

DATE IN <u>10.13.11</u>	ENGINEER <u>WVT</u>	LOGGED IN <u>10.13.11</u>	TYPE <u>DHC</u>	APP NO. <u>1128652200</u>
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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



PTGW
ConocoPhillips

Santa Fe 29-5 U #77M

ADMINISTRATIVE APPLICATION CHECKLIST 30-03931044

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 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.

Arleen Kellywood

Print or Type Name

Arleen Kellywood

Signature

Staff Regulatory Tech

Title

10/11/11

Date

SJ 29-5 #77M

30-039-31044

arleen.r.kellywood@conocophillips.com
 e-mail Address

District I
1635 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

Operator ConocoPhillips Company P.O. Box 4289 Farmington, NM 87499 *04C-4480*

Lease San Juan 29-5 Unit Well No. 77M Unit E. Sec. 26, 029N, 005W County Rio Arriba

OGRID No: 217817 Property Code 31325 API No. 30039310440000 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BLANCO MESA VERDE	BASIN MANCOS	BASIN DAKOTA
Pool Code	72319	97232	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4900'-6450' estimated	7300'-8000' estimated	8340'-8454' estimated
Method of Production (Flowing or Artificial Lift)	New Zone	New Zone	New Zone
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)	1022 psi	3057 psi	2981 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1000	BTU 1000	BTU 1000
Producing, Shut-In or New Zone	New Zone	New Zone	New Zone
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: N/A Rates: N/A	Date: N/A Rates: N/A	Date: N/A Rates: N/A
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	Oil Gas Will be supplied upon completion

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? 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

NMOC Reference Case No. applicable to this well: _____

Attachments:

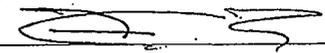
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation 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  TITLE Engineer DATE 10/4/11

TYPE OR PRINT NAME Bill Akwari, Engineer TELEPHONE NO. (505) 326-9700

E-MAIL ADDRESS Bill.N.Akwari@conocophillips.com

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San Juan 29-5 Unit 77M
Surface - Unit E, Section 26, T029N, R005W

The San Juan 29-5 Unit 77M is a Blanco Mesaverde, Basin Dakota and Basin Mancos new drill. A cased hole neutron log will be run prior to completion to identify the Mesaverde, Dakota and Mancos zones. If the Mesaverde, Dakota and Mancos horizons can be isolated, a spinner test will be performed and the allocation will be assigned. In the event that the Mesaverde, Dakota and Mancos can not be tested separately, a volumetric calculation will be performed to determine the allocation percentages between the Basin Mesaverde, Basin Dakota and Basin Mancos. All documentation will be submitted to the Aztec NMOCD office.

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

Form C-102
Revised July 16, 2010
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-31044	² Pool Code 71599/72319/97232	³ Pool Name BASIN DAKOTA/BLANCO MESAVERDE /MANCOS	BASIN
⁴ Property Code 31325	⁵ Property Name SAN JUAN 29-5 UNIT		⁶ Well Number 77M
⁷ OGRID No. 217817	⁸ Operator Name CONOCOPHILLIPS COMPANY		⁹ Elevation 7095'

¹⁰ Surface Location

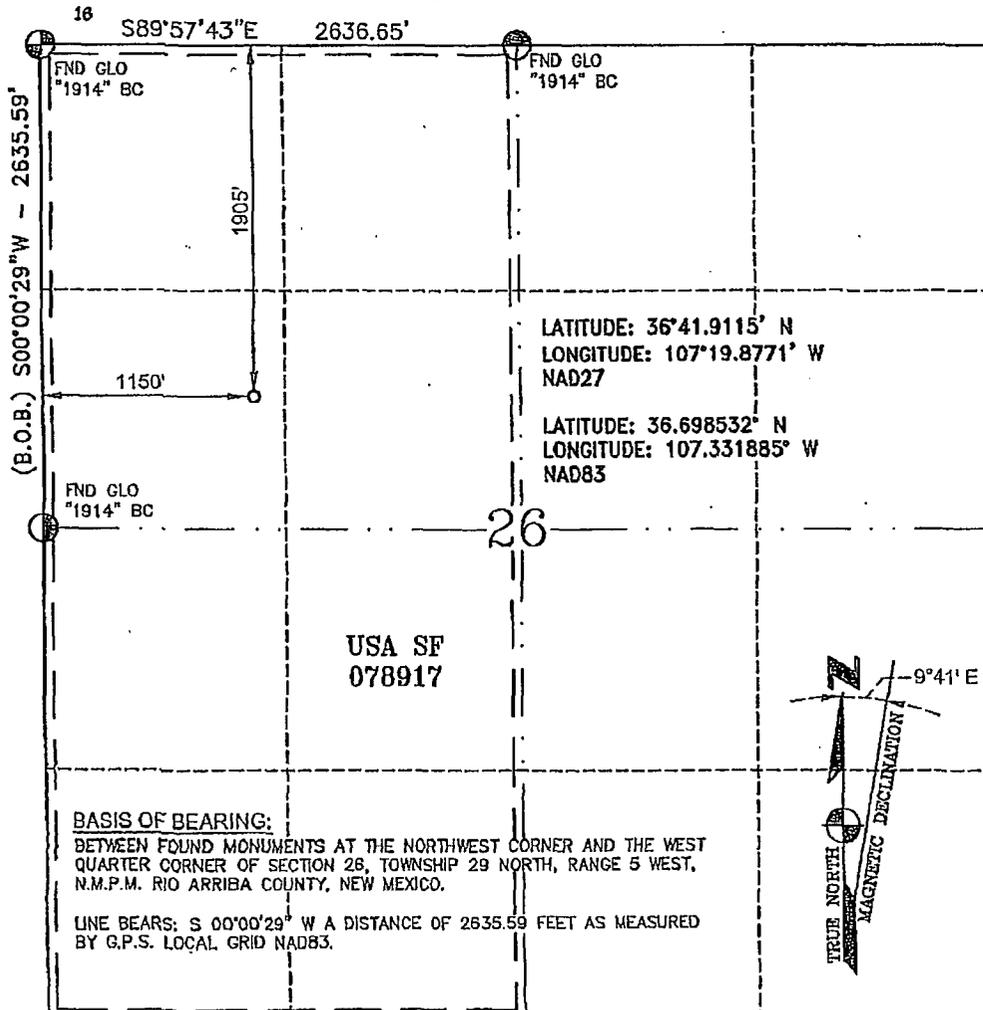
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	26	29-N	5-W		1905	NORTH	1150	WEST	RIO ARRIBA

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 W/2 MV 320.00 ACRES W/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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



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 undivided 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.

Signature _____ Date _____
Arleen Kellywood
Printed Name
arleen.r.kellywood@conocophillips.com
E-mail Address

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.

JUNE 29, 2011
Date of Survey

Signature and Seal of _____

GLEN W. RUSSELL
15703
LICENSED PROFESSIONAL SURVEYOR

GLEN W. RUSSELL
Certificate Number 15703

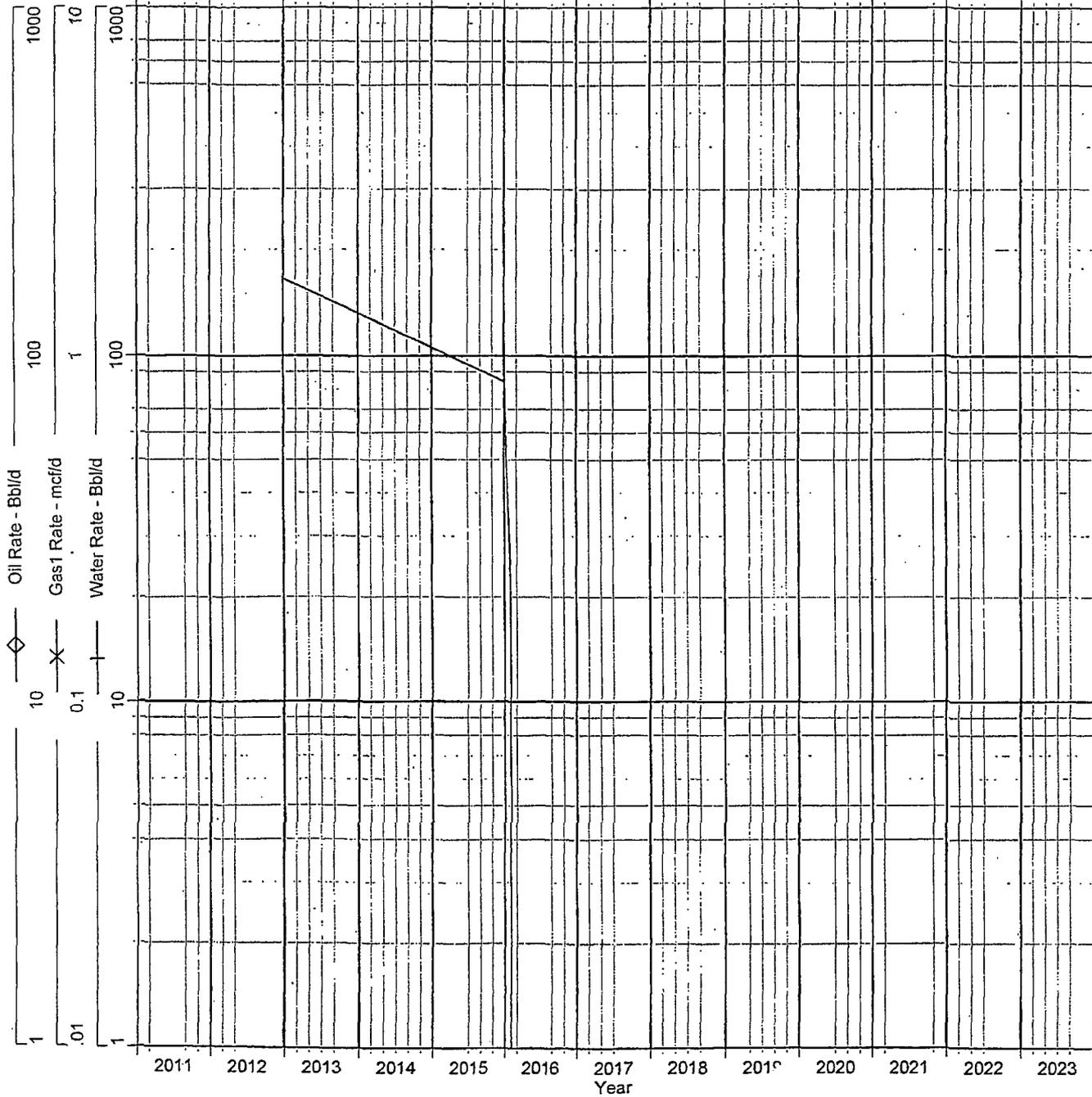
SAN JUAN 29-5 UNIT 77M MV Data: Sep.2011-Sep.2011

Operator: Unknown
 Field:
 Zone:
 Type: Other
 Group: None

No
 Active
 Forecast

Production Cums
 Oil: 0 MSTB
 Gas: 0 MMSCF
 Water: 0 MSTB
 Cond: 0 MSTB

◇ Oil Rate - Bbl/d
 Cum: 0.00
 ✱ Gas1 Rate - mcf/d
 Cum: 0.00
 + Water Rate - Bbl/d
 Cum: 0.00



2E

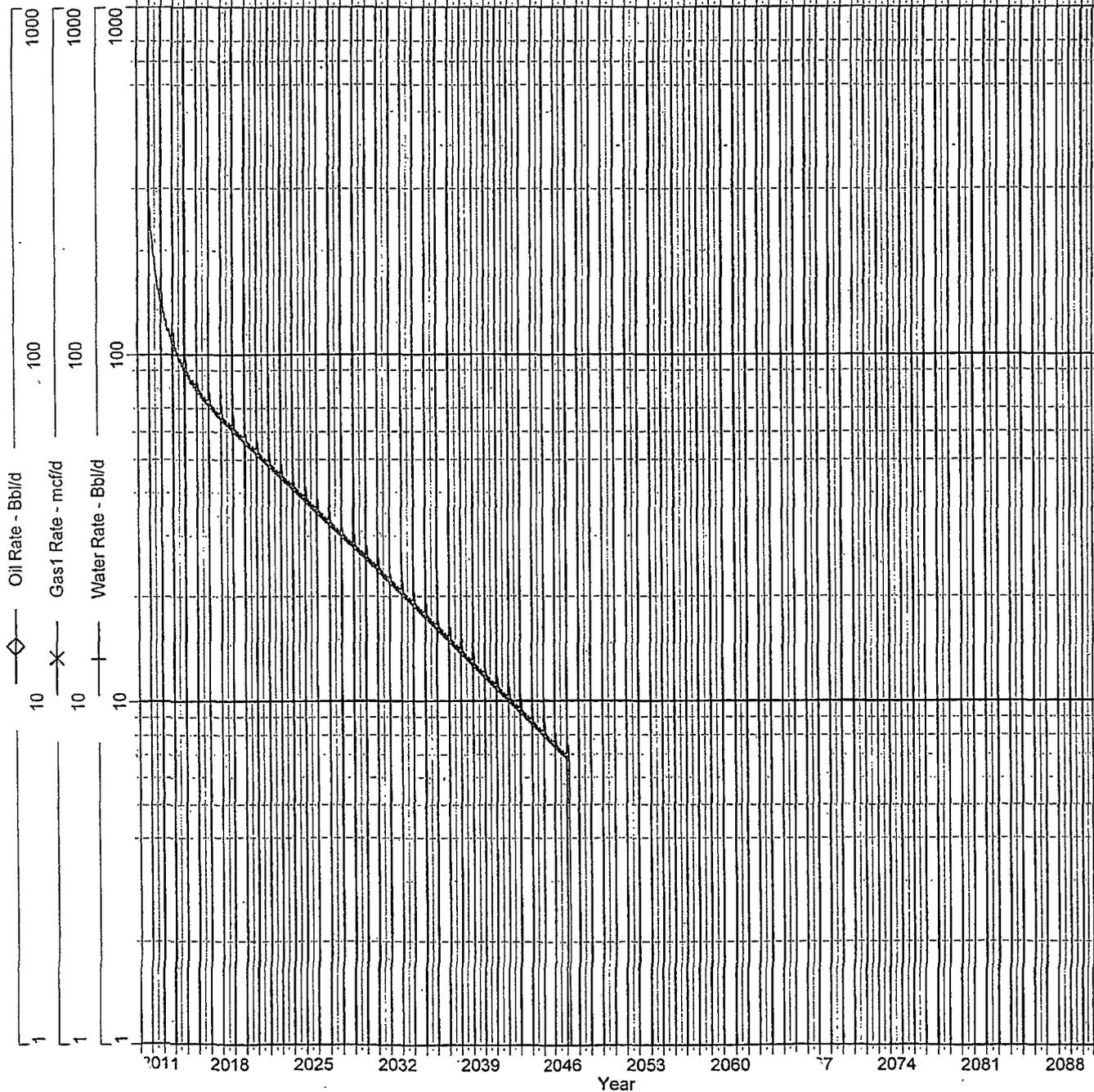
SAN JUAN 29-5 UNIT 77M MC Data: Sep.2011-Sep.2011

Operator: Unknown
 Field:
 Zone:
 Type: Other
 Group: None

No
 Active
 Forecast

Production Cums
 Oil: 0 MSTB
 Gas: 0 MMSCF
 Water: 0 MSTB
 Cond: 0 MSTB

◇ Oil Rate - Bbl/d
 Cum: 0.00
 ✱ Gas1 Rate - mcf/d
 Cum: 0.00
 + Water Rate - Bbl/d
 Cum: 0.00



2F

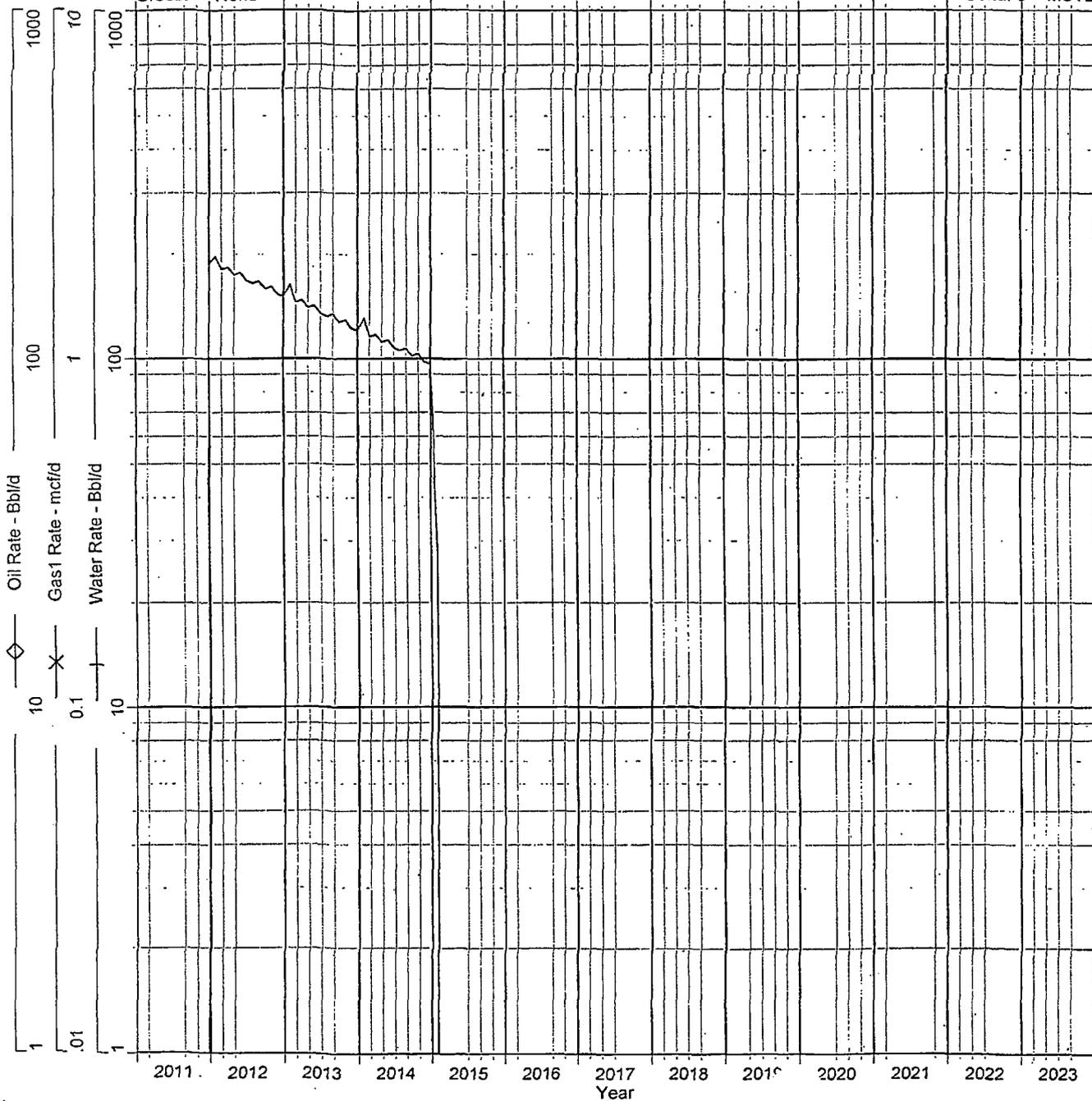
SAN JUAN 29-5 UNIT 77M DK Data: Sep.2011-Sep.2011

Operator: Unknown
 Field:
 Zone:
 Type: Other
 Group: None

No
 Active
 Forecast

Production Cums
 Oil: 0 MSTB
 Gas: 0 MMSCF
 Water: 0 MSTB
 Cond: 0 MSTB

◇ Oil Rate - Bbl/d
 Cum: 0.00
 ✱ Gas1 Rate - mcf/d
 Cum: 0.00
 † Water Rate - Bbl/d
 Cum: 0.00



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BURLINGTON
RESOURCES Oil & Gas Company LP
3401 E. 30th St.
P.O. Box 4289
Farmington, NM 87499-4289

October 5, 2011

Subject well: San Juan 29-5 Unit 77M

It has come to our attention that some interest owners may find the Down Hole Commingle application process slightly confusing. We hope this letter will clarify some of the questions you as an interest owner may have.

ConocoPhillips' (or Burlington's) plans are to add gas pay to the subject well and down hole commingle production. As required by regulation, we have enclosed a copy of the Commingling Application for your review. No action by you is required at this time unless you object.

If you object, you will need to send notice Burlington Resources/ConocoPhillips, PO Box 4289, Farmington, NM 87499 or New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505 within twenty (20) days. Again, if you do not object, you *do not need* to sign or return any paperwork at this time.

All interest owners have been notified by certified mail on 10/052011.

Thank you,

Crystal Tafoya
Staff Regulatory Technician
ConocoPhillips Company
505-326-9837