

DATE IN 1/23/05	SUSPENSE	ENGINEER WJS	LOGGED IN	TYPE DAC	APP NO. 0602430890
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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



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, 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.

Deborah Marberry *Deborah Marberry* Regulatory Analyst 1/19/06
 Print or Type Name Signature Title Date

deborah.marberry@conocoPhillips.com
 e-mail Address

2006 JAN 23 PM 1 56

District I
1625 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
X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

CONOCOPHILLIPS CO.

P.O. BOX 2197 WL3 6108 HOUSTON, TX 77252

Operator

Address

SAN JUAN 32-7 UNIT

41A

N Sec: 7 Twn: 32N Rng: 7W

SAN JUAN

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 217817 Property Code 70120 API No. 30-045-25080 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	ALBINO PICTURED CLIFFS		BLANCO MESAVERDE
Pool Code	70120		72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3212 - 3240		5326 - 6684
Method of Production (Flowing or Artificial Lift)	ARTIFICIAL LIFT		ARTIFICIAL LIFT
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)	350 psi		550 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1000		1000
Producing, Shut-In or New Zone	producing		producing
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: 01/31/2005 Rates: 30 mcf/d	Date: Rates:	Date: 01/31/2005 Rates: 26 mcf/d
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 0 % 57 %	Oil Gas % %	Oil Gas 100 % 43 %

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?

Yes No X
Yes No X

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

Yes X No

Will commingling decrease the value of production?

Yes No X

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 X No

NMOCD Reference Case No. applicable to this well: R-11210

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 Deborah Marberry TITLE REGULATORY ANALYST

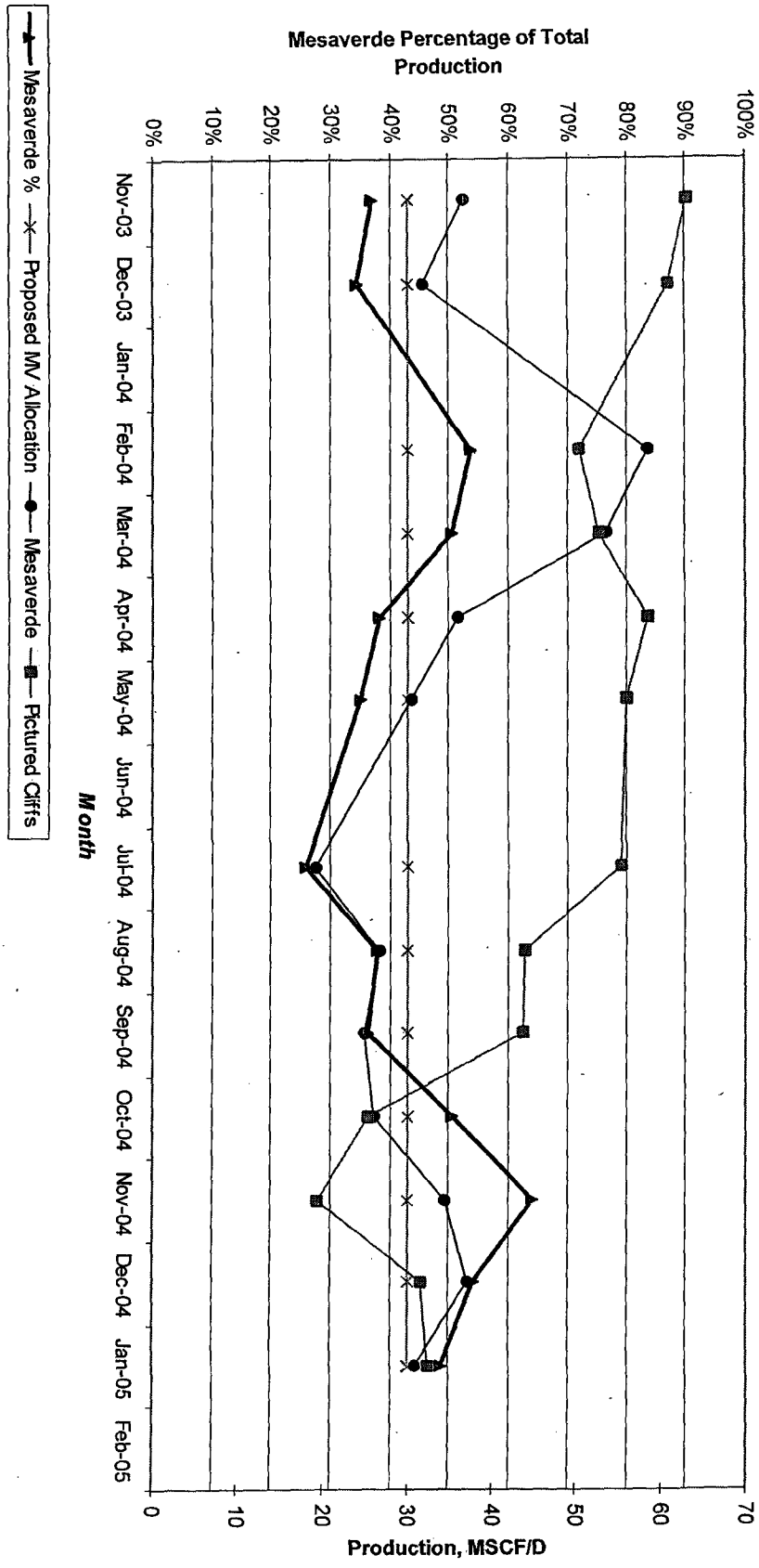
DATE 01/19/06
09/13/2005

TYPE OR PRINT NAME DEBORAH MARBERRY

TELEPHONE NO. () (832)486-2326

E-MAIL ADDRESS deborah.marberry@conocophillips.com

San Juan 32-7 #41A
Production



San Juan 32-7 #41A
Monthly Production

Month	Total Well Production	Pictured Cliffs Production	Days Produced	Pictured Cliffs Daily	Mesaverde Production	Days Produced	Mesaverde Daily	Mesaverde %
11/15/2003	2,994	1892	30	63	1102	30	37	37%
12/15/2003	2,879	1892	31	61	987	31	32	34%
2/15/2004	2,575	1463	29	50	1112	19	59	54%
3/15/2004	2,759	1634	31	53	1125	21	54	50%
4/15/2004	2,836	1757	30	59	1079	30	36	38%
5/15/2004	2,685	1742	31	56	943	31	30	35%
7/15/2004	2,312	1716	31	55	596	31	19	26%
8/15/2004	2,186	1360	31	44	826	31	27	38%
9/15/2004	1,582	1006	23	44	576	23	25	36%
10/15/2004	1,599	790	31	25	809	31	26	51%
11/15/2004	1,619	584	30	19	1035	30	35	64%
12/15/2004	2,129	982	31	32	1147	31	37	54%
1/15/2005	1,966	1008	31	33	958	31	31	49%
				46			34	42.9%

Averaged Mesaverde Production = 46 MCF
Averaged Pictured Cliffs Production = 34 MCF
Sum of Averaged Production = 80 MCF

Recommended Pictured Cliffs Fixed Gas % Allocation = 57.095%
Recommended Mesa Verde Fixed Gas % Allocation = 42.905%

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State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-1

Revised August 15, 20

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☒ AMENDED REPO

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-25080	² Pool Code 70120	³ Pool Name Albino Pictured Cliffs
⁴ Property Code 009260	⁵ Property Name San Juan 32-7 Unit	
⁶ OGRIID No. 017654	⁷ Operator Name Phillips Petroleum Company	⁸ Well Number 41A ⁹ Elevation 6435'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	Cou
N	7	32N	7W		1085	South	1820	West	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	Cou
N									
¹² Dedicated Acres 155.78		¹³ Joint or Infill Y		¹⁴ Consolidation Code U		¹⁵ Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED (NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION)

<div data-bbox="136 1050 1136 2024"> <p>16</p> <p>Section 7</p> <p>1820'</p> <p>1085'</p> <p>FEB 2002</p> </div>	<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.</p> <p><i>Patsy Clugston</i></p> <p>Signature</p> <p>Patsy Clugston</p> <p>Printed Name</p> <p>Sr. Regulatory/Proration Clerk</p> <p>Title</p> <p>February 6, 2002</p> <p>Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat plotted from field notes of actual surveys made by me or my supervision, and that the same is true and correct to the best of my belief.</p> <p>2-14-81</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>See original signed by</p> <p>Fred B. Kerr, Jr.</p> <p>3950</p> <p>Certificate Number</p>

OIL CONSERVATION DIVISION

MEXICO
LAND DEPARTMENT

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-10.
Revised 11

All distances must be from the outer boundaries of the Section.

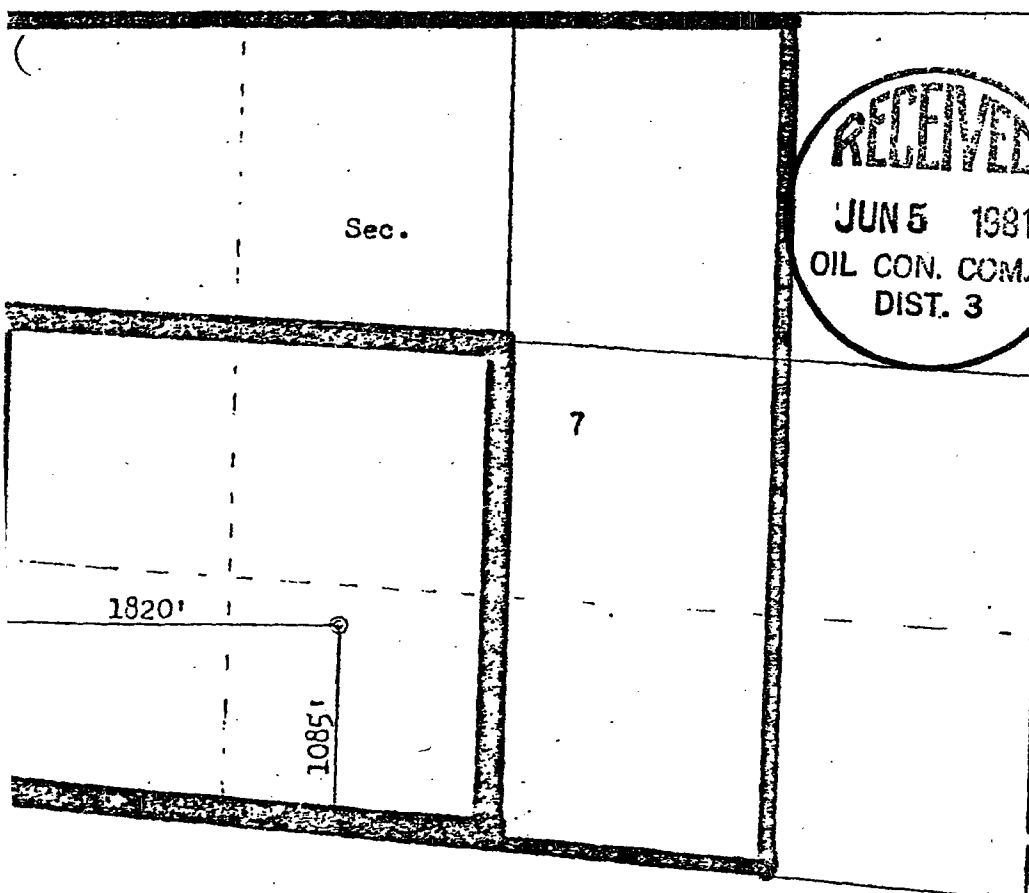
WEST PIPELINE CORPORATION		Lease SAN JUAN 32-7 UNIT		Well No. 41A
Section 7	Township 32N	Range 7W	County San Juan	
Footage Location of Well: 1085 feet from the South line and 1820 feet from the West line				
Ground Level Elev. 6435	Producing Formation Mesa Verde	Pool Blanco IV	Dedicated Acreage: 293.09 MV Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Paul C. Thompson
Name

Paul C. Thompson

Position
Drilling Engineer

Company
Northwest Pipeline Corp.

Date
March 10, 1981

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 knowledge and belief.

Date Surveyed

February 11, 1981

Registered Professional Engineer
and Land Surveyor

Paul C. Thompson