/2 of Sec. 26 and one DK well in E/2 of Sec. 23 which is non-commercial. Burlington (a subsidiary of ConocoPhillips) is the operator of the sections affected by the proposed well and ConocoPhillips is the WIO in the drill blocks for Dakota (E/2 of 23 & E/2 of 26), therefore no notification is required."

Please let me know if we are 100% WIO of the affected section. Thanks.

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

Sent: Tuesday, February 27, 2007 3:05 PM

To: Clugston, Patricia L

Subject: NSL Application - San Juan 30-6 #95B

Ms. Clugston

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Also please specifically confirm the E/2 of Section Section 26 is not included in the Dakota PA for this unit.

Thanks

David K. Brooks Assistant General Counsel 505-476-3450

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