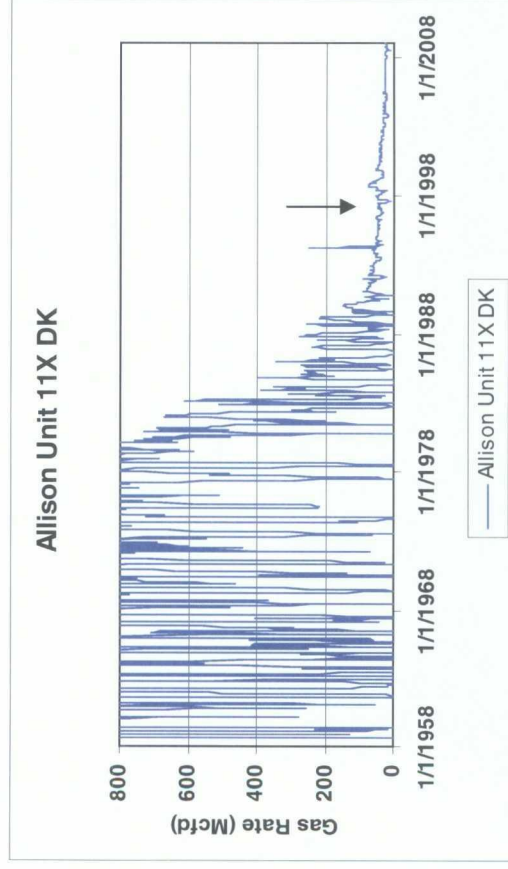
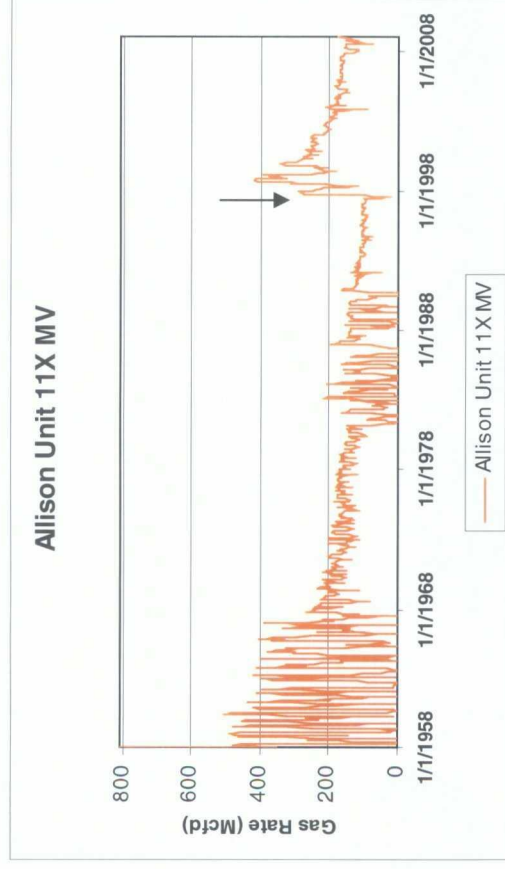


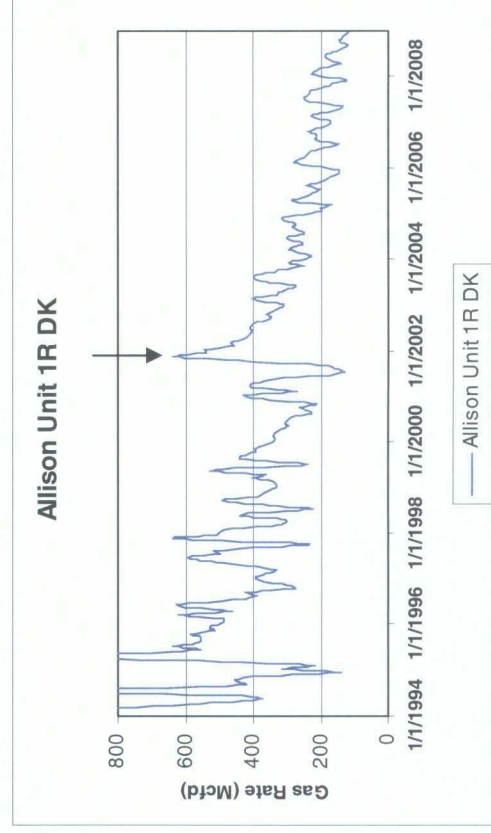
Burlington Resources has
successfully downhole commingled
MV DK wells since Order R-9918

Burlington Resources has successfully downhole commingled MV DK wells since Order R-9918



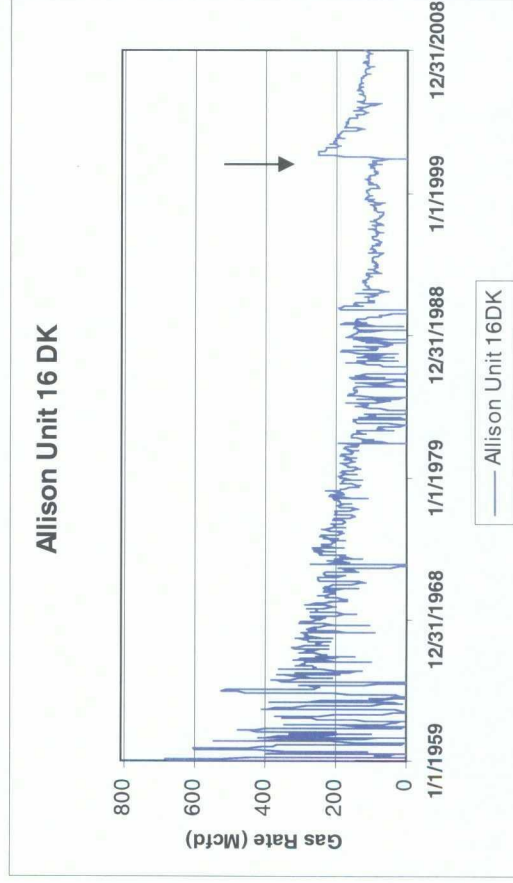
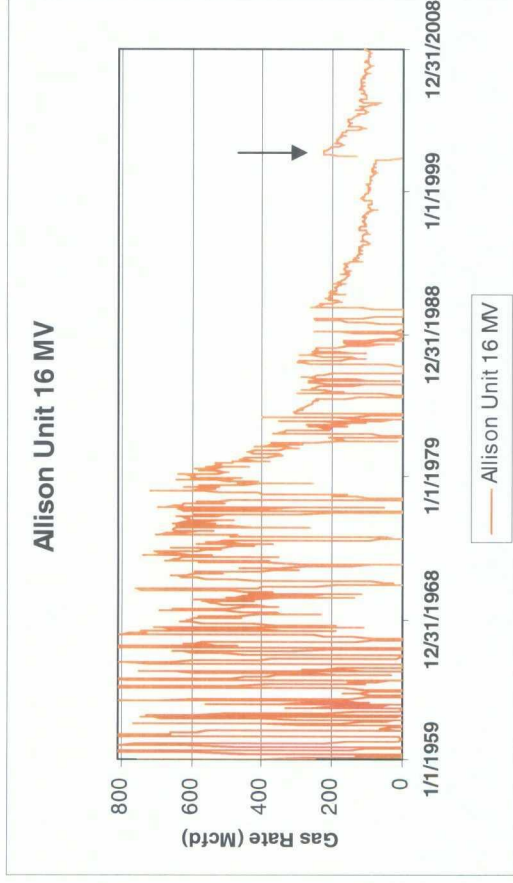
Completed as a Mesaverde/Dakota Dual Well in 1957
Mesaverde Pay-Add and Downhole Commingled with Dakota August 1997

Burlington Resources has successfully downhole commingled MV DK wells since Order R-9918



Completed as a Dakota well in 1993, recompleted Mesaverde, cleaned out fill in Dakota and Downhole Commingled in October 2001

Burlington Resources has successfully downhole commingled MV DK wells since Order R-9918



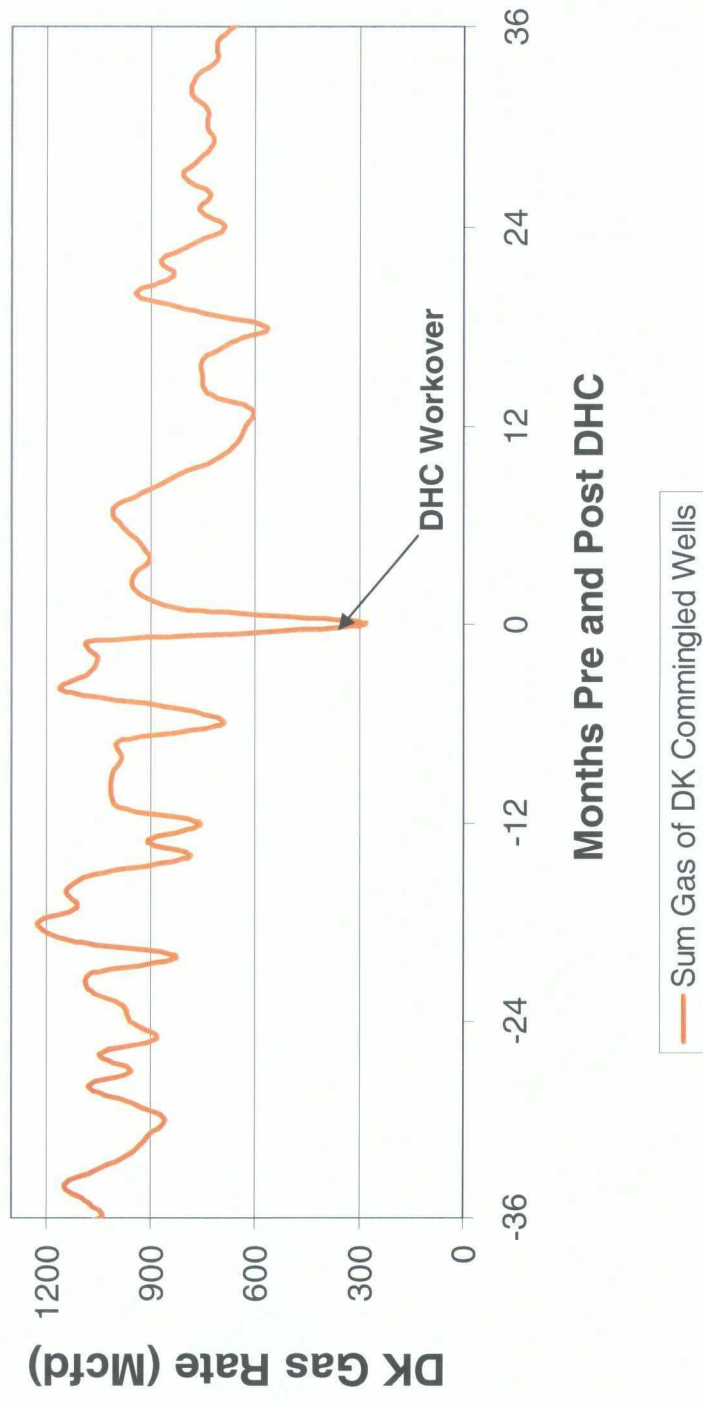
Drilled and Completed as a Mesaverde/Dakota Dual Well in 1958
Downhole Commingled in June 2001

Dual Completion vs. Downhole Commingled Mesaverde Production

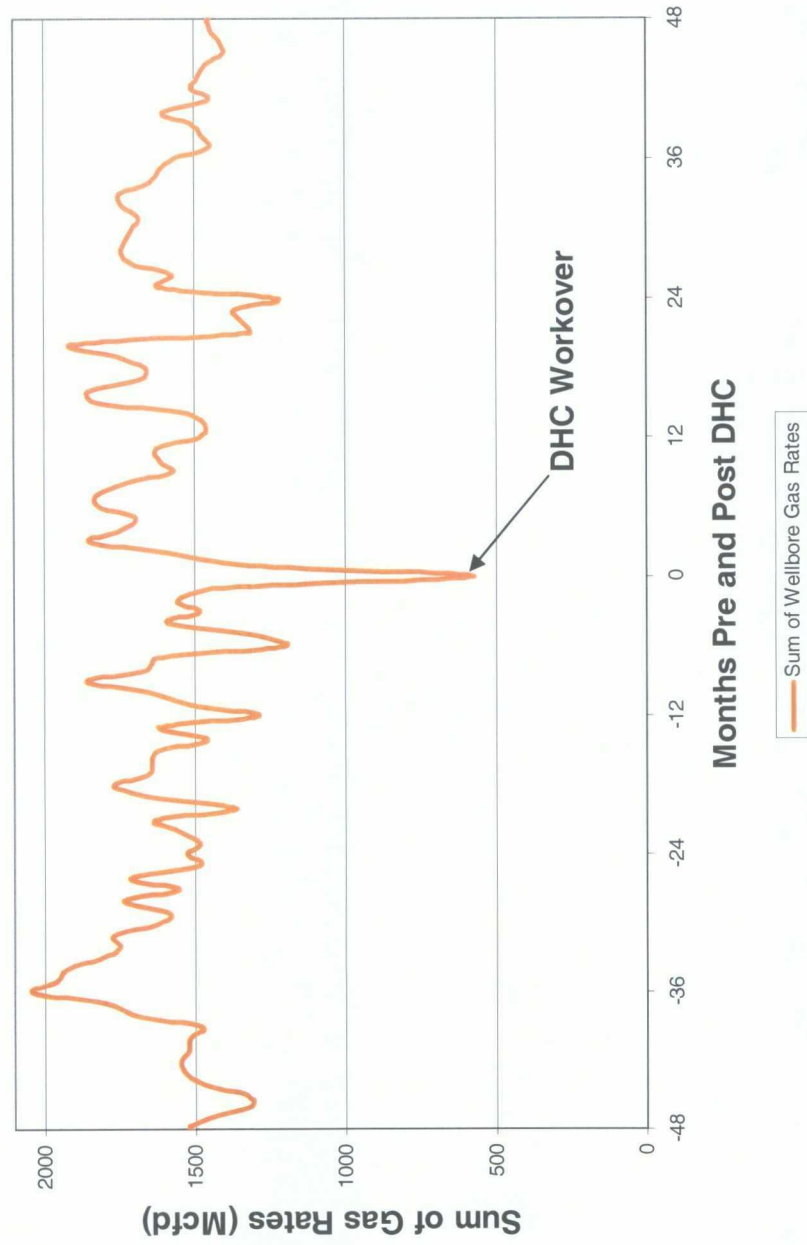
Swollen
the 6 in 5
5130



Dual Completion vs. Downhole Commingled Dakota Production



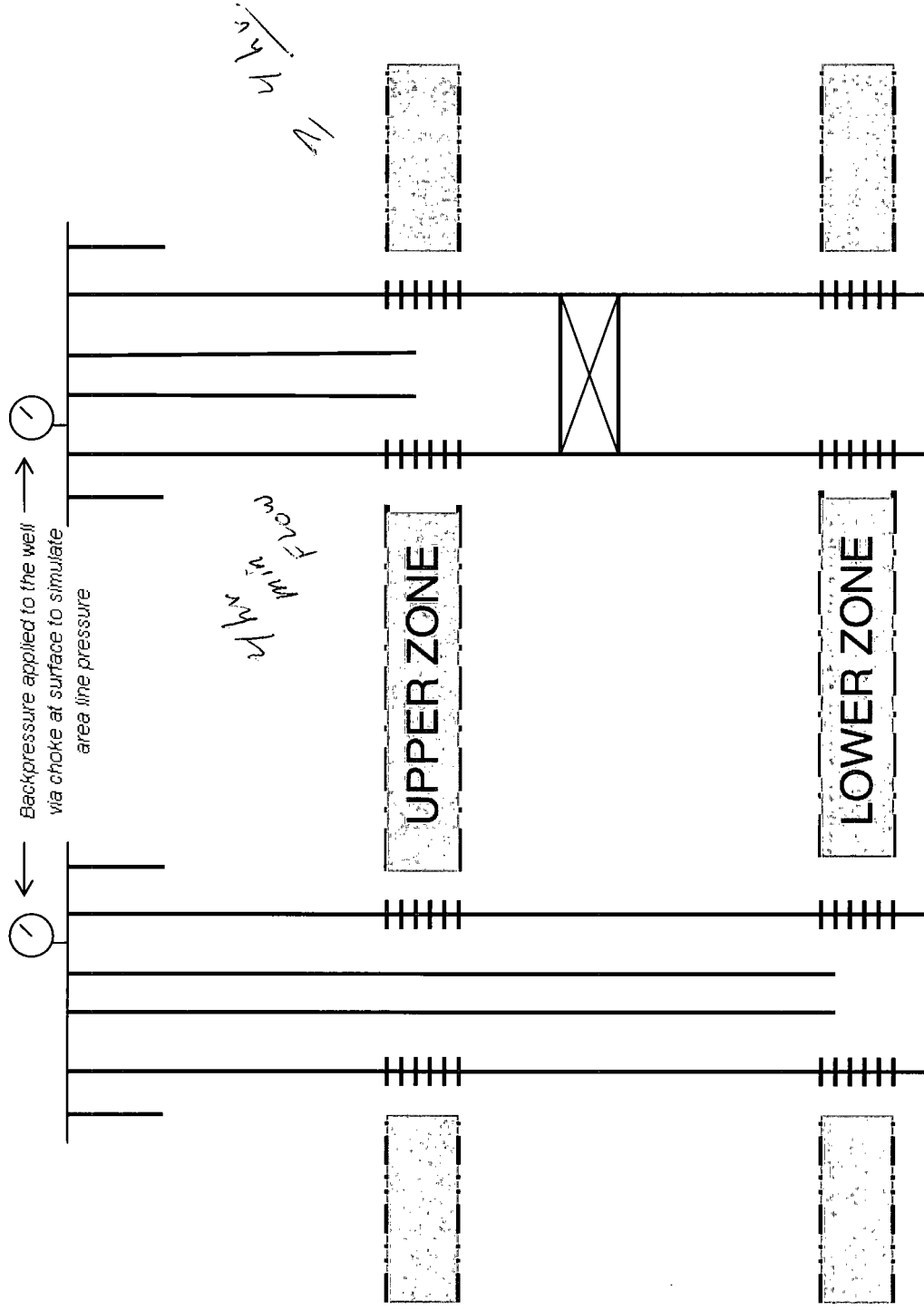
Dual Completion vs Downhole Commingled Production for Mesaverde and Dakota



ALLOCATION PROCESS: Field Test (Subtraction Method)

FLOW ENTIRE WELLBORE

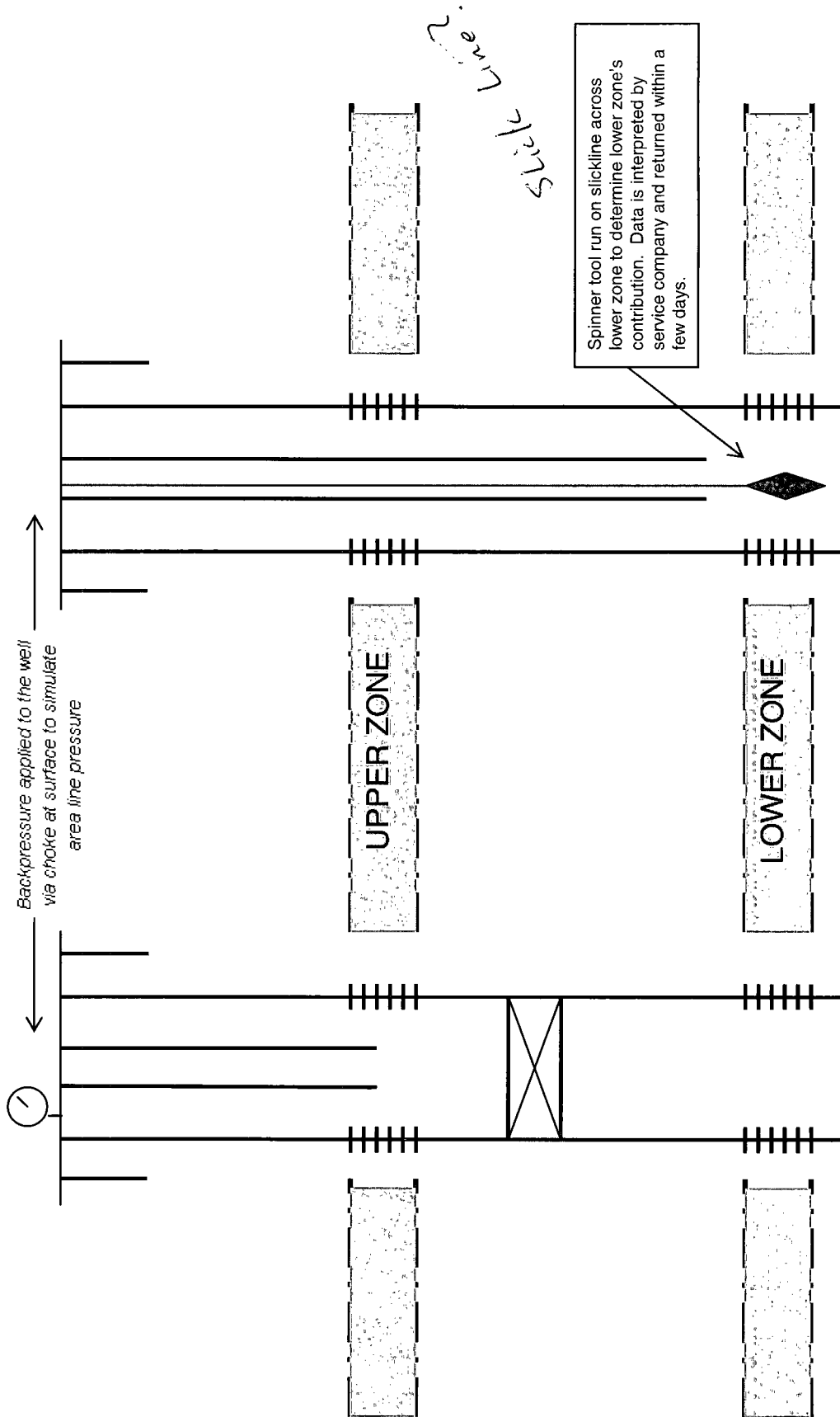
FLOW UPPER ZONE



ALLOCATION PROCESS: Field Test (Spinner Method)

FLOW UPPER ZONE

SPINNER SURVEY FOR LOWER ZONE



DATE	DESCRIPTION	ENGINEER	LOCATION	TYPE	APPRO
------	-------------	----------	----------	------	-------

ABOVE THE 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 Peroration 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] ☐ NSL ☐ NSP ☐ SD
 Location - Spacing Unit - Simultaneous Dedication

Check One Only for [B] or [C]

[B] ☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
 Commingling - Storage - Measurement

[C] ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
 Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

[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, Santa Fe 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.

James Gardener
 Print or Type Name

Signature

Regulatory Technician 2

Date

James.Gardener@nmdc.state.nm.gov
 E-mail Address

Submit 3 Copies To Appropriate District Office

District I

1025 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Artesia, NM 87410

District IV

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

State of New Mexico

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-103

June 19, 2008

WELL API NO.		30 045-34865
5. Indicate Type of Lease		STATE ☐ FEE ☐
6. State Oil & Gas Lease No.		SP-078483-A
7. Lease Name or Unit Agreement Name		Allison Unit Com
8. Well Number		60M
9. OGRID Number		14538
10. Pool name or Wildcat		Basin DK/Blanco MV
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		6582'
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data		

SUNDRIY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Burlington Resources Oil & Gas, L.P.

3. Address of Operator

P.O. Box 4289, Farmington, NM 87409-4289

4. Well Location

Unit Letter **B** : 221' feet from the North line and 1940' feet from the East line

Section 26 Township 32N Range 7W

County San Juan

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

It is intended to drill and completed the subject well in the Basin Dakota (Pool Code 71599) and Blanco Mesaverde (Pool Code 72319). The production will be commingled according to Oil Conservation Division Order Number 11363. Commingling will not reduce the value of production. Bureau of Land Management has been notified in writing of this application

Perfs - MV - 5544 - 6258'; DK - 7956' - 8235'

Notification of the intent to commingle the subject well was sent to all interest owners via certified mail on 01/30/2009. No objections were received.

Spud Date:

Rig Release Date:

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

SIGNATURE James E. Gantemire TITLE Regulatory Technician DATE 2-19-09

Type or print name James Gantemire E-mail address james.e.gantemire@conservephillips.com PHONE: 505-599-4036

For State Use Only Deputy Oil & Gas Inspector,

District #3

APPROVED BY:

Conditions of Approval (if any):

DATE FEB 23 2009

DATE IN	DISPOSURE	ENGINEER	LOGGED IN	TYPE	APP NO.
---------	-----------	----------	-----------	------	---------

NOTE: THIS LINE FOR DISCH 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 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, Santa Fe, NM
 [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.

Print or Type Name James Gardener Signature James Gardener Title Regulatory Technician Date 2

E-mail Address James.Gardener@state.nm.gov

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

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
Address

Farmington, NM 87499

Bandy Com
Lease

100S
Well No.

Unit P. Sec. 3, 030N, 011W
Unit Letter-Section-Township-Range

SAN JUAN
County

OGRID No: 14538 Property Code 36822 API No. 30045348540000 Lease Type: Federal State ☒ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	FARMER FRUITLAND SAND		BASIN FRUITLAND COAL
Pool Code	76570		71629
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	1800' - 2235' Estimated		2238' - 2425' Estimated
Method of Production (Flowing or Artificial Lift)	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)	150% RULE		150% RULE
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1000		BTU 1000
Producing, Shut-In or 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
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?

Are all produced fluids from all commingled zones compatible with each other?

Will commingling decrease the value of production?

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?

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 1/26/09

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

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

Bandy Com 100S
Unit P, Section 3, T030N, R011W

The Bandy Com 100S is a Fruitland Coal and Fruitland Sand newdrill. A cased hole neutron log will be run prior to completion to identify the Fruitland Sand and Fruitland Coal zones. If the Fruitland Sand and Fruitland Coal 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 Fruitland Sand and Fruitland Coal can not be tested separately, a volumetric calculation will be performed to determine the allocation percentages between the Fruitland Coal and Fruitland Sand. All documentation will be submitted to the Aztec NMOCD office.

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South 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 October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045--	² Pay Code 716297	³ Pool Name WILDCAT BASIN FRUITLAND COAL / FRUITLAND SAND
⁴ Property Code 36822	⁵ Property Name BANDY COM	⁶ Well Number 1005
⁷ OCRD No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP	⁹ Elevation 5923'

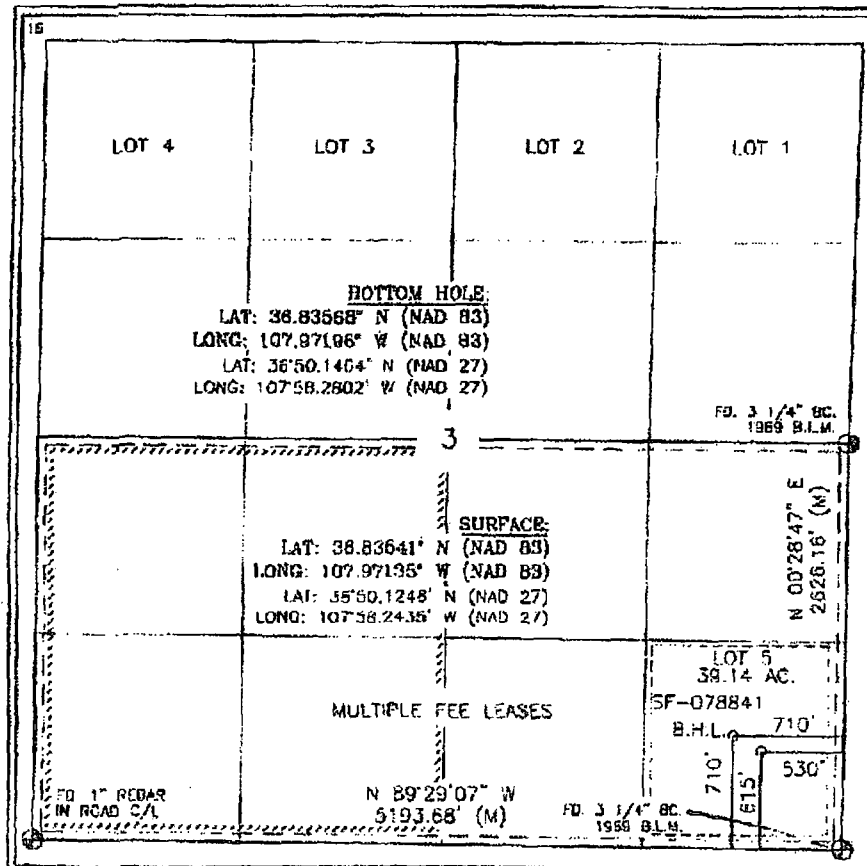
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	3	30-N	11-W		615	SOUTH	530	EAST	SAN JUAN

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
P	3	30-N	11-W		710	SOUTH	710	EAST	SAN JUAN
¹² Dedicated Acres 319.40 S/2 FC 159.14 SE/4 FS			¹³ Joint or In/In		¹⁴ Continguation Code		¹⁵ 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



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 unleased mineral interest in this land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with or owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Crystal Tafaya 5/20/08
Signature Date
Crystal Tafaya 5-20-08
Printed Name

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.

OCTOBER 19, 2007
Date of Survey
Surveyor and Seal of Professional Surveyor
NEW MEXICO
PROFESSIONAL LAND SURVEYOR
Certificate Number

BANDY CUM 100S FS Data: Jan.2009-Jan.2009

--◇-- Oil Rate - Bbld
 Cum: 0.00
 --*-- Gas1 Rate - mcf/d
 Cum: 0.00
 --+-- Water Rate - Bbld
 Cum: 0.00

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

No
 Active
 Forecast

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

