

New Mexico Energy, Minerals and Natural Resources Department

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Jami Bailey
Division Director
Oil Conservation Division



April 21, 2011

Administrative Order DHC-4370

Application Reference Number: pTGW11-10951092

ConocoPhillips Company
Attn: Ms. Crystal Tafoya

Re: San Juan 30-5 Unit Well No. 85
API No. 30-039-23129

Pool: Wildcat 30N5W36 Fruitland Sand
Basin Fruitland Coal Gas
East Blanco Pictured Cliffs Gas

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(71629)
(72400)

Dear Ms. Tafoya:

Reference is made to your application for an exception to Division Rule 12.9.A [19.15.12.9.A NMAC] to permit down hole commingling of production from the subject pools within the above-described wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 12.11.A [19.15.12.11.A NMAC], and that reservoir damage or waste will not result from such down-hole commingling, and correlative rights will not be violated. Accordingly, you are hereby authorized to commingle the production as described.

In accordance with Division Rule 12.11.A(6) [19.15.12.11.A(6) NMAC], the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable and allocation of production from the well shall be as follows:

Wildcat 30N5W36 Fruitland Sand Pool	Pct Gas: To be supplied	Pct Oil: To be be supplied
Basin Fruitland Coal Gas Pool	Pct Gas: To be supplied	Pct Oil: To be be supplied
East Blanco Pictured Cliffs Gas Pool	Pct Gas: To be supplied	Pct Oil: To be be supplied



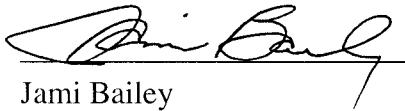
It is our understanding that the allocation percentages will be based on volumetric calculations, and will be reported to the Division's Santa Fe Office within 60 days after workover of this well is completed.

It is also understood that ownership of all interest in the pools from which production is being commingled is identical.

This approval is conditional upon approval by the New Mexico State Land Office prior to commencement of commingling.

The operator shall notify the Division's Aztec district office upon implementation of commingling operations.

Pursuant to Rule 12.11B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

A handwritten signature in black ink, appearing to read "Jami Bailey", is written over a horizontal line.

Jami Bailey
Director

JB/db

cc: Oil Conservation Division – Aztec
New Mexico State Land Office – Santa Fe