

DATE IN 8/1/07	SUSPENSE	ENGINEER Will Jones	LOGGED IN 8/1/07	TYPE DHC	APP NO. P TDS0721339255
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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 _____

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- [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.

Rhonda Rogers (Print or Type Name)
 Rhonda Rogers (Signature)
 Regulatory Tech (Title)
 7-31-07 (Date)

rogersr@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
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

DHC-3928

ConocoPhillips Company 3401 E. 30th Street Farmington, NM 87402
Operator Address

SAN JUAN 32-7 UNIT 24N Unit K, Sec. 21, 032N, 007W SAN JUAN
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No: 217817 Property Code 31329 API No. 30045343670000 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE <i>UNDES</i>	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	LOS PINOS; FRT SND PC, SOUTH (G)	BLANCO MESAVERDE	BASIN DAKOTA
Pool Code	80690 ✓	72319 ✓	31329 71599 ✓
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3190'-3320' (Estimated)	4950'-5750' (Estimated)	7815'-7952' (Estimated)
Method of Production (Flowing or Artificial Lift)	FLOWING	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)	Current - 1000 psi	Current - 730 psi	Current - 2500 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1000 BTU	1000 BTU	1000 BTU
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 Julian Carrillo TITLE Engineer DATE 7-30-07

TYPE OR PRINT NAME Julian Carrillo, Engineer TELEPHONE NO. (505) 326-9700

E-MAIL ADDRESS Julian.B.Carrillo@conocophillips.com

San Juan 32-7 Unit 24N
Unit K, Section 21, T32N, R07W

The San Juan 32-7 Unit 24N is a Pictured Cliffs, MesaVerde, and Dakota newdrill. If the Pictured Cliffs, MesaVerde, and Dakota 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 Pictured Cliffs, MesaVerde, and Dakota can not be tested separately, a 9-section EUR analysis will be performed to determine the allocation percentages between the Pictured Cliffs, MesaVerde, and Dakota. All documentation will be submitted to the Aztec NMOCD office.

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

Form C-102
Permit 57096

State of New Mexico
Energy, Minerals and Natural Resources

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-34367	2. Pool Code 80690	3. Pool Name LOS PINOS,FRT SND PC,SOUTH (G)
4. Property Code 31329	5. Property Name SAN JUAN 32 7 UNIT	6. Well No. 024N
7. OGRID No. 217817	8. Operator Name CONOCOPHILLIPS COMPANY	9. Elevation 6357

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
K	21	32N	07W		1560	S	1950	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 160.00		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: Juanita Farrell Title: Regulatory Specialist Date: 7/13/2007</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: 11/14/2006 Certificate Number: 11393</p>		

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Permit 57096

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Energy, Minerals and Natural Resources

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-34367	2. Pool Code 72319	3. Pool Name BLANCO-MESAVERDE (PRORATED GAS)
4. Property Code 31329	5. Property Name SAN JUAN 32 7 UNIT	6. Well No. 024N
7. OGRID No. 217817	8. Operator Name CONOCOPHILLIPS COMPANY	9. Elevation 6357

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
K	21	32N	07W		1560	S	1950	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 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: Juanita Farrell Title: Regulatory Specialist Date: 7/13/2007</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: 11/14/2006 Certificate Number: 11393</p>			

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State of New Mexico

Form C-102
Permit 57096

Energy, Minerals and Natural Resources

Oil Conservation Division

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-34367	2. Pool Code 71599	3. Pool Name BASIN DAKOTA (PRORATED GAS)
4. Property Code 31329	5. Property Name SAN JUAN 32 7 UNIT	6. Well No. 024N
7. OGRID No. 217817	8. Operator Name CONOCOPHILLIPS COMPANY	9. Elevation 6357

10. Surface Location

UL - Lot	Section	Township	Range	Lot Lth	Feet From	N/S Line	Feet From	E/W Line	County
K	21	32N	07W		1560	S	1950	W	SAN JUAN

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Lth	Feet From	N/S Line	Feet From	E/W Line	County
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: Juanita Farrell Title: Regulatory Specialist Date: 7/13/2007</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: 11/14/2006 Certificate Number: 11393</p>			

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 3401 E. 30TH STREET FARMINGTON, NM 87402		2. OGRID Number 217817
		3. API Number 30-045-34367
4. Property Code 31329	5. Property Name SAN JUAN 32 7 UNIT	6. Well No. 024N

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
K	21	32N	07W	K	1560	S	1950	W	SAN JUAN

8. Pool Information

BASIN DAKOTA (PRORATED GAS)	71599
BLANCO-MESA VERDE (PRORATED GAS)	72319
LOS PINOS,FRT SND PC,SOUTH (G)	80690

Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 6357
14. Multiple Y	15. Proposed Depth 7962	16. Formation Dakota Formation	17. Contractor	18. Spud Date
Depth to Ground water 101	Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000	
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ mils thick Clay <input type="checkbox"/> Pit Volume: 4400 _____ 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	9.63	32.3	216	171	0
Int1	8.75	7	20	3564	802	0
Prod	6.25	4.5	10.5	7962	598	3464

Casing/Cement Program: Additional Comments

the sacks of cmt are stated in cubic feet. the production casing has 2 weights 10.5/11.6

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	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 NMOCGD guidelines <input type="checkbox"/> , a general permit <input checked="" type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Charlie Perrin	
	Title: District Supervisor	
	Approved Date: 7/20/2007	Expiration Date: 7/20/2008
	Printed Name: Electronically filed by Juanita Farrell Title: Regulatory Specialist Email Address: juanita.r.farrell@conocophillips.com Date: 7/13/2007 Phone: 505-599-3419	

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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

Fee Lease - 3 Copies
State Lease - 7 Copies
Submit to Appropriate District Office
Revised June 10, 2003
Form C-102

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-045-34367		2 Pool Code 80690/72319/71599		3 Well Name South Los Pinos FS-PC/Blanco MV/Basin DK	
4 Property Code 31329		5 Property Name SAN JUAN 32-7 UNIT		6 Well Number #24 N	
7 OGRID No. 217817		8 Operator Name CONOCOPHILLIPS COMPANY		9 Elevation 6357.4	

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
K	21	32-N	07-W		1,560	SOUTH	1,950	WEST	SAN JUAN

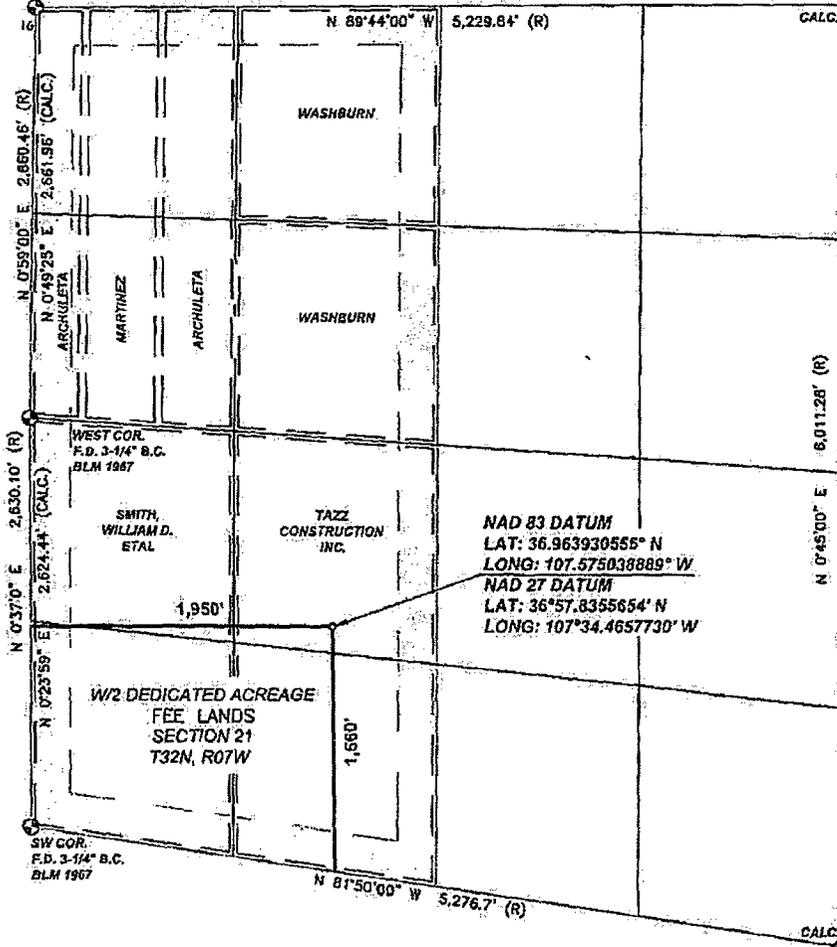
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K									

12 Dedicated Acres 3.20 W/2 DK/MV	13 Joint or Infill DK/MV	14 Consolidation Code	15 Order No.
--------------------------------------	-----------------------------	-----------------------	--------------

160 W/2 PC
NW COR.
F.D. 3-1/4" B.C.
BLM 1967

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



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 unincurred 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.

Kandis Roland
Signature

Kandis Roland
Printed Name

Regulatory Technician
Title and E-mail Address

6/1/07
Date

18 SURVEYOR CERTIFICATION

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.

Date of Survey: 11/14/06
Signature and Seal of Professional Surveyor:

Certificate Number: NU 11393

SAN JUAN 32-7 UNIT 24N MV Data: Jul.2007-Jul.2007

Operator:
 Field:
 Zone:
 Type: Other
 Group: None

No
 Active
 Forecast

Production Cumms
 Oil: 0 MSTB
 Gas: 0 MMSCF
 Water: 0 MSTB
 Cond: 0 MSTB



Oil Rate - Bbl/d
 Cum: 0.00

Gas 1 Rate - mcf/d
 Cum: 0.00

Water Rate - Bbl/d
 Cum: 0.00

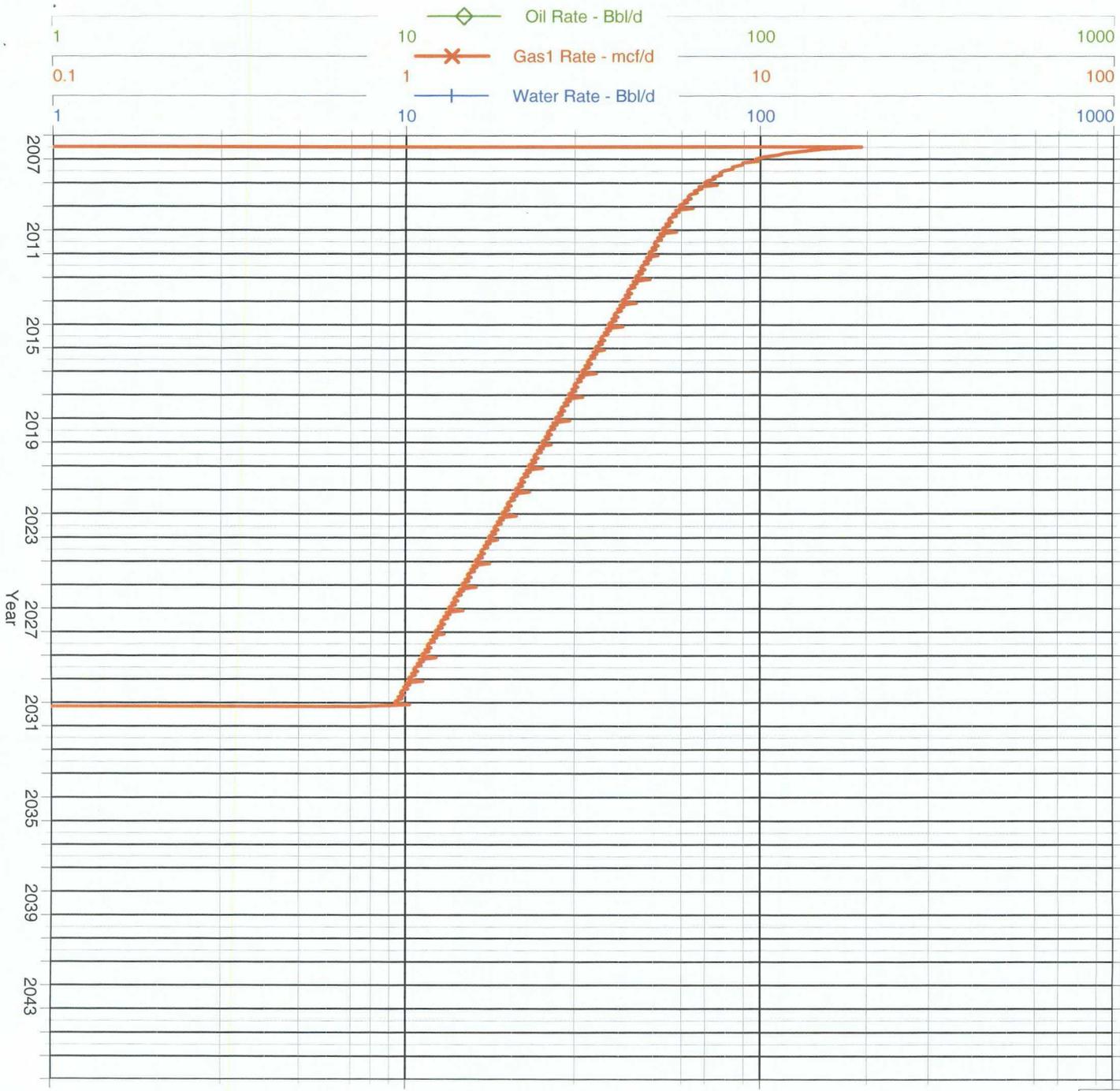
SAN JUAN 32-7 UNIT 24N DK

Date: Jul.2007-Jul.2007

Operator:
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 24N PC Data: Jul.2007-Jul.2007

Operator:
 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