

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 **X 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.**

Patsy Clugston  
 Print or Type Name

*Patsy Clugston*  
 Signature

Regulatory Specialist  
 Title

12/11/06  
 Date

clugspl@conocophillips.com  
 e-mail Address



3401 E. 30<sup>th</sup> Street  
Farmington, NM 87401

December 5, 2006  
Sent Overnight UPS

New Mexico Oil Conservation Division  
NSL Examiner  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Re: Walker Com LS #2B - revised NSL - 5408  
Unit M (SWSW), 540' FSL & 920' FWL  
Section 32, T32N, R9W, San Juan, New Mexico  
API # - 30-045-33779

Dear Sir:

This is a request for administrative approval for a non-standard gas well location in the Basin Dakota pool.

The proposed Walker Com LS #2B was staked as a single Mesaverde formation (MV) well in 2005. The location was placed in a non-standard location for the MV and the NSL application was submitted in June 2006 and approved June 27, 2006 reference NSL #5408.

After the acquisition of ConocoPhillips, it was decided that we would also add the Dakota interval. The placement of the well is non-standard for the Dakota as per Order 10987-B (2). Consequently, this location was staked non-standard for the Blanco Mesaverde formation to best fit the terrain and now that we will be adding the Basin Dakota formation to this well, the same reasons applied. See the attached topo and aerial map for further clarification.

Production from the Basin Dakota and Blanco Mesaverde is included in the 319.05 acre gas spacing unit on the S/2 of Section 32, T31N, R9W.

To comply with the New Mexico Oil Conservation Division rules, we are submitting the following for your approval of this non-standard location:

1. Approved APD cover page and C102 plat showing location of the well (MV)
2. Submitted Sundry to add the DK interval and the C102 for the Dakota
3. 9 Section Plan showing wells in the area
4. Offset Operator Plat for Section 32
5. Topo and aerial maps showing the location of the well
6. Copy of NSL #5408 application
7. Copy of the NSL Order - 5408 for MV

There are no Dakota wells in the encroached section (Section 5) and Burlington (a subsidiary of ConocoPhillips) is the operator of the section affected by the proposed well and owns 100% of the working interest in the wells in that section. Therefore no offset operator or interest owner notification was made. Please let me know if you have any questions about this application at 505-326-9518.

Sincerely,

Patsy Clugston

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

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address CONOCOPHILLIPS COMPANY PO BOX 2197 WL3 6106 HOUSTON, TX 77252		2. OGRID Number 217817
		3. API Number 30-045-33779
4. Property Code 31747	5. Property Name WALKER COM LS	6. Well No. 002B

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	32	31N	09W	M	540	S	920	W	SAN JUAN

8. Pool Information

BLANCO-MESAVERDE (PRORATED GAS)	72319
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Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 6339
14. Multiple N	15. Proposed Depth 5810	16. Formation Mesa Verde Group	17. Contractor	18. Spud Date
Depth to Ground water 120		Distance from nearest fresh water well > 1000		Distance to nearest surface water 99
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 miles thick Clay <input type="checkbox"/> Pit Volume: 440 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	32.3	230	12	0
Int1	8.75	7	20	3394	537	0
Prod	6.25	4.5	10.5	5809	273	3194

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	2000	Schafer

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Joni Clark Title: Specialist Email Address: jclark@br-inc.com Date: 6/1/2006	OIL CONSERVATION DIVISION	
	Approved By: Steve Hayden	
	Title: Geologist	Approved Date: 6/6/2006
	Expiration Date: 6/6/2007	
	Conditions of Approval Attached	

Phone: 505-326-9701

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., 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 and Natural Resources

Form C-103  
 March 4, 2004

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. 30-045-33779
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Walker Com LS
8. Well Number #2B
9. OGRID Number 217817
10. Pool name or Wildcat Blanco MV / Basin DK

**SUNDRY 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  
**ConocoPhillips Company**

3. Address of Operator  
**P.O. Box 4289, Farmington, NM 87499-4289**

4. Well Location  
 Unit Letter M : 540 feet from the South line and 920 feet from the West line  
 Section 32 Township 31N Range 9W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 6339' GL

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER <input type="checkbox"/>	Adding DK to this new well <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>	

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.

The APD was submitted where we would only be drilling and completing the MV interval. Plans have now changed to drilling this well as a MV/DK commingle well. See the attached plat for the Dakota interval and the revised drilling plan since the changes are proposed.

A NSL application will be filed for the DK interval and the DHC application will also be file.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan.

SIGNATURE Patsy Clugston TITLE Sr. Regulatory Specialist DATE 12/5/06  
 Type or print name Patsy Clugston E-mail address: pclugston@br-inc.com Telephone No. 505-326-9518

(This space for State use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 Conditions of approval, if any:

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 42843

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number	2. Pool Code 71599	3. Pool Name BASIN DAKOTA (PRORATED GAS)
4. Property Code 31747	5. Property Name WALKER COM LS	6. Well No. 002B
7. OGRID No. 217817	8. Operator Name CONOCOPHILLIPS COMPANY	9. Elevation 6339

**10. Surface Location**

UL - Lot M	Section 32	Township 31N	Range 09W	Lot Idn	Feet From 540	N/S Line S	Feet From 920	E/W Line W	County SAN JUAN
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**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
12. Dedicated Acres 319.05		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**

	<p align="center"><b>OPERATOR CERTIFICATION</b></p> <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 Cingston</i>              Title: <i>Sr. Regulatory Specialist</i>              Date: <i>12/5/06</i></p>
	<p align="center"><b>SURVEYOR CERTIFICATION</b></p> <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: Jason C. Edwards              Date of Survey: 1/17/2005              Certificate Number: 15269</p>

**OFFSET OPERATOR:**

**BURLINGTON RESOURCES**  
**100% WORKING INTEREST OWNER**

**p2000 Wells by Formation**

**Formation, Current Operator**

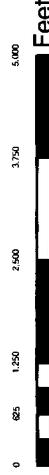
- DAKOTA, BP
- DAKOTA, BURLINGTON
- MESAVERDE, BP
- MESAVERDE, BURLINGTON
- MESAVERDE, COPC
- MESAVERDE, EL PASO
- MESAVERDE, BURLINGTON
- MESAVERDE, BP

 San Juan Federal Units

**BURLINGTON**  
RESOURCES



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1:28,179 1" equals 2,348'

GCS North American 1927

**ConocoPhillips Company**

San Juan

**Walker Com LS 2B - NSL**

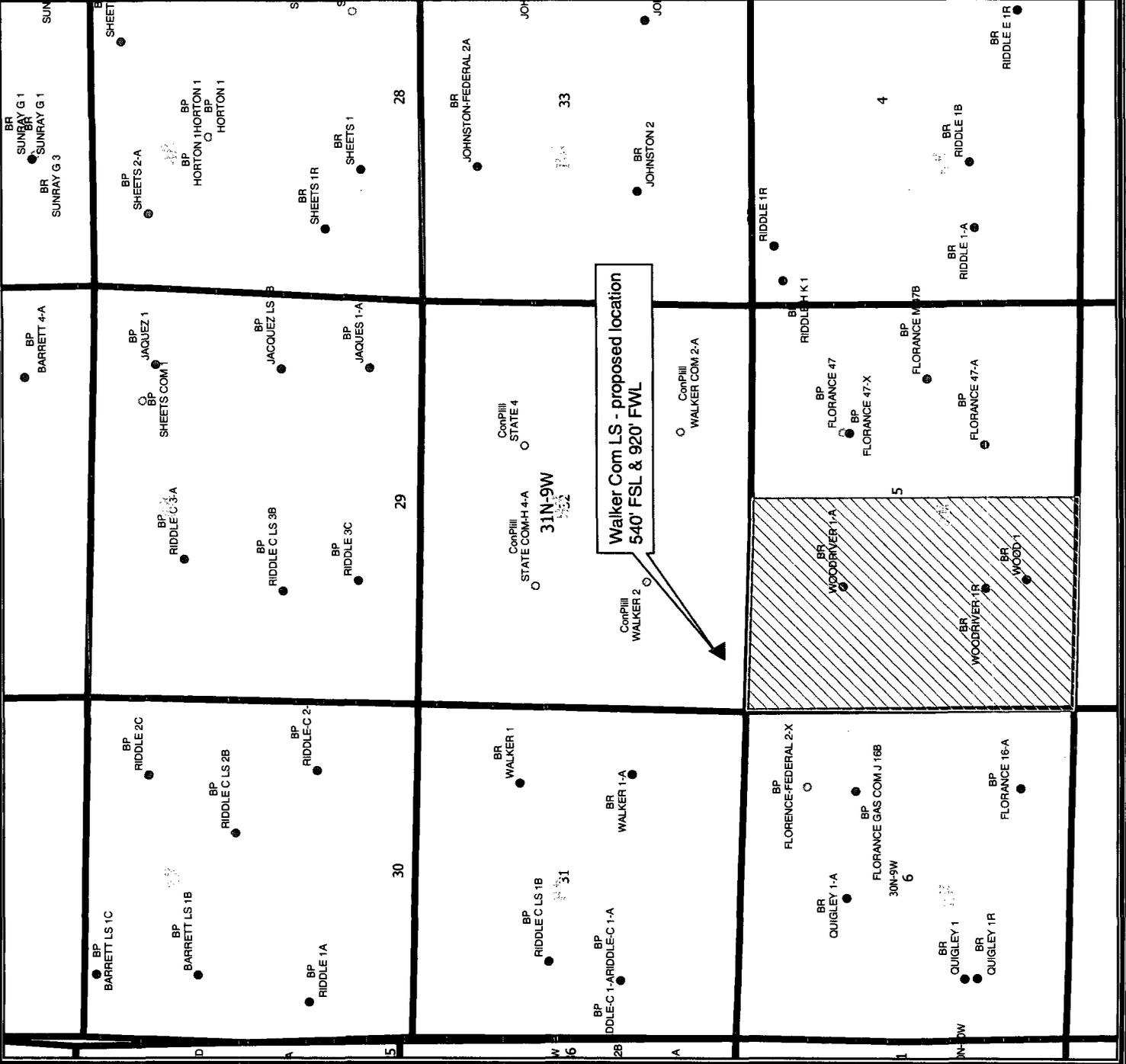
Sec.32 T31N R9W

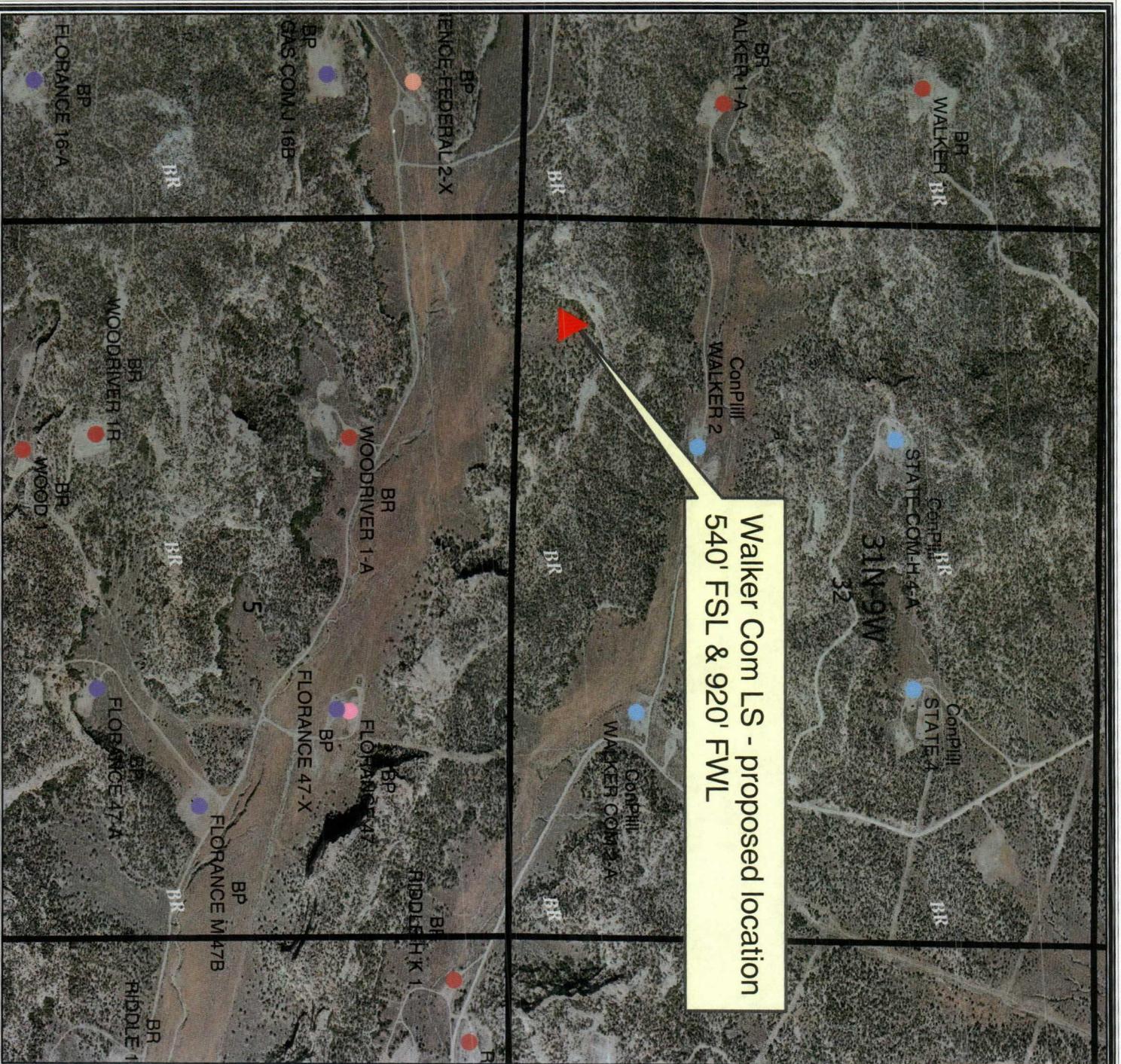
San Juan County, New Mexico

Prepared By: **egm1** Date: **10/23/2006**

File Number: **10/23/2006**

File Name: **c:\platt\boom1\Projects\WalkerComLS 2B DK-NSL.mxd**





Walker Com LS - proposed location  
540' FSL & 920' FWL

**OFFSET OPERATOR:**

**BURLINGTON RESOURCES**  
100% WORKING INTEREST OWNER  
p2000 Wells by Formation

**Formation, Current Operator**

- DAKOTA, BP
- DAKOTA, BURLINGTON
- MESAVERDE, BP
- MESAVERDE, BURLINGTON
- MESAVERDE, COPC
- MESAVERDE, EL PASO
- MESAVERDE, BURLINGTON
- MESAVERDE, BP
- San Juan Federal Units

**BURLINGTON RESOURCES**



**PLAT**

© Unpublished Work, Burlington Resources, Inc.



1:15,726 - 1" equals 1,310'  
GCS North American 1927

**ConocoPhillips Company**  
*San Juan*

**Walker Com LS 2B - NSL**

Sec.32 T31N R9W  
San Juan County, New Mexico

Prepared By: gpm1 Date: 10/23/2006  
File Number:                      Revised Date: 10/23/2006  
File Name: C:\platt\pdm1\Projects\WalkerComLS 2B DK-NSL.mxd





P.O. Box 4289  
Farmington, NM 87499-4289

Sent Overnight UPS

June 21, 2006

Mr. Michael Stogner  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87504

Re: Non-Standard Location Application  
Walker Com LS #2B  
540' FSL & 920' FWL, Sec. 32, T31N, R9W  
API- #30-045-33779

Dear Mr. Stogner:

This is a request for administrative approval for a non-standard gas well location in the Blanco Mesaverde pool.

The Walker Com LS #2B was staked at an unorthodox location due to extreme topographic relief within the "legal drilling window". Moreover there are a number of natural drainage-ways causing substantial erosion which in turn limit the choices within the prescribed window. Lastly, the presence of existing producing wells of the Blanco Mesaverde formation, namely the Walker Com LS #2 located in the NE/4 of the SW/4, and the Walker Com LS #2A located in the SW/4 of the SE/4 of Section 32, T31N, R9W, further restrict the placement of the aforementioned project. Consequently, this location was staked non-standard for the Mesaverde formation.

To comply with the New Mexico Oil Conservation Division rules, we are submitting the following for your approval of this non-standard location:

1. C102 plat showing location of the well
2. Copy of approved APD
3. Plat showing offset owners/operators,
4. Affidavit of notification of offset owner/operators
5. Topo & Aerial Maps showing the location of the well
6. Copy of the Well Pad layout indicating the natural drainage ways referred to above

Burlington Resources which is a subsidiary of ConocoPhillips is the operator of the Section affected by the proposed well and owns 100% of the interest in the wells in that section. Therefore, no offset operator or interest owner notification was made.

Sincerely,

Patsy Clugston  
Regulatory Specialist

Re: Walker Com LS #2B  
Unit M, 540' FSL & 920' FWL, Sec. 32, T31N, R9W  
API- #30-039

I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard well location of the above well.

Burlington Resources  
P.O. Box 4289  
Farmington, NM 87499-4289

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., 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 and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 Permit 31382

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-045-33779	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 31747	5. Property Name WALKER COM LS	6. Well No. 002B
7. OGRID No. 217817	8. Operator Name CONOCOPHILLIPS COMPANY	9. Elevation 6339

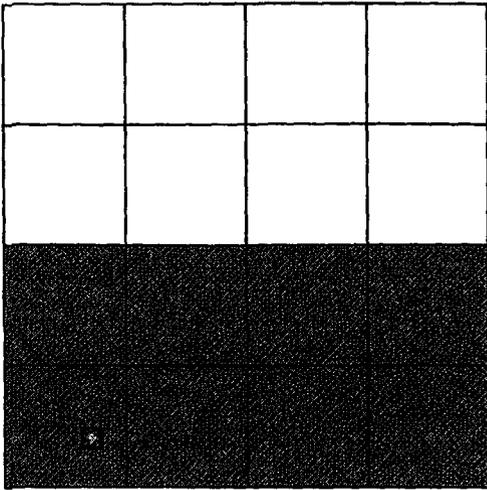
**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	32	31N	09W		540	S	920	W	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
12. Dedicated Acres 319.05		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**

	<p align="center"><b>OPERATOR CERTIFICATION</b></p> <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: Joni Clark                  Title: Specialist                  Date: 6/1/2006</p>
	<p align="center"><b>SURVEYOR CERTIFICATION</b></p> <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: Jason C. Edwards                  Date of Survey: 1/17/2005                  Certificate Number: 15269</p>

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

Form C-101  
 Permit 31382

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

1. Operator Name and Address CONOCOPHILLIPS COMPANY PO BOX 2197 WL3 6106 HOUSTON , TX 77252		2. OGRID Number 217817
		3. API Number 30-045-33779
4. Property Code 31747	5. Property Name WALKER COM LS	6. Well No. 002B

**7. Surface Location**

UL - Lot M	Section 32	Township 31N	Range 09W	Lot Idn M	Feet From 540	N/S Line S	Feet From 920	E/W Line W	County SAN JUAN
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**8. Pool Information**

BLANCO-MESAVERDE (PRORATED GAS)	72319
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**Additional Well Information**

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 6339
14. Multiple N	15. Proposed Depth 5810	16. Formation Mesa Verde Group	17. Contractor	18. Spud Date
Depth to Ground water 120		Distance from nearest fresh water well > 1000		Distance to nearest surface water 99
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ mils thick Clay <input type="checkbox"/> Pit Volume: 440 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	32.3	230	12	0
Int1	8.75	7	20	3394	537	0
Prod	6.25	4.5	10.5	5809	273	3194

**Casing/Cement Program: Additional Comments**

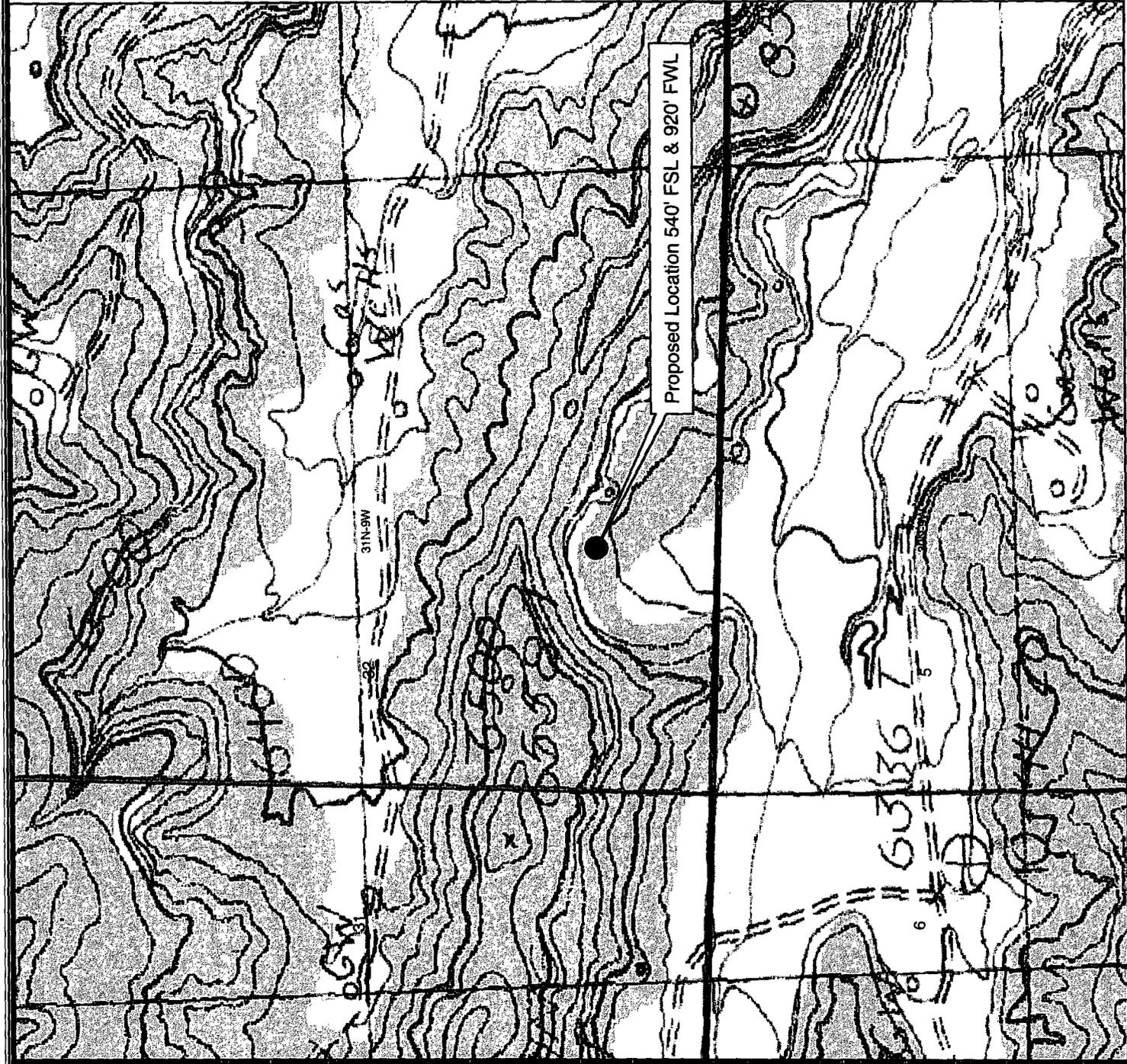
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**Proposed Blowout Prevention Program**

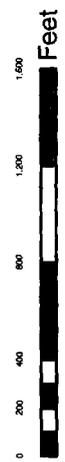
Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	Schafer

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. . . I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Joni Clark Title: Specialist Email Address: jclark@br-inc.com Date: 6/1/2006	<b>OIL CONSERVATION DIVISION</b>	
	Approved By: Steve Hayden	
	Title: Geologist	
	Approved Date: 6/6/2006	Expiration Date: 6/6/2007
	Date: 6/1/2006	Phone: 505-326-9701



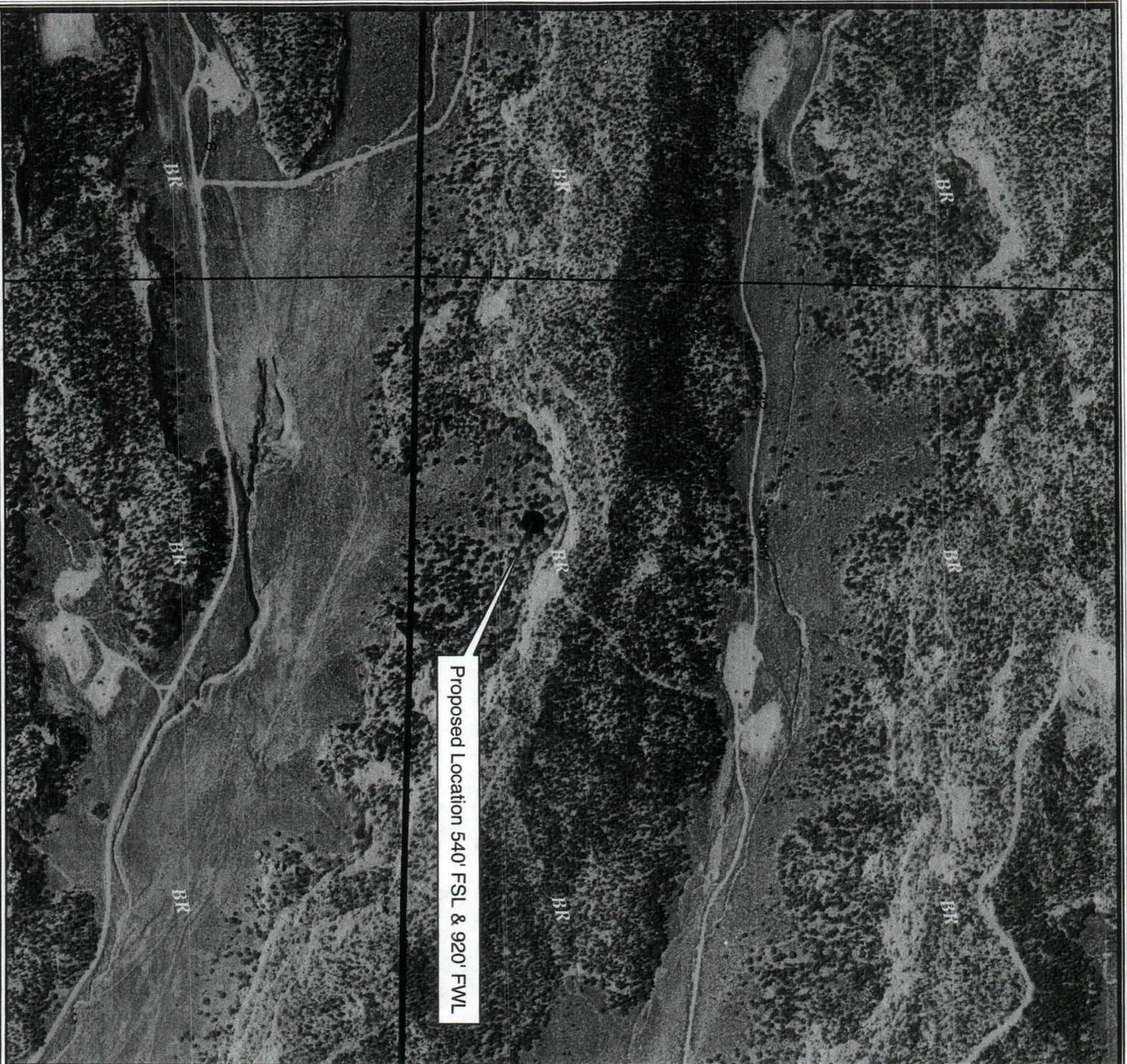


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1:1,000,000  
1" equals 83,333'  
GCS North American 1927

<b>BURLINGTON RESOURCES</b>	
San Juan	
<b>Walker Com LS 2B</b>	
<b>Topo Map</b>	
Sec. 32, T31N, R8W	
Prepared By: <b>plc1</b>	Date: <b>6/1/2006</b>
File Number:	Revised Date: <b>6/1/2006</b>
File Name: <b>C:\platt\Public\Projects\Pit Sundries\JW\Pit Sundries_Inv.mxd</b>	



Proposed Location 540' FSL & 920' FWL

**BURLINGTON**  
RESOURCES

© Unpublished Work, Burlington Resources, Inc.



1:1,000,000 - 1" equals 83,333'

GCS North American 1927

**BURLINGTON RESOURCES**

*San Juan*

**Walker Com LS 2B**

**Topo Map**

Sec. 32, T31N, R8W

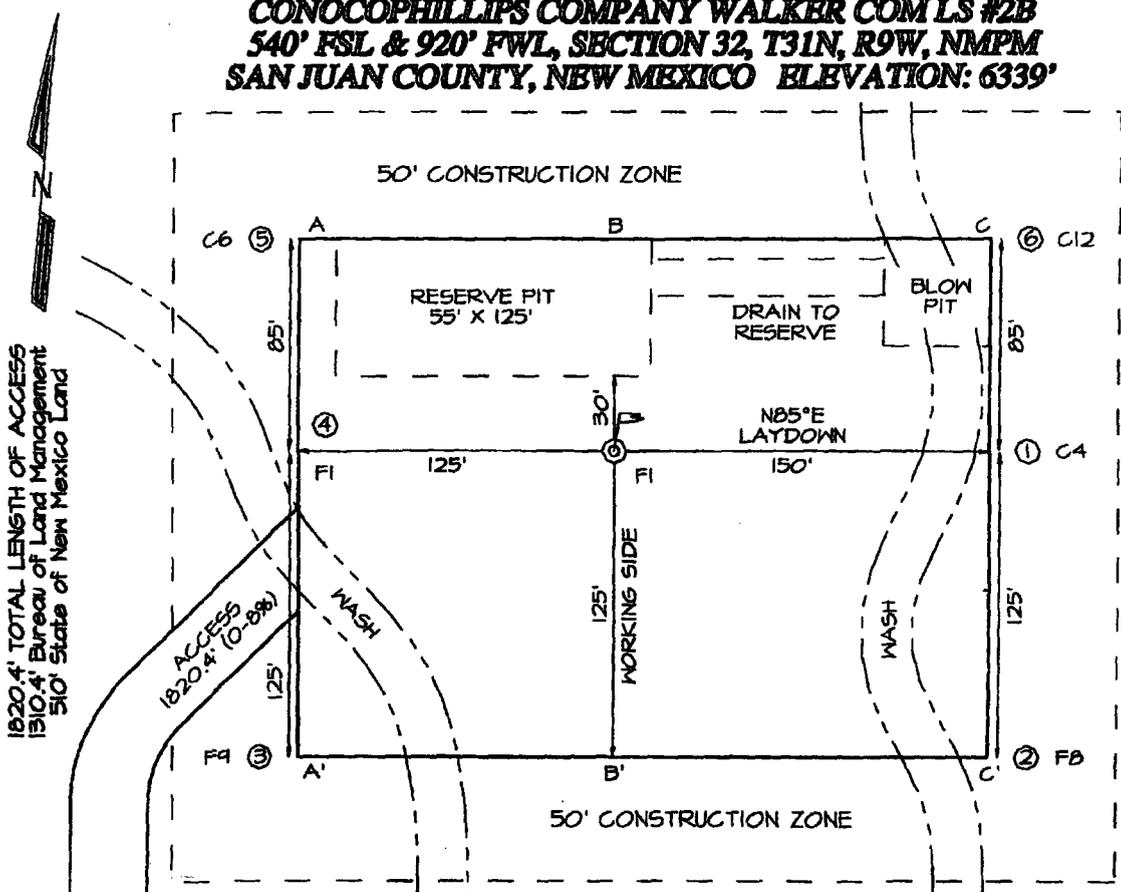
Prepared By: plc1 Date: 6/1/2006

File Number:          Revised Date: 6/1/2006

File Name: :\data\Public\Projects\PLSundres\_tlw\PLSundres\_tlw.mxd

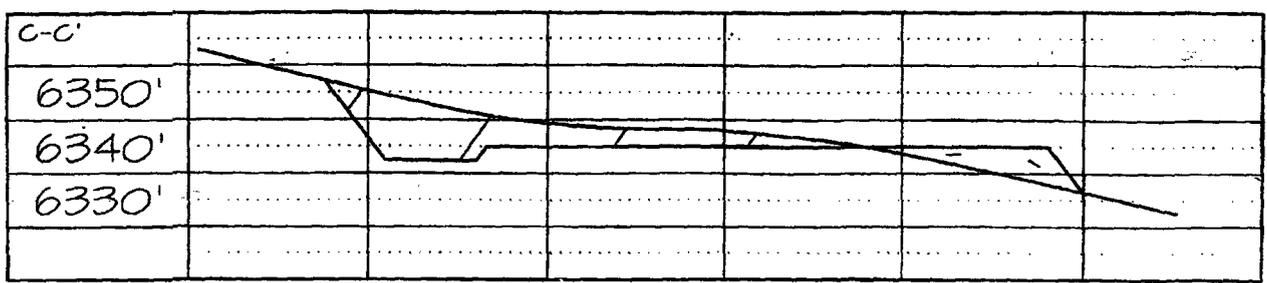
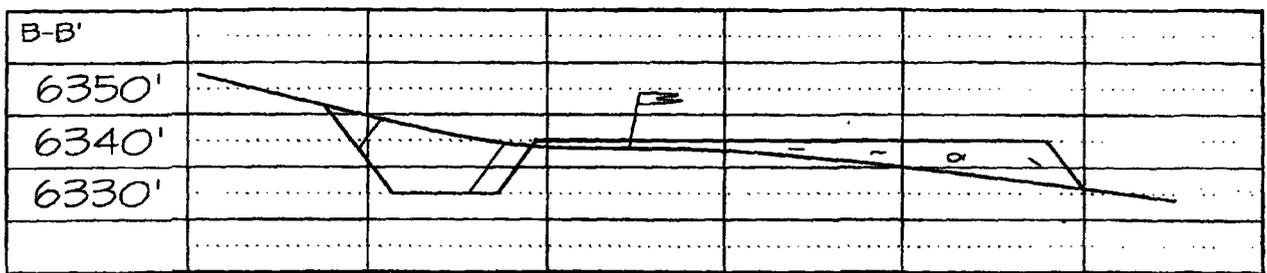
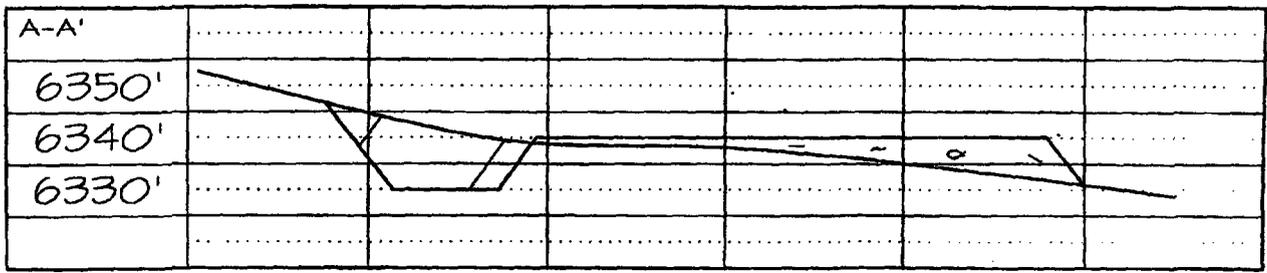
**CONOCOPHILLIPS COMPANY WALKER COM LS #2B  
 540' FSL & 920' FWL, SECTION 32, T31N, R9W, NMPM  
 SAN JUAN COUNTY, NEW MEXICO ELEVATION: 6339'**

**LATITUDE: 36.84910° N  
 LONGITUDE: 107.80923° W  
 DATUM: NAD1927**



1820.4' TOTAL LENGTH OF ACCESS  
 1310.4' Bureau of Land Management  
 510' State of New Mexico Land

**PLAT NOTE:  
 \*SURFACE OWNER\*  
 State of New Mexico**





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

June 27, 2006

**Mark E. Fesmire, P.E.**

Director

Oil Conservation Division

BURLINGTON RESOURCES

JUL - 7 2006

FARMINGTON, NEW MEXICO  
REGULATORY

**ConocoPhillips Company**  
P. O. Box 4289  
Farmington, New Mexico 87499-4289

Attention: **Patsy Clugston**  
Regulatory Specialist

**Administrative Order NSL-5408**

Dear Ms. Clugston:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on June 22, 2006 (*administrative application reference No. pTDS0-617434811*); and (ii) the Division's records in Aztec and Santa Fe: all concerning ConocoPhillips Company's request for an exception to the well location requirements provided within the "*Special Rules for the Blanco-Mesaverde Pool*," as promulgated by Division Order No. R-10987-A, issued in Case No. 12069 and dated February 1, 1999, as amended by Division Order No. R-10987-A (1), dated December 2, 2002, for the proposed Walker Com. "LS" Well No. 2-B (API No. 30-045-33779) to be drilled at an unorthodox infill gas well location 540 feet from the South line and 920 feet from the West line (Unit M) of Section 32, Township 31 North, Range 9 West, NMPM, Blanco-Mesaverde Pool (72319), San Juan County, New Mexico.

Blanco-Mesaverde gas production from this well is to be included within an existing standard 319.05-acre lay-down gas spacing and proration unit ("GPU") comprising Lots 1 through 5, the S/2 SW/4, and the NE/4 SE/4 (S/2 equivalent) of Section 32, which is currently dedicated to ConocoPhillips Company's: (i) Walker Com. "LS" Well No. 2 (API No. 30-045-10073), located at a standard gas well location 1650 feet from the South line and 1639 feet from the West line (Lot 2/Unit K) of Section 32; and (ii) Walker Com. "LS" Well No. 2-A (API No. 30-045-22529), located at a standard infill gas well location 1140 feet from the South line and 1640 feet from the East line (Lot 4/Unit 0) of Section 32.

Your application has been duly filed under the provisions of Division Rules 104.F and 605.B and the applicable rules governing the Blanco-Mesaverde Pool.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Blanco-Mesaverde infill gas well location for ConocoPhillips Company's proposed Walker Com. "LS" Well No. 2-B is hereby approved. Further, all three of the aforementioned wells and existing 319.05-acre GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico and to the Blanco-Mesaverde Pool.

Sincerely,

Mark E. Fesmire, P. E.

Director

MEF/ms

cc: New Mexico Oil Conservation Division - Aztec  
U. S. Bureau of Land Management - Farmington