

Before the Oil Conservation Division  
Exhibit No. 5  
Burlington Resources Oil & Gas Company LP  
**ORDER R-10707, OCD CASE 11708**  
Initial Hearing: September 30, 2010



ConocoPhillips  
San Juan Business Unit  
P.O. Box 4289  
Farmington, NM 87499-4289

September 1, 2010

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED



TO ALL AFFECTED INTEREST OWNERS

RE: Application of ConocoPhillips Company and Burlington Resources Oil & Gas Company LP, to reopen cases 11601, 11626, 11627, 11628, 11629, 11708, 11709, 11685, 12136 and 11815 to amend the Division orders entered therein to permit the allocation of production in commingled wells by Alternative method approved by the Division prior to commingling, Rio Arriba and San Juan Counties, New Mexico.

CASE NOS: 11601, 11626, 11627, 11628,  
11629, 11708, 11709, 11685,  
12136 and 11815  
(REOPENED)

Ladies and Gentlemen:

This letter is to advise you that ConocoPhillips Company and Burlington Resources Oil & Gas Company, LP have filed the enclosed application with the New Mexico Oil Conservation Division seeking an order reopening Cases 11601, 11626, 11627, 11628, 11629, 11708, 11709, 11685, 12136 and 11815 to amend the Division orders entered therein to permit the allocation of production in commingled wells by any method approved by the Division prior to commingling, Rio Arriba and San Juan Counties, New Mexico. These Units are located in Townships 27, 28, 29, 30 and 32 North, Ranges 5, 6, 7, and 9 West, N.M.P.M., Rio Arriba and San Juan Counties, New Mexico.

This application has been set for hearing before a Division Examiner at 8:15 AM on September 30, 2010. The Hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Application Letter  
September 1, 2010  
Page 2

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office, four days in advance of a scheduled hearing, but at least on the Thursday preceding the hearing. This statement must include:

- Names of the parties and their Attorneys
- A concise statement of the case
- Names of all witnesses the party will call to testify at the hearing
- The approximate time the party will need to present its case; and
- Identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions in this regard, please contact the undersigned at 505-324-6122 or email to [Chuck.Creekmore@ConocoPhillips.com](mailto:Chuck.Creekmore@ConocoPhillips.com).

Very truly yours,



Chuck Creekmore  
Staff Landman  
for ConocoPhillips and  
Burlington Resources Oil & Gas Company LP

HOLLAND & HART<sup>LLP</sup>



William F. Carr  
wcarr@hollandhart.com

August 31, 2010

**BY HAND DELIVERY**

Mark E. Fesmire, P.E.  
Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

RECEIVED OGD  
2010 AUG 31 PM 3:25

Re: Case Nos. 11601, 11626, 11627, 11628, 11629, 11708, 11709, 11685, 12136, and 11815  
(Reopened): Application of ConocoPhillips Company and Burlington Resources Oil & Gas Company, LP to reopen Cases 11601, 11626, 11627, 11628, 11629, 11708, 11709, 11685, 12136 and 11815 to amend the Division orders entered therein to permit the allocation of production in commingled wells by Alternative methods approved by the Division prior to commingling, Rio Arriba and San Juan Counties, New Mexico.

Dear Mr. Fesmire:

Enclosed is the application of ConocoPhillips Company and Burlington Resources Oil & Gas Company, LP in the above-referenced matter and a copy of a legal advertisement. Applicants request that this application be included on the September 30, 2010 examiner hearing docket.

Your attention to this application is appreciated.

Very truly yours,

William F. Carr  
Attorney for ConocoPhillips Company and  
Burlington Resources Oil & Gas Company, LP

cc: Charles E. Creekmore

Holland & Hart<sup>LLP</sup>

Phone [505] 988-4421 Fax [505] 983-6043 [www.hollandhart.com](http://www.hollandhart.com)

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ☎

**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION**

**APPLICATION OF CONOCOPHILLIPS COMPANY AND BBURLINGTON  
RESOURCES OIL & GAS COMPANY, LP TO REOPEN CASES 11601, 11626, 11627, 11628,  
11629, 11708, 11709, 11685, 12136 AND 11815 TO AMEND THE DIVISION ORDERS ENTERED  
THEREIN TO PERMIT THE ALLOCATION OF PRODUCTION IN COMMINGLED WELLS  
BY ALTERNATIVE METHODS APPROVED BY THE DIVISION PRIOR TO  
COMMINGLING, RIO ARriba AND SAN JUAN COUNTIES, NEW MEXICO.**

**CASE NOS. 11601, 11626, 11627, 11628,  
11629, 11708, 11709, 11685,  
12136 AND 11815  
(REOPENED)**

**APPLICATION**

CONOCOPHILLIPS COMPANY and BURLINGTON RESOURCES OIL & GAS COMPANY, LP (hereinafter referred to as ConocoPhillips/ Burlington), through their undersigned attorneys, hereby make application for orders amending certain Oil Conservation Division orders that approved voluntary units which ConocoPhillips operates in Rio Arriba and San Juan Counties, New Mexico, to permit the allocation of downhole commingled production in wellbores by alternative methods approved by the Division prior to commingling and in support of its application states:

1. ConocoPhillips/Burlington operate certain voluntary units in Rio Arriba and San Juan Counties that were approved by the following Division orders:

- A. Order No. R-10692 (Case No. 11601) San Juan Unit 32-9 Unit;
- B. Order No. R-10694 (Case No. 11626) San Juan Unit 27-5 Unit;
- C. Order No. R-10695 (Case No. 11627) San Juan Unit 28-5 Unit;
- D. Order No. R-10696 (Case No. 11628) San Juan Unit 28-6 Unit;
- E. Order No. R-10697 (Case No. 11629) San Juan Unit 29-7 Unit;
- F. Order No. R-10707 (Case No. 11708) San Juan Unit 29-5 Unit;
- G. Order No. R-10771 (Case No. 11709) San Juan Unit 30-5 Unit
- H. Order No. R-10786 (Case No. 11685) Canyon Largo Unit;
- I. Order No. R-10476-B (Case No. 11815) San Juan 28-7 Unit; and
- J. Order No. R-11187 (Case No. 12136) San Juan Unit 29-6 Unit.

These units are hereinafter collectively referred to as the "Unit Approval Orders."

2. Each of the Unit Approval Orders authorizes the allocation of commingled production by either the subtraction or fixed allocation method.

3. The allocation of production in certain new commingled wells by the use of a gas composition analysis has been approved by the Division but the Unit Approval Orders that limit allocation to the subtraction and fixed allocation methods may prevent its use.

4. ConocoPhillips therefore seeks amendment of each of the Unit Approval Orders by the addition of a finding that provides: "Nothing in this order shall prevent the use of alternative methods for the allocation of commingled production where the method has been or subsequently is approved by the Division prior to commingling."

5. The proposed amendment of each of the Unit Approval Orders is in the interest of conservation, the prevention of waste and protection of correlative rights and should be approved.

WHEREFORE, ConocoPhillips Company and Burlington Resources Oil & Gas Company LP request that this application be set for hearing before an Examiner of the Oil Conservation Division on September 30, 2010, that notice be given as required by law and the rules of the Division, and that this application be granted.

Respectfully submitted,  
HOLLAND & HART, LLP

By: 

William F. Carr  
Ocean Munds-Dry  
Post Office box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR CONOCOPHILLIPS COMPANY AND  
BURLINGTON RESOURCES OIL & GAS COMPANY, LP

**Cases 11601, 11626, 11627, 11628, 11629, 11708, 11709, 11685, 12136 and 11815 (Reopened).** Application of ConocoPhillips Company and Burlington Resources Oil & Gas Company, LP to reopen Cases 11601, 11626, 11627, 11628, 11629, 11708, 11709, 11685, 12136 and 11815 to amend the Division orders entered therein to permit the allocation of production in commingled wells by alternative methods approved by the Division prior to commingling, Rio Arriba and San Juan Counties, New Mexico. These units are contiguous and the center of the unit areas is approximately 9 miles southeast of Gobernador Camp, New Mexico, except for the San Juan 32-9 unit (Case No. 11601), the center of which is located approximately 5 miles southeast of Gobernador Camp, New Mexico.

GAS COMPOSITION ANALYSIS COMMINGLE PROJECT -- NOTICE FOLLOW-UP CORRESPONDENCE

9/7/2010:

Mary Gomez	email response to inquiry
Pete Schram	responded to inquiry on phone
John Bears	responded to inquiry on phone
____ Gomez	#505-2716-6887 -- phone number was incorrect and first name a blur.

9/8/10:

Darlene Wynn	sent return email
Don Mangum	#435-676-8386 -- returned phone call and discussed with him.
Bill Ritter	responded to inquiry on phone
Gene Lakey	responded to inquiry on phone
Chuck Wallace w/ Wells Fargo	#432-685-5148 resent Certified mail for Unbach Cancer Foundation & Corazon Gomez LLC to him: PO Box 1959, Midland TX 79710.
Lela Bennett	#425-453-1405 -- returned call and left message
Mike Ushler	#214-378-1212 & 214-384-6072 returned call and discussed project.
Nick Candelaria	#402-7635 & 325-4202 called back and discussed project.
____ Gomez	#505-716-6887 -- he called back and we discussed project.
Dan Bates	#9719 -- he call and we discussed sharing information with Four Star.
Clarise? & Fred Lunn	#512-382-9707 -- called back and discussed project.
Matt Mayes	#303-680-7670 -- discussed project and how to get his father's interest over to Fischer Mayes LLC (call owner relations).
Joni Clark	responded to Fidel Candelaria et al inquiry

9/9/10:

Lela Bennett	#425-453-1405 -- returned call and discussed project with her.
--------------	--

9/10/2010:

Marquita Vasquez	#505-632-2422 -- returned call and discussed project.
Paul Candelaria	#505-325-6596 or 330-0315 -- returned call and discussed project.

9/13/2010:

Paul Candelaria	wrote letter of explanation at his request.
Fidel Candelaria	wrote letter of explanation at his request.

9/15/2010

BP -- Craig Carley	wrote letter of explanation at Bill Carr's request.
Margaret Helsasilva	505-828-0490 -- returned call and discussed project.

9/16/2010:

Broadway Bank Kenny Dorbandt	210-283-6725 -- returned call and discussed project and follow-up email.
------------------------------	--

9/20/2010

Linda Handley	she called and explained our petition to the NMOCD.
---------------	---

9/22/2010:

BP, Pippa Zimmerman	she called and explained our petition to the NMOCD.
---------------------	---



GAS COMPOSITION ANALYSIS COMMINGLE PROJECT -- NOTICE FOLLOW-UP CORRESPONDENCE

9/28/10:

Ed Gordons

he called on behalf of mother and explained our petition to the NMOCD.

10/1/2010:

Angela Lujan

575-779-5266; personal representative, called, explained petition to her.

10/5/2010:

Charles \_\_\_\_\_, WGT Oil,

214-985-6783; called and explained our petition to the NMOCD.

10/6/2010:

Don Ilso

707-257-3456; called and explained our petition to the NMOCD.

10/8/2010:

Kathy Norberg, Maralo

emailed explanation of our petition to the NMOCD.

10/11/2010:

Colena \_\_\_\_\_

602-670-4154; called and explained our petition to the NMOCD.