

DATE IN 10.5.11	SUSPENSE	ENGINEER WVJ	LOGGED IN 10,5,11	TYPE DHC 4474	APP NO. 1177852250
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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



Burlington
 RECEIVED OCB 145-38

ADMINISTRATIVE APPLICATION CHECKLIST

2011 OCT 10 10:04
 Horton JB
 30-045-35252

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
 SJ-

- [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 _____

I-35-32N-11W

- [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
 Print or Type Name

Crystal Tafoya
 Signature

Staff Regulatory Tech
 Title

10/4/2011
 Date

Horton 1B
 30-045-35252

crystal.tafoya@conocophillips.com
 e-mail Address

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

APPLICATION TYPE

District III
1000 Rio Brazos Road, Aztec, NM 87410

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
Yes No

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

APPLICATION FOR DOWNHOLE COMMINGLING

DNR-4474

Burlington Resources Oil & Gas P.O.Box 4289 Farmington, NM 87499
Operator Address

Horton 1B Unit I, Sec. 35, 032N, 011W San Juan
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No: 14538 Property Code 18548 API No. 30045352520000 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE ✓	INTERMEDIATE ZONE ✓	LOWER ZONE ✓
Pool Name	BLANCO MESAVERDE	BASIN MANCOS	BASIN DAKOTA
Pool Code	72319	97232	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4700'-5500' estimated	6500'-7200' estimated	7500'-7680' 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)	424 psi	2948 psi	2570 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

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 10/4/11

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

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

Horton 1B

Surface - Unit I, Section 35, T032N, R011W

Bottom Hole – Unit O, Section 35, T032N, R011W

The Horton 1B 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 W. 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, N.M. 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, N.M. 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 30-045-35252	² Pool Code 71599/72319/97232	³ Pool Name BLANCO / MANSOS DAKOTA / MESA VERDE	⁴ Basin BASIN
⁵ Property Code 18548	⁶ Property Name HORTON		⁷ Well Number IB
⁸ OGRID No. 14538	⁹ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP		¹⁰ Elevation 6343

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
I	35	32 N	II W		1426	SOUTH	773	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
O	35	32 N	II W		995	SOUTH	1915	EAST	SAN JUAN

¹² Dedicated Acres 320.00 (S/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

<p>16 S 88°00'51" W 2536.71'</p> <p>BEARINGS & DISTANCES SHOWN ARE REFERENCED TO THE NEW MEXICO COORDINATE SYSTEM, WEST ZONE, NAD 83.</p> <p>USA NM-048</p> <p>SECTION 35</p>	<p>S 88°01'28" W 2527.93'</p> <p>○ = SURFACE LOCATION ● = BOTTOM HOLE LOCATION</p> <p>SURFACE LAT: 36.9381919° N LONG: 107.9533507° W NAD 83 LAT: 36°56.29136' N LONG: 107°57.16369' W NAD 27</p>	<p>17 OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>Arleen Kellywood</i> 8/22/11 Signature Date Arleen Kellywood Printed Name arleen.r.kellywood@conocophillips.com E-mail Address</p>

R

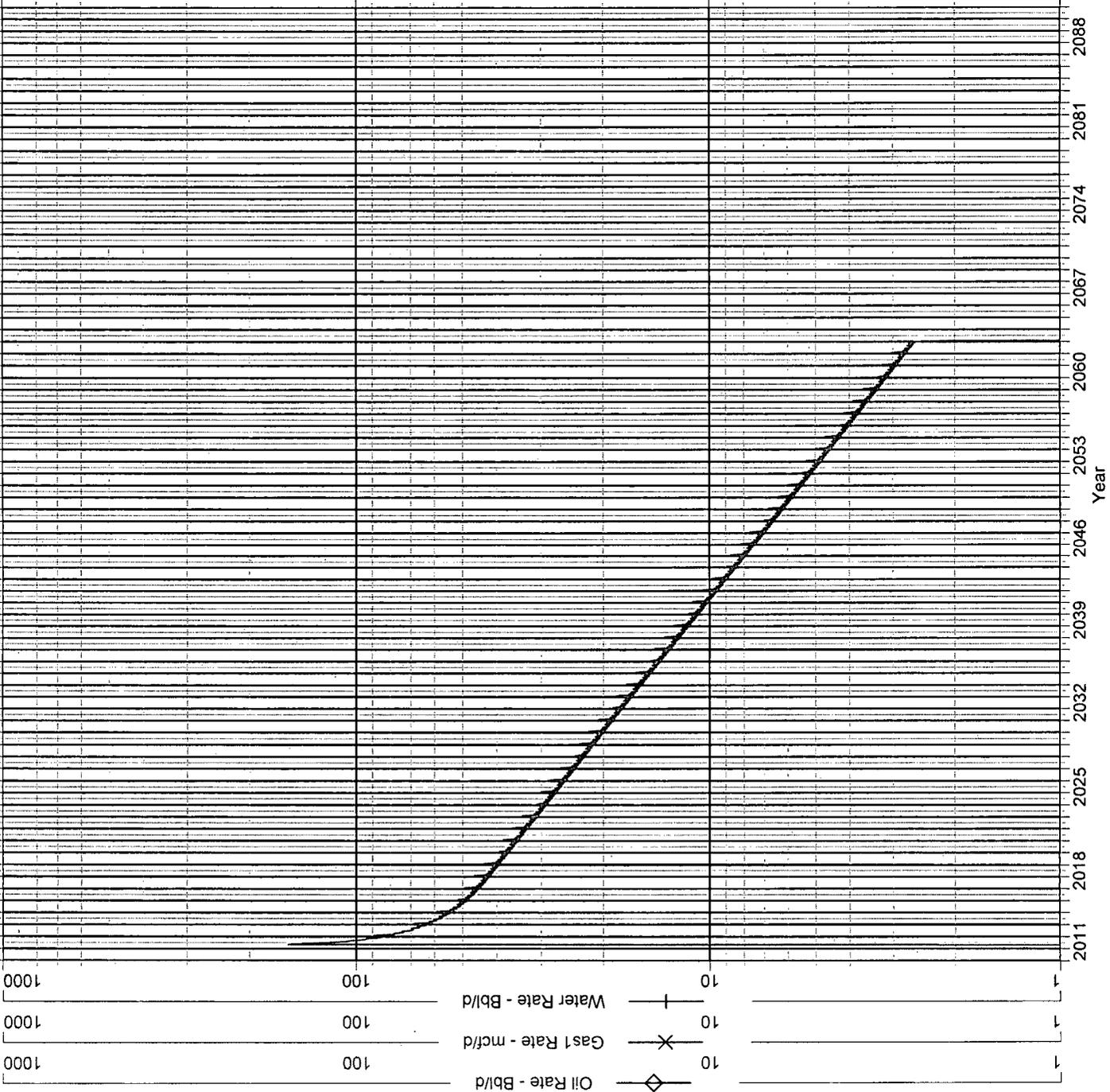
HORTON 1B DK Data: Sep.2011-Sep.2011

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



Oil Rate - Bbl/d 10 100 1000
 Gas1 Rate - mcf/d 10 100 1000
 Water Rate - Bbl/d 10 100 1000

Oil Rate - Bbl/d
 Gas1 Rate - mcf/d
 Water Rate - Bbl/d

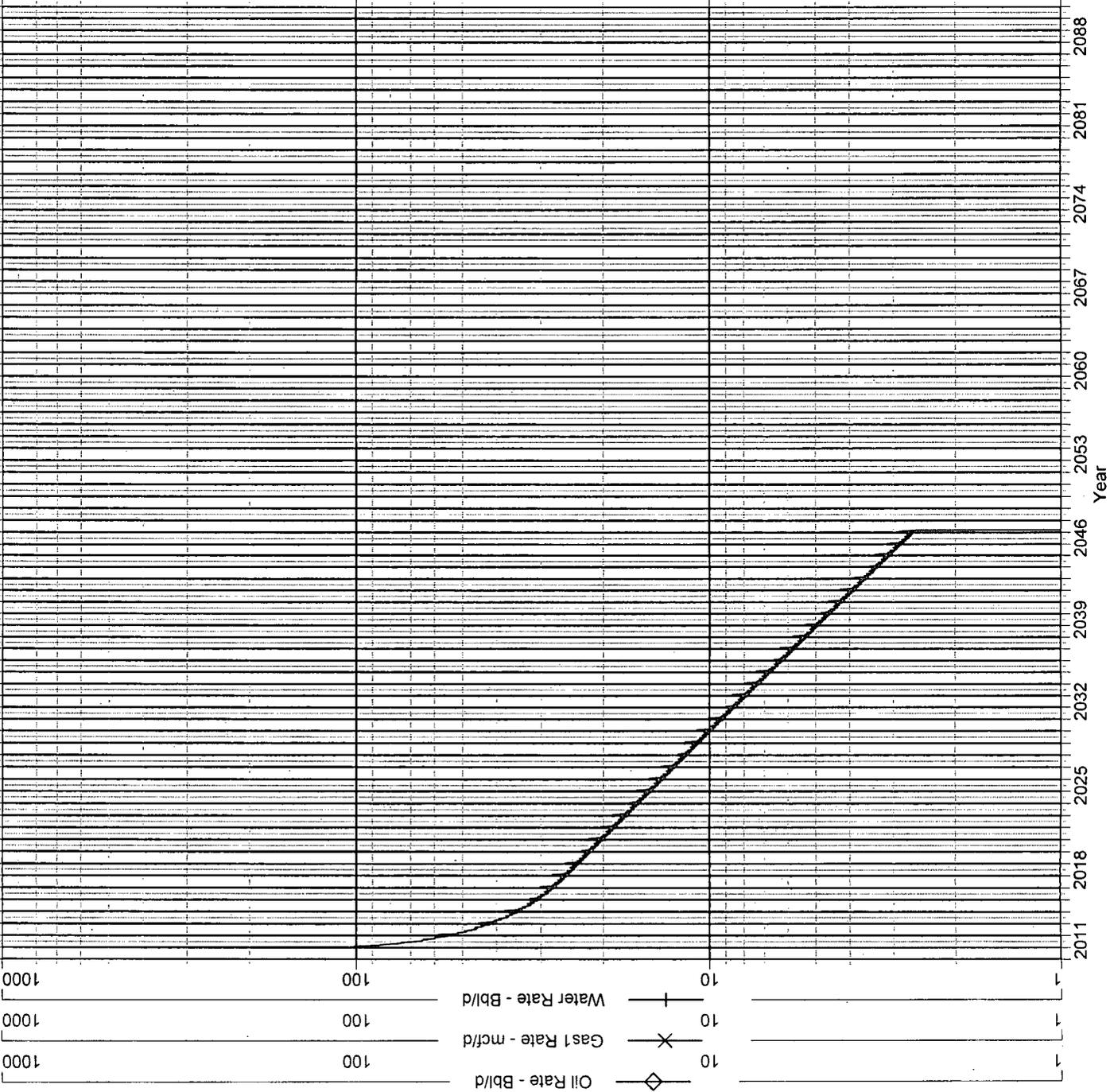
HORTON 1B MC Data: Sep.2011-Sep.2011

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



HORTON 1B 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

