

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE

☒ Single Well

☐ Establish Pre-Approved Pools

EXISTING WELLBORE

Yes ☐ No ☒

APPLICATION FOR DOWNHOLE COMMINGLING

Burlington Resources Oil & Gas Company, LP
Operator

P.O.Box 4289 Farmington, NM 87499
Address

Reese Mesa
Lease

2A
Well No.

Unit J, Sec. 11, 032N, 008W
Unit Letter-Section-Township-Range

SAN JUAN
County

OGRID No: 14538 Property Code 018606 API No. 30045231350000 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	ALBINO PICTURE CLIFFS		BLANCO MESA VERDE
Pool Code	70120		72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3830'-3988'		6069'- 6429'
Method of Production (Flowing or Artificial Lift)	FLOWING		FLOWING
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)	400 psi		450 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1000		BTU 1000
Producing, Shut-In or New Zone	PRODUCING		PRODUCING
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: APR 2008 Rates: 4278 MCF		Date: APR 2008 Rates: 9558 MCF
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

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐
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 Ryan Frost TITLE Engineer DATE 10/6/08

TYPE OR PRINT NAME Ryan Frost, Engineer TELEPHONE NO. (505) 326-9700

E-MAIL ADDRESS Ryan.M.Frost@conocophillips.com

DATE IN 10/9/08	SUSPENSE	ENGINEER W Jones	LOGGED IN 10/9/08	TYPE DHC 4105	APP NO. PKVR0828345332
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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
☐ 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 X 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.

Rhonda Rogers
 Print or Type Name

Signature

Regulatory Technician
 Title

10/7/08
 Date

rogers@conocophillips.com
 e-mail Address

2008 OCT 9 AM 8 16
 RECEIVED

Reese Mesa 2A
Unit J, Section 11, T32N, R08W

The Reese Mesa 2A is a Blanco Mesa Verde and Albino Picture Cliff commingle. If the Fruitland Blanco Mesa Verde and Albino Picture Cliff 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 Mesa Verde and Albino Picture Cliff can not be tested separately, a volumetric calculation will be performed to determine the allocation percentages between the Blanco Mesa Verde and Albino Picture Cliff. All documentation will be submitted to the Aztec NMOCD office.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

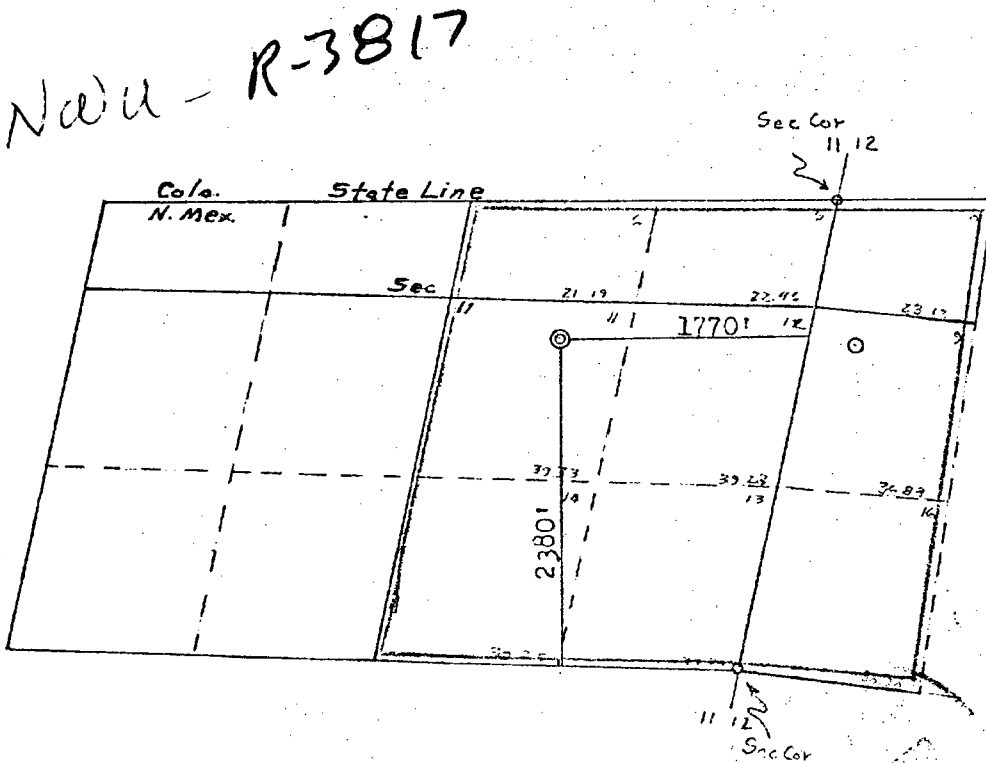
Operator: SOUTHLAND ROYALTY COMPANY			Lease REESE MESA		Well No. 2-A
Unit Letter J	Section 11	Township 32N	Range 8W	County San Juan	
Actual Footage Location of Well: 2380 feet from the South line and 1770 feet from the East line					
Ground Level Elev: 7050	Producing Formation Mesa Verde	Pool Blanco	Dedicated Acreage: 299.89 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1" = 1320'

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name *W.C. Kerr*
Position
District Engineer
Company
Southland Royalty Company
Date
June 19, 1978

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 knowledge and belief.

Date Surveyed
June 16, 1978
Registered Professional Engineer and Land Surveyor
Fred B. Kerr Jr.
Fred B. Kerr Jr.
Certificate No.
3950

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-138
Effective 1-1-85

All distances must be from the outer boundaries of the Section.

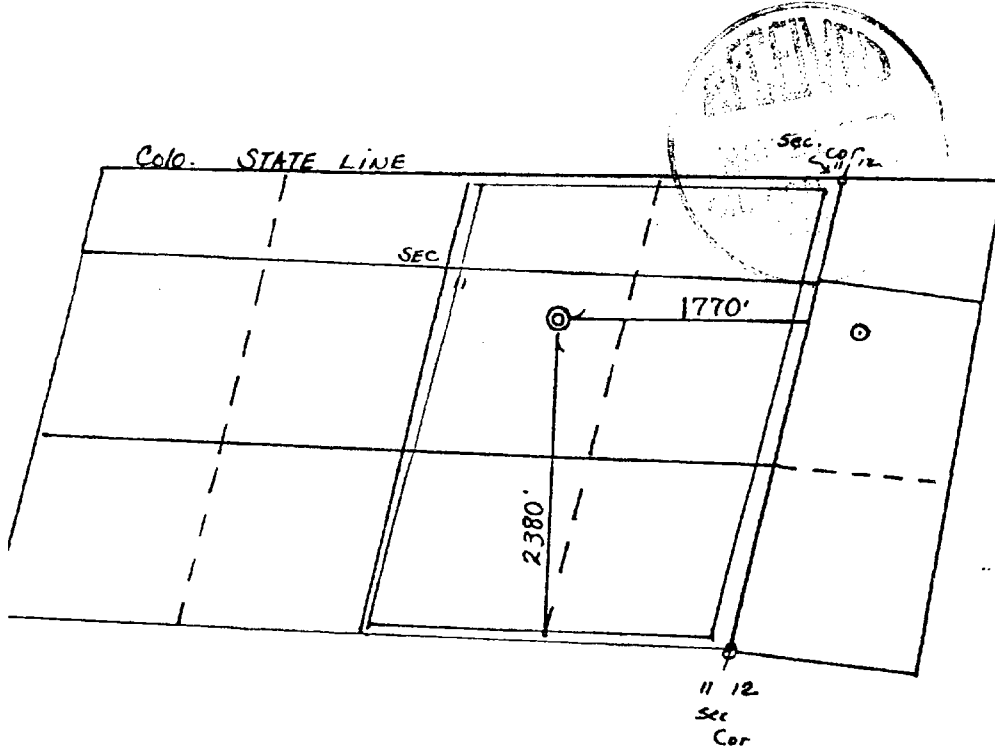
Operator Southland Royalty Company			Lease Reese Mesa		Well No. 2A
Unit Letter J	Section 11	Township 32N	Range 8W	County San Juan	
Actual Footage Location of Well:					
2380 feet from the		South	line and	1770 feet from the	East line
Ground Level Elev: 7050'	Producing Formation Pictured Cliffs		Pool Undesignated		Dedicated Acreage: 200.91 178.35 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name _____

Position
District Engineer

Company

Southland Royalty Company

Date

May 23, 1979

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 knowledge and belief.

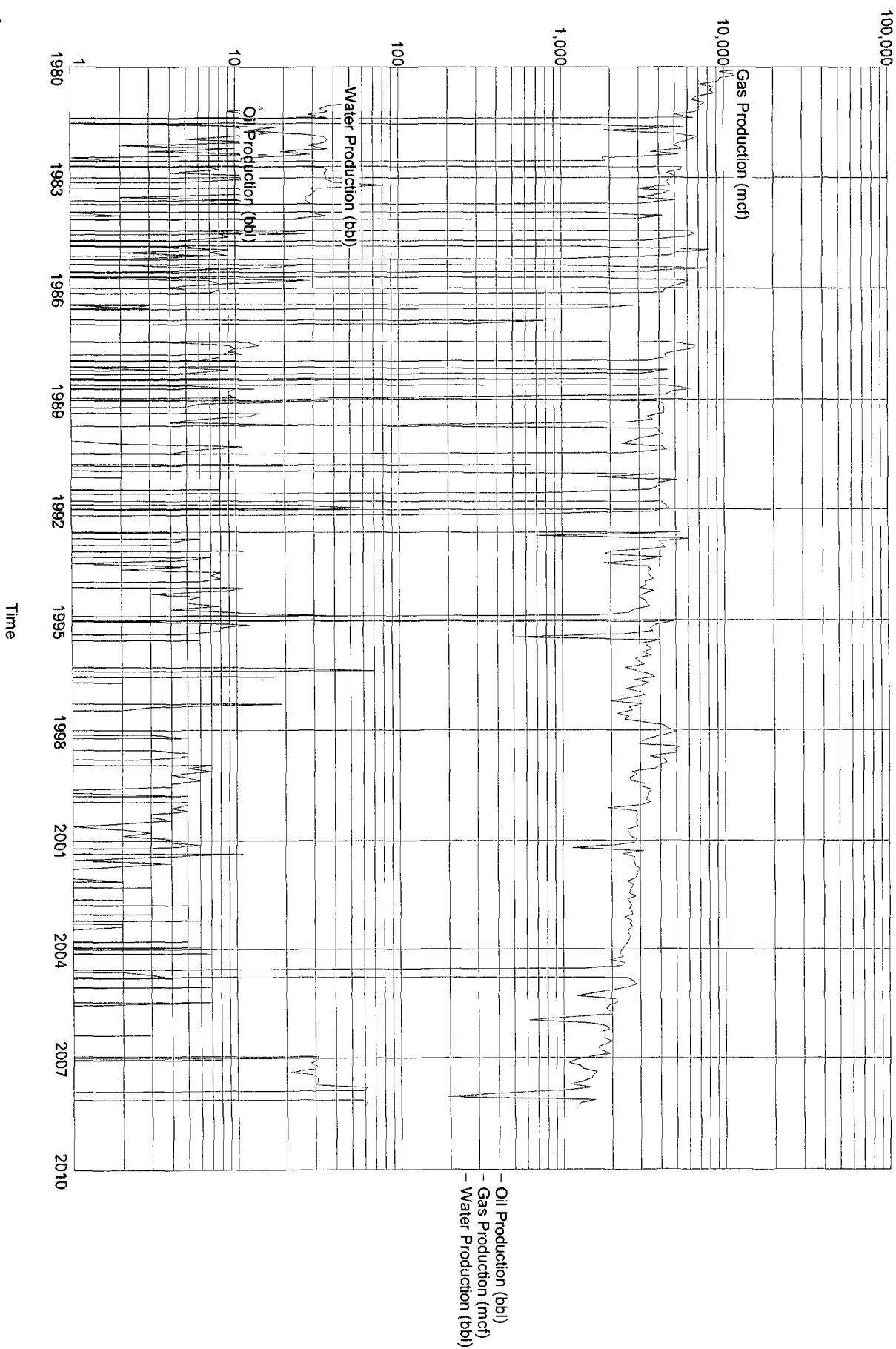
Date Surveyed _____

Registered Professional Engineer
and/or Land Surveyor

Certificate No. _____

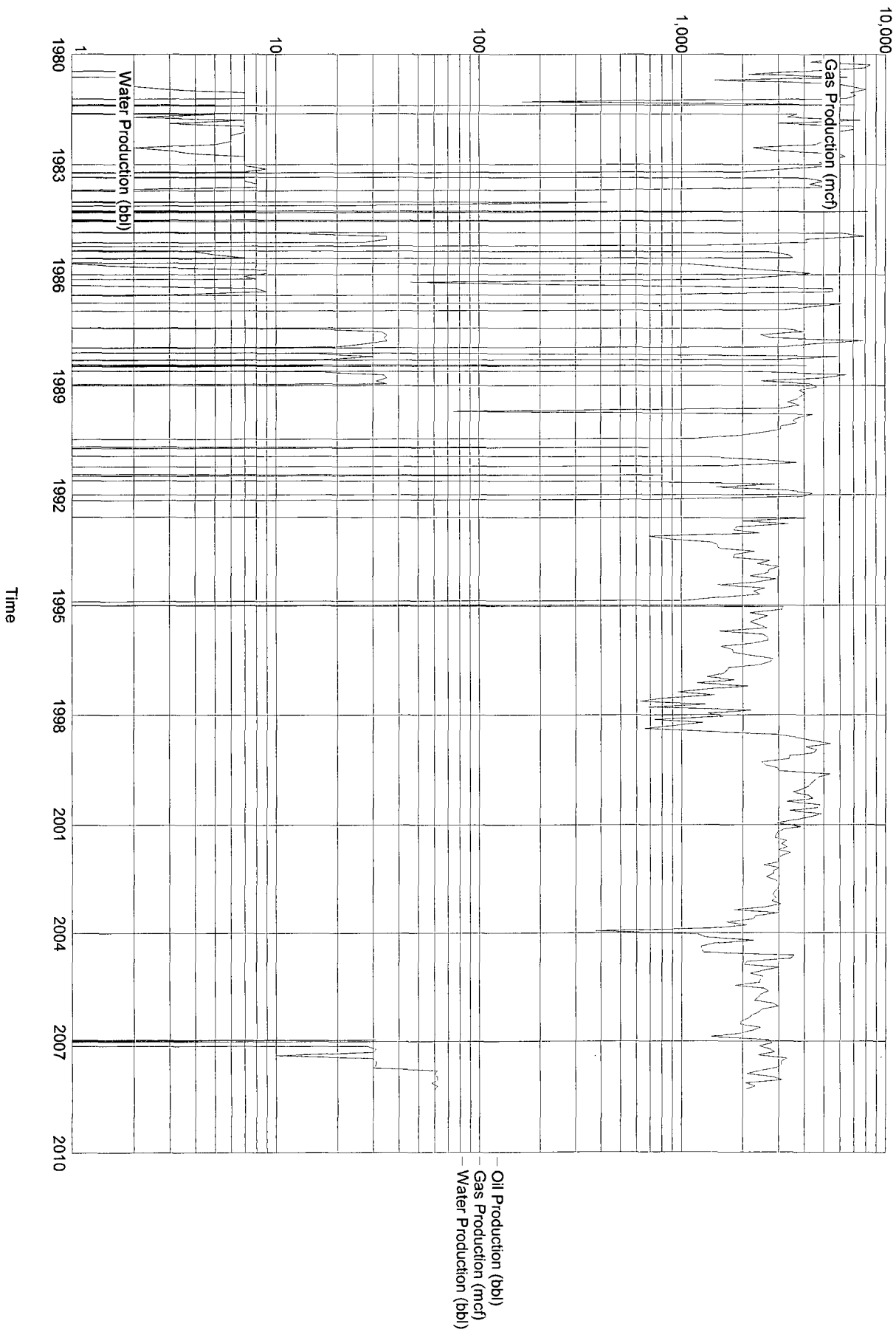
Lease Name: REESE MESA
County, State: SAN JUAN, NM
Operator: BURLINGTON RESOURCES O&G CO LP
Field: ALBINO
Reservoir: PICTURED CLIFFS
Location: 11 32N 8W NE NW SE

REESE MESA - ALBINO



Lease Name: REESE MESA
County, State: SAN JUAN, NM
Operator: BURLINGTON RESOURCES O&G CO LP
Field: BLANCO
Reservoir: MESAVERDE
Location: 11 32N 8W NE NW SE

REESE MESA - BLANCO



SAN JUAN NM
REESE MESA 2A
BURLINGTON RESOURCES O&G CO LP
ACTIVE

Detailed Production Report

Lease Name: REESE MESA Lease Number: 018606 Operator Name: BURLINGTON RESOURCES O&G State: NEW MEXICO County: SAN JUAN Field: ALBINO Sec Twn Rng: 11 32N 8W Latitude/Longitude: 36.99709 -107.63959 Regulatory #: API: 30045231350000 Production ID: 2300430452313570120 Reservoir Name: PICTURED CLIFFS Prod Zone: PICTURED CLIFFS Prod Zone Code: 604PCCF Basin Name: SAN JUAN BASIN Gas Gatherer: Liquid Gatherer: Status: ACTIVE	Well Number: 2A Cum Oil: 1,331 since JAN 1981 Cum Gas: 1,015,619 Cum Water: 2,237 since JUL 1980 First Production Date: JAN 1980 Last Production Date: APR 2008 Spot: NE NW SE Lat/Long Source: TS Completion Date: MAY 31, 1979 Total Depth: 6595 Upper Perforation: 3830 Lower Perforation: 3988 Gas Gravity: Oil Gravity: Temp Gradient: 2.15 N Factor: GOR:
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Annual Production	(29 years)		
Year	Oil BBLs	Gas MCF	Water BBLs

Beginning
Cum:

1980		108,326	327
1981	125	58,881	297
1982	80	48,911	313
1983	71	37,939	360
1984	49	38,196	122
1985	98	40,942	56
1986	14	13,847	20
1987	66	35,136	55
1988	27	31,932	66
1989	123	42,405	
1990	24	19,834	
1991	94	35,827	
1992	18	24,477	
1993	60	37,821	
1994	96	33,157	
1995	42	39,441	
1996	104	35,997	
1997	24	35,029	
1998	31	49,945	
1999	47	37,741	
2000	38	32,558	

2001	35	31,369	3
2002	13	31,432	
2003	19	30,486	7
2004	14	22,895	7
2005	7	20,972	8
2006	3	21,061	31
2007	9	14,784	385
2008		4,278	180
Totals:	<u>1,331</u>	<u>1,015,619</u>	<u>2,237</u>

Monthly Production

Date MO/YR	Oil BBLs	Gas MCF	Water BBLs	Cond Yld STB/MMCF	% Water	# of Wells	Days on
JAN 1980		14,879	0			1	24
FEB 1980		9,389	0			1	19
MAR 1980		12,052	0			1	31
APR 1980		9,475	0			1	30
MAY 1980		9,255	0			1	31
JUN 1980		6,967	0			1	24
JUL 1980		8,663	58			1	31
AUG 1980		8,150	52			1	28
SEP 1980		8,717	56			1	30
OCT 1980		6,794	58			1	31
NOV 1980		6,357	45			1	24
DEC 1980		7,628	58			1	31
Totals: 1980	<u></u>	<u>108,326</u>	<u>327</u>				

JAN 1981	14	7,102	37	1.98	72.55	1	31
FEB 1981	15	6,999	33	2.15	68.75	1	28
MAR 1981	9	6,761	37	1.34	80.43	1	31
APR 1981	13	4,964	28	2.62	68.29	1	24
MAY 1981	14	6,561	37	2.14	72.55	1	31
JUN 1981	0	0	0			0	0
JUL 1981	6	915	2	6.56	25.00	1	2
AUG 1981	10	5,966	18	1.68	64.29	1	15
SEP 1981	13	1,860	12	6.99	48.00	1	10
OCT 1981	16	4,566	21	3.51	56.76	1	18
NOV 1981	10	6,941	35	1.45	77.78	1	30
DEC 1981	5	6,246	37	0.81	88.10	1	31
Totals: 1981	<u>125</u>	<u>58,881</u>	<u>297</u>				

JAN 1982	14	5,397	35	2.60	71.43	1	30
FEB 1982	2	4,942	28	0.41	93.33	1	24
MAR 1982	10	5,622	37	1.78	78.72	1	31
APR 1982	3	3,541	19	0.85	86.36	1	16
MAY 1982	16	5,317	29	3.01	64.44	1	25
JUN 1982	1	1,789	11	0.56	91.67	1	9
JUL 1982	2	1,868	11	1.08	84.62	1	9
AUG 1982	0	0	0			0	0

SEP 1982	7	5,541	35	1.27	83.33	1	30
OCT 1982	8	5,476	37	1.47	82.22	1	31
NOV 1982	4	4,440	35	0.91	89.74	1	30
DEC 1982	13	4,978	36	2.62	73.47	1	31
Totals:							
1982	80	48,911	313				
JAN 1983	13	4,677	36	2.78	73.47	1	31
FEB 1983	5	4,381	40	1.15	88.89	1	28
MAR 1983	0	4,722	82			1	31
APR 1983	10	2,909	29	3.44	74.36	1	20
MAY 1983	14	4,696	31	2.99	68.89	1	22
JUN 1983	12	4,128	30	2.91	71.43	1	21
JUL 1983	2	2,999	27	0.67	93.10	1	19
AUG 1983	14	5,086	27	2.76	65.85	1	19
SEP 1983	0	2,885	29			1	20
OCT 1983	0	0	0			0	0
NOV 1983	0	0	0			0	0
DEC 1983	1	1,456	29	0.69	96.67	1	20
Totals:							
1983	71	37,939	360				
JAN 1984	2	4,216	36	0.48	94.74	1	25
FEB 1984	0	2,812	23			1	16
MAR 1984	0	0	0			0	0
APR 1984	0	0	0			0	0
MAY 1984	0	0	0			0	0
JUN 1984	5	6,203	29	0.81	85.29	1	20
JUL 1984	27	6,597	8	4.10	22.86	1	27
AUG 1984	0	5,623	9			1	31
SEP 1984	3	3,233	5	0.93	62.50	1	18
OCT 1984	0	0	0			0	0
NOV 1984	5	1,311	3	3.82	37.50	1	10
DEC 1984	7	8,201	9	0.86	56.25	1	31
Totals:							
1984	49	38,196	122				
JAN 1985	2	5,100	7	0.40	77.78	1	24
FEB 1985	7	4,696	9	1.50	56.25	1	28
MAR 1985	0	1,038	2			1	7
APR 1985	0	0	0			0	0
MAY 1985	26	897	2	28.99	7.14	1	8
JUN 1985	13	7,860	8	1.66	38.10	1	30
JUL 1985	3	3,134	4	0.96	57.14	1	17
AUG 1985	0	0	0			0	0
SEP 1985	5	1,618	1	3.10	16.67	1	4
OCT 1985	29	6,162	7	4.71	19.44	1	27
NOV 1985	9	5,578	8	1.62	47.06	1	30
DEC 1985	4	4,859	8	0.83	66.67	1	31
Totals:							
1985	98	40,942	56				
JAN 1986	5	4,311	8	1.16	61.54	1	31
FEB 1986	5	4,223	7	1.19	58.33	1	27
MAR 1986	0	0	0			0	0
APR 1986	0	0	0			0	0
MAY 1986	0	0	0			0	0

SAN JUAN NM
REESE MESA 2A
BURLINGTON RESOURCES O&G CO LP
ACTIVE

Detailed Production Report

Lease Name:	REESE MESA	Well Number:	2A
Lease Number:	018606	Cum Oil:	
Operator Name:	BURLINGTON RESOURCES O&G	Cum Gas:	908,735
State:	NEW MEXICO	Cum Water:	1,492 since JUN 1980
County:	SAN JUAN	First Production Date:	FEB 1980
Field:	BLANCO	Last Production Date:	APR 2008
Sec Twn Rng:	11 32N 8W	Spot:	NE NW SE
Latitude/Longitude:	36.99709 -107.63959	Lat/Long Source:	TS
Regulatory #:		Completion Date:	MAY 31, 1979
API:	30045231350000	Total Depth:	6595
Production ID:	2300430452313572319	Upper Perforation:	6069
Reservoir Name:	MESAVERDE	Lower Perforation:	6429
Prod Zone:	MESAVERDE	Gas Gravity:	
Prod Zone Code:	604MVRD	Oil Gravity:	
Basin Name:	SAN JUAN BASIN	Temp Gradient:	1.7
Gas Gatherer:		N Factor:	
Liquid Gatherer:		GOR:	
Status:	ACTIVE		

Annual Production			(29 years)
Year	Oil BBLs	Gas MCF	Water BBLs

Beginning

Cum:

1980	61,209	13
1981	52,083	50
1982	59,961	67
1983	29,481	54
1984	24,636	64
1985	28,620	99
1986	30,488	39
1987	27,651	198
1988	33,803	230
1989	41,988	
1990	17,534	
1991	21,188	
1992	17,843	
1993	22,480	
1994	24,165	
1995	30,118	
1996	23,830	
1997	15,855	
1998	31,676	
1999	45,376	
2000	47,743	

2001	38,000	
2002	34,304	
2003	26,234	
2004	24,156	
2005	29,049	
2006	26,765	31
2007	32,941	405
2008	9,558	242
Totals:	<u>908,735</u>	<u>1,492</u>

Monthly Production

Date MO/YR	Oil BBLs	Gas MCF	Water BBLs	Cond Yld STB/MMCF	% Water	# of Wells	Days on
FEB 1980		5,982	0			1	19
MAR 1980		4,299	0			1	31
APR 1980		8,452	0			1	30
MAY 1980		7,854	0			1	31
JUN 1980		4,067	2			1	17
JUL 1980		2,140	0			1	1
AUG 1980		6,523	2			1	23
SEP 1980		1,457	2			1	26
OCT 1980		5,627	2			1	16
NOV 1980		6,795	2			1	23
DEC 1980		8,013	3			1	31
Totals: 1980		<u>61,209</u>	<u>13</u>				
JAN 1981		6,748	7			1	30
FEB 1981		7,146	7			1	28
MAR 1981		6,356	7			1	31
APR 1981		162	0			1	2
MAY 1981		7,086	5			1	22
JUN 1981		0	0			0	0
JUL 1981		0	0			0	0
AUG 1981		3,719	5			1	21
SEP 1981		3,316	2			1	10
OCT 1981		7,560	7			1	29
NOV 1981		2,977	3			1	12
DEC 1981		7,013	7			1	31
Totals: 1981		<u>52,083</u>	<u>50</u>				
JAN 1982		7,010	7			1	30
FEB 1982		5,481	7			1	24
MAR 1982		5,520	6			1	24
APR 1982		5,093	6			1	26
MAY 1982		4,962	6			1	25
JUN 1982		4,562	5			1	23
JUL 1982		2,246	2			1	9
AUG 1982		2,908	3			1	14
SEP 1982		5,936	4			1	21