

DATE IN 6.23.11	SUSPENSE	ENGINEER WVT	LOGGED IN 6.23.11	TYPE DHC	APP NO 1117450080
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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



RECEIVED ConocoPhillips
 217817
 JUN 23 AM 11:50
 SSU 32-7 #17B

ADMINISTRATIVE APPLICATION CHECKLIST

30-045-35131

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]

Fed
 31329

- [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.

Crystal Tafoya _____ Staff Regulatory Tech _____ 6/22/11
 Print or Type Name Signature Title Date
 crystal.tafoya@conocophillips.com
 e-mail Address

SS 32.7 Unit 17B

District I
1625 N French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

District II
1301 W Grand Avenue, Artesia, NM 88210

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

District III
1000 Rio Brazos Road, Aztec, NM 87410

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

APPLICATION FOR DOWNHOLE COMMINGLING

DAC-4412

ConocoPhillips Company Operator P.O.Box 4289 Farmington, NM 87499 Address

San Juan 32-7 Unit Lease 17B Well No Unit A, Sec. 17, 031N, 007W Unit Letter-Section-Township-Range San Juan County

OGRID No: 217817 Property Code 31329 API No. 30045351310000 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)	5305'-6100'	7542'-7567'	8184'-8300'
Method of Production (Flowing or Artificial Lift)	New Zone	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)	1071 psi <i>3450/5705-65</i>	489 psi	3450 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	Producing	Shut-In
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: Feb 2011 Rates: 165,146 MCF	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

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 [Signature] TITLE Engineer DATE 6/20/11

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

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

San Juan 32-7 Unit 17B
Surf-Unit A, Section 17, T031N, R007W
BH - Unit B, Section 17, T031N, R007W

The San Juan 32-7 Unit 17B is a Blanco Mesaverde, Basin Dakota and Basin Mancos Recomplete. 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 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 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, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 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

RECEIVED
Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 7 Copies
Fee Lease - 3 Copies
Bureau of Land Management
Farmington Field Office AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-35131		² Pool Code 71599 / 72319		³ Pool Name BASIN DAKOTA / BLANCO MESAVERDE	
⁴ Property Code 31329		⁵ Property Name SAN JUAN 32-7 UNIT			⁶ Well Number 17B
⁷ OGRID No. 217817		⁸ Operator Name CONOCOPHILLIPS COMPANY			⁹ Elevation 6582

¹⁰ SURFACE LOCATION

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
A	17	31-N	7-W		833	NORTH	857	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
B	17	31-N	7-W		710	NORTH	1919	EAST	SAN JUAN

¹² Dedicated Acres 320.00 (E/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

¹⁶ FD. PIN&CAP LS#8894 S 66°35'16" E 22.4' TO W.C. FD. W.C. GLO 1914 S 89°51'34" W 2628.3' (M) S 89°53' W 2630.1' (R) 710' 833' 1919' 857' N 83°31'59" W 1068.8' 2640.0' (M) 2637.7' (R) GLO 1914 (TYP) N 0°11'17" W 0°03' W	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 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 working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Crystal Tafoya</i> 1/12/2010 Signature Crystal Tafoya Printed Name Regulatory Technician Title and E-mail Address January 12, 2010 Date
BOTTOM HOLE NAD 83 LAT: 36.904828° N LONG: 107.591960° W NAD 27 LAT: 36°54.289398' N LONG: 107°35.481026' W	WELL FLAG NAD 83 LAT: 36.904490° N LONG: 107.588329° W NAD 27 LAT: 36°54.269110' N LONG: 107°35.263151' W
E/2 DEDICATED ACREAGE USA.SF-078998 SECTION 17, T-31-N, R-7-W	
BASIS OF BEARING IS THE NEW MEXICO STATE PLANE COORDINATE SYSTEM, WEST ZONE, NAD83 AS DETERMINED BY GPS OBSERVATION AND NGS/OPUS SOLUTION.	

District I
 1625 N French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr, Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Form C-102
 Permit 118489

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-35131	2. Pool Code 97232	3. Pool Name BASIN MANCOS
4. Property Code 31329	5. Property Name SAN JUAN 32 7 UNIT	6. Well No. 017B
7. OGRID No. 217817	8. Operator Name CONOCOPHILLIPS COMPANY	9. Elevation 6582

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	17	31N	07W		833	N	857	E	SAN JUAN

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	17	31N	07W	A	710	N	1919	E	SAN JUAN
12. Dedicated Acres 320.00		13. Joint or Infill		14. Consolidation 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

	OPERATOR CERTIFICATION	
	<p><i>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 the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p>	
	<p>E-Signed By: <i>Patsy Cleist</i> Title: <i>Sr. Regulatory Specialist</i> Date: <i>8/20/10</i></p>	
	SURVEYOR CERTIFICATION	
<p><i>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.</i></p>		
<p>Surveyed By: Henry Broadhurst Date of Survey: 12/16/2009 Certificate Number: 11393</p>		

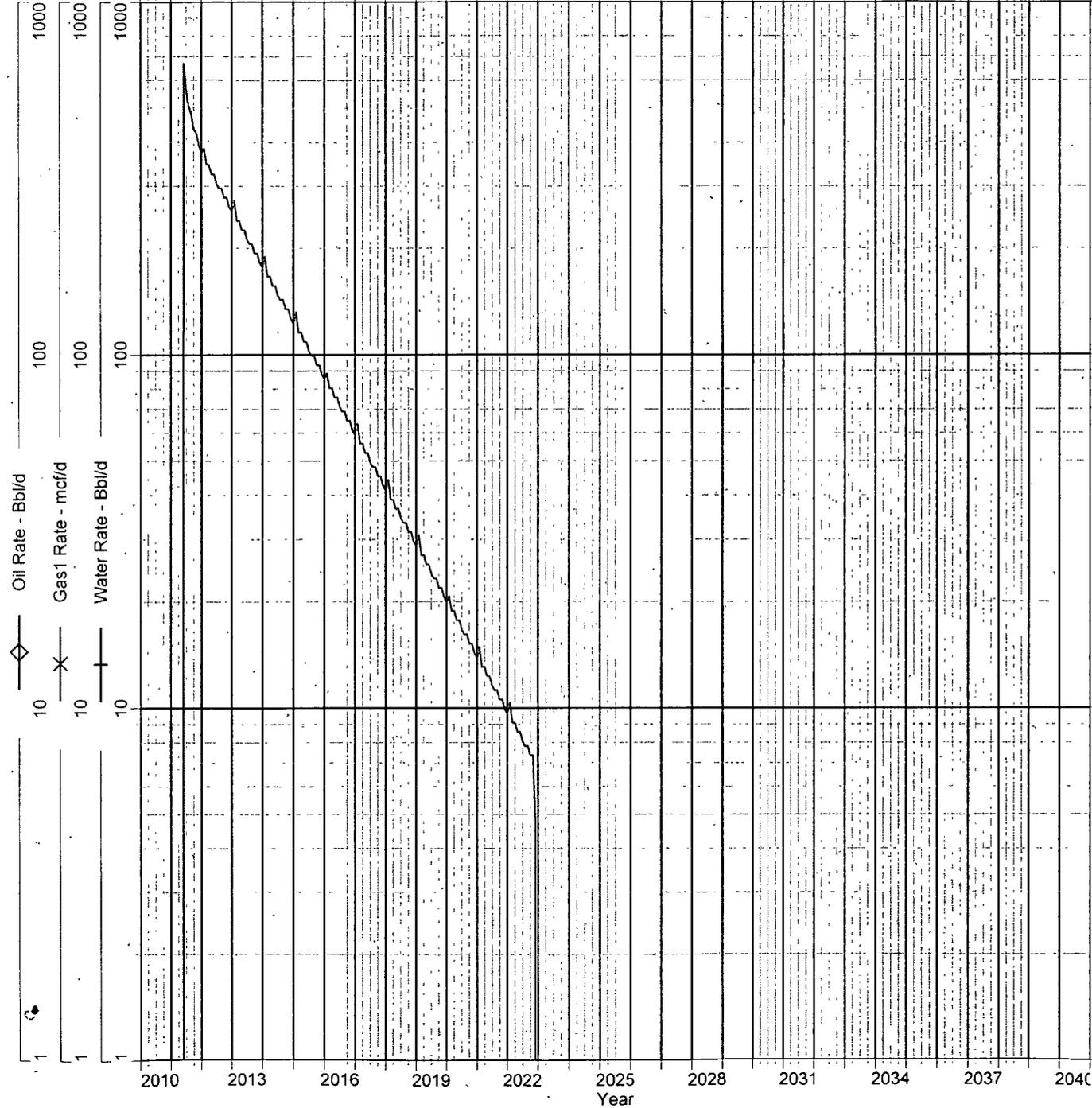
SAN JUAN 32-7 UNIT 17B DK Data: Jun.2011-Jun.2011

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



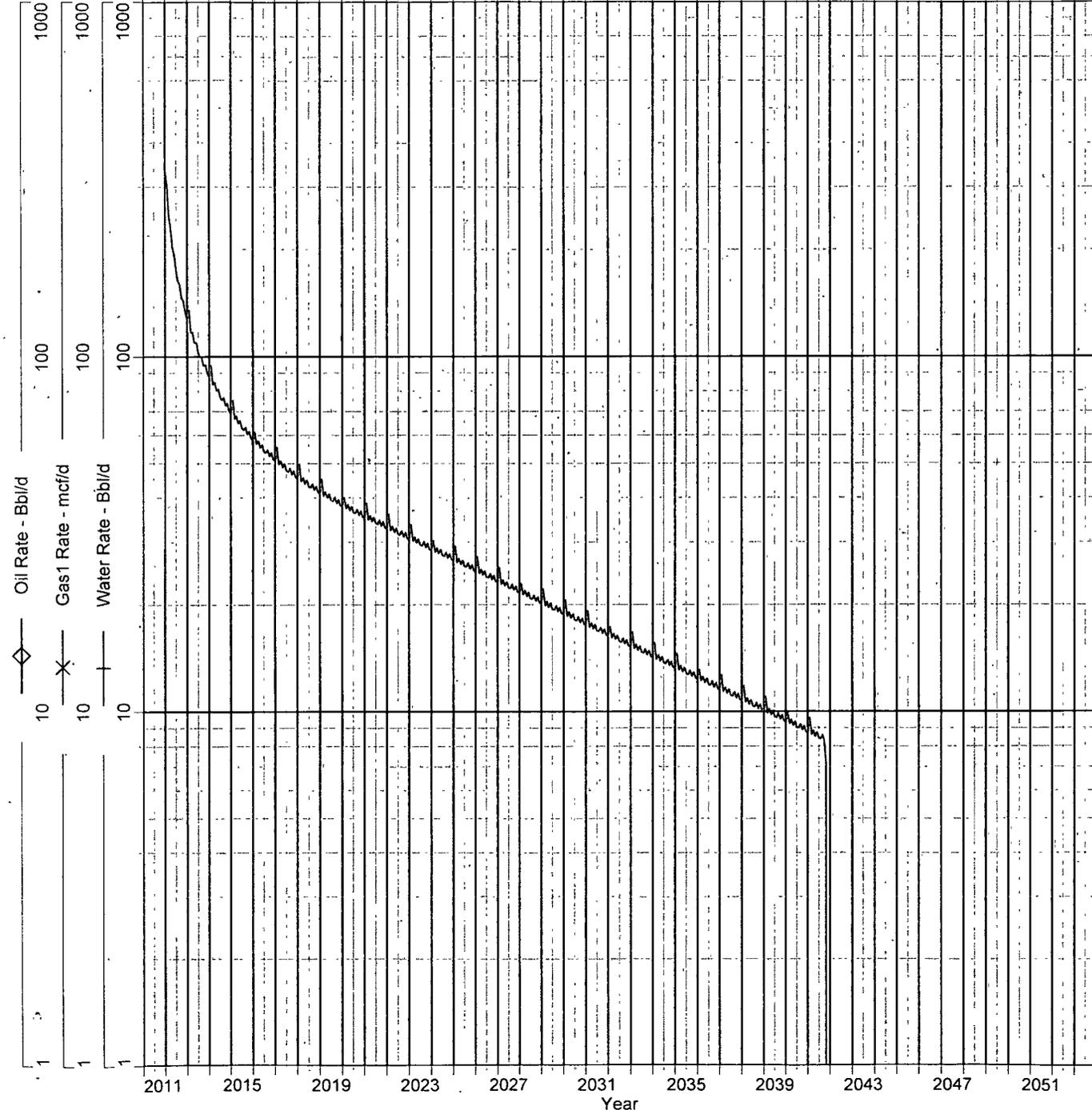
SAN JUAN 32-7 UNIT 17B MV RC Data: Jun.2011-Jun.2011

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



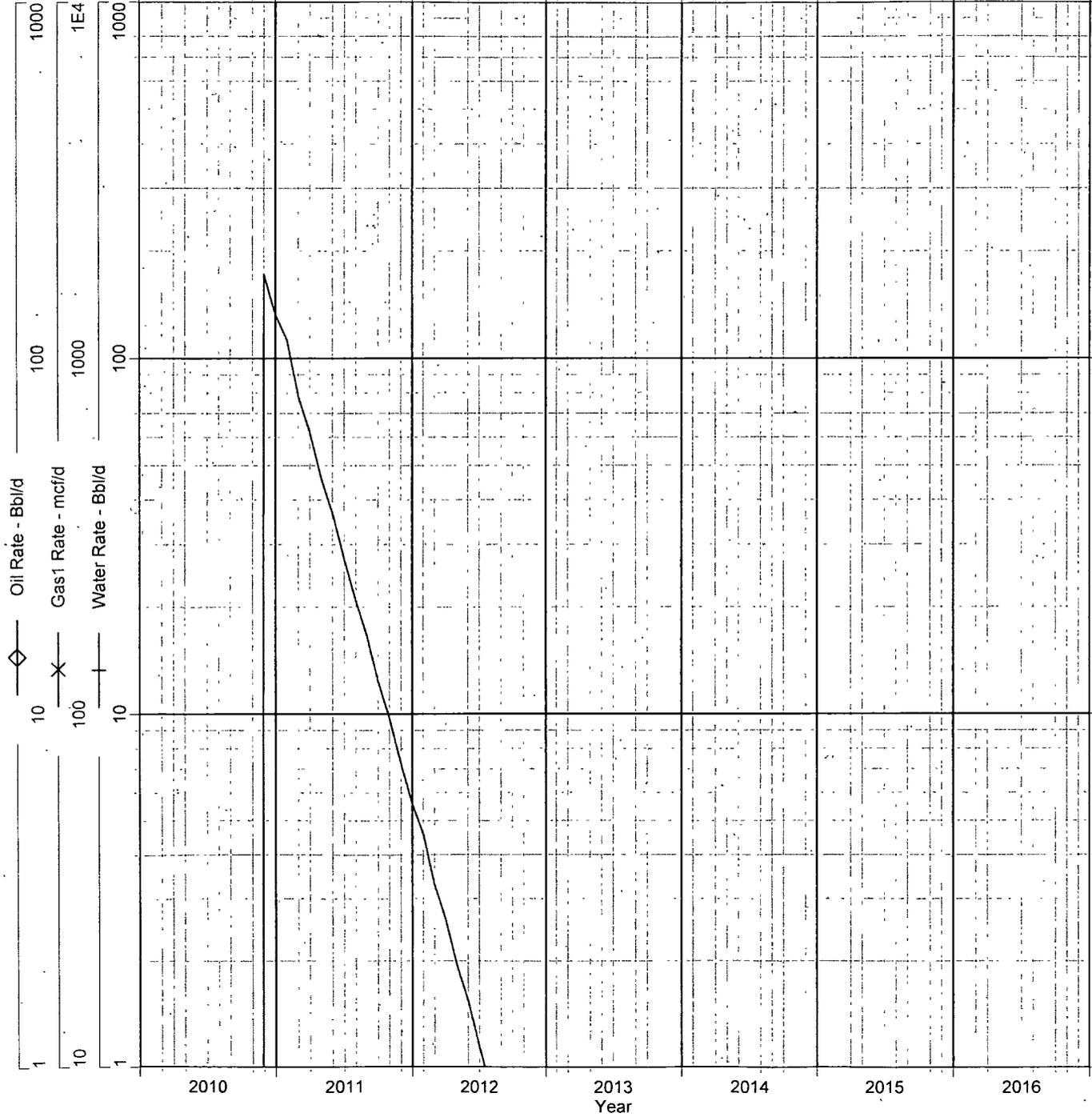
SAN JUAN 32-7 UNIT 17B MA Data: Jun.2011-Jun.2011

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



Summary Production Report

Lease Name:	SAN JUAN 32 7 UNIT	
Lease Number:	MULTIPLE	Cum Oil:
Operator Name:	CONOCOPHILLIPS COMPANY	Cum Gas: 240,283
State:	NEW MEXICO	Cum Water: 280
County:	SAN JUAN	First Production Date: JAN 2011
Field:	BASIN	Last Production Date: FEB 2011
Production ID:	SUM0430453513197232	
Reservoir Name:	MULTIPLE	
Prod Zone:	MULTIPLE	
Basin Name:	SAN JUAN BASIN	
Status:	ACTIVE GAS	

Annual Production	(1 years)		
Year	Oil BBLs	Gas MCF	Water BBLs
Beginning			
Cum:			
2011		240,283	280
Totals:		240,283	280

Monthly Production						
Date	Oil	Gas	Water	# of	Days	
MO/YR	BBLs	MCF	BBLs	Wells	on	
JAN 2011		75,137		1	21	
FEB 2011		165,146	280	1	28	
Totals:		240,283	280			
2011		240,283	280			

Summary Production Report

Lease Name:	SAN JUAN 32 7 UNIT		
Lease Number:	MULTIPLE	Cum Oil:	
Operator Name:	CONOCOPHILLIPS COMPANY	Cum Gas:	240,283
State:	NEW MEXICO	Cum Water:	280
County:	SAN JUAN	First Production Date:	JAN 2011
Field:	BASIN	Last Production Date:	FEB 2011
Production ID:	SUM0430453513197232		
Reservoir Name:	MULTIPLE		
Prod Zone:	MULTIPLE		
Basin Name:	SAN JUAN BASIN		
Status:	ACTIVE GAS		

Annual Production	(1 years)		
Year	Oil BBLs	Gas MCF	Water BBLs
Beginning			
Cum:			
2011		240,283	280
Totals:		240,283	280

Monthly Production						
Date	Oil	Gas	Water	# of	Days	
MO/YR	BBLs	MCF	BBLs	Wells	on	
JAN 2011		75,137		1	21	
FEB 2011		165,146	280	1	28	
Totals:		240,283	280			
2011		240,283	280			