

DATE IN <u>4/30/10</u>	SUSPENSE	ENGINEER <u>W.J.</u>	LOGGED IN <u>4/30/10</u>	TYPE <u>DHC</u>	APP NO. <u>1012047350</u>
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PTGW

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



RECEIVED OGD  
 CONOCO PHILLIPS  
 30 APR 11:08  
 S.J. 28-7 Unit #98P

**ADMINISTRATIVE APPLICATION CHECKLIST** 30-03920773#

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

4276

**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.

Crystal Tafaya  
 Print or Type Name

Crystal Tafaya  
 Signature

Regulatory Tech  
 Title

4/29/2010  
 Date

crystal.tafaya@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**

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

San Juan 28-7 Unit Lease Well No. 98P Unit Letter-Section-Township-Range Unit G, Sec. 29, 027N, 007W Rio Arriba County

OGRID No: 217817 Property Code 31739 API No. 300393077300000 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	OTERO CHACRA	BLANCO MESAVERDE	BASIN DAKOTA
Pool Code	82329	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3795'- 4300' Estimated	4500'- 5250' Estimated	7220'- 7400' 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)	600 psi	500 psi	2100 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:**

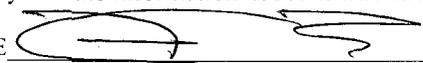
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation 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  TITLE Engineer DATE 4/21/10  
TYPE OR PRINT NAME Bill Akwari, Engineer TELEPHONE NO. (505) 326-9700  
E-MAIL ADDRESS Bill.N.Akwari@conocophillips.com

San Juan 28-7 Unit 98P  
Surface- Unit G, Section 29, T27N, R07W  
BH – Unit H, Section 29, T27N, R07W

The San Juan 28-7 Unit 98P is a Blanco Mesaverde, Basin Dakota and Otero Chacra New Drill. A cased hole neutron log will be run prior to completion to identify the Blanco Mesaverde, Basin Dakota and Otero Chacra zones. If the Blanco Mesaverde, Basin Dakota and Otero Chacra 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 Blanco Mesaverde, Basin Dakota and Otero Chacra can not be tested separately, a volumetric calculation will be performed to determine the allocation percentages between the Blanco Mesaverde, Basin Dakota and Otero Chacra. 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

Form C-102  
Revised October 12, 2005  
Submit to, Appropriate District Office  
State Lease - 7 Copies  
Fee Lease - 3 Copies

JUN 05 2009

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-039-	<sup>2</sup> Pool Code 71599/72319/82329	<sup>3</sup> Pool Name BASIN DAKOTA / BLANCO MESAVERDE / CHACRA	OTERO
<sup>4</sup> Property Code 31739	<sup>5</sup> Property Name SAN JUAN 28-7 UNIT		<sup>6</sup> Well Number 98P
<sup>7</sup> OGRID No. 217817	<sup>8</sup> Operator Name CONOCOPHILLIPS COMPANY		<sup>9</sup> Elevation 6566

<sup>10</sup> SURFACE LOCATION

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	29	27-N	7-W		1880	NORTH	1775	EAST	RIO ARRIBA

<sup>11</sup> 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
H	29	27-N	7-W		1980	NORTH	710	EAST	RIO ARRIBA

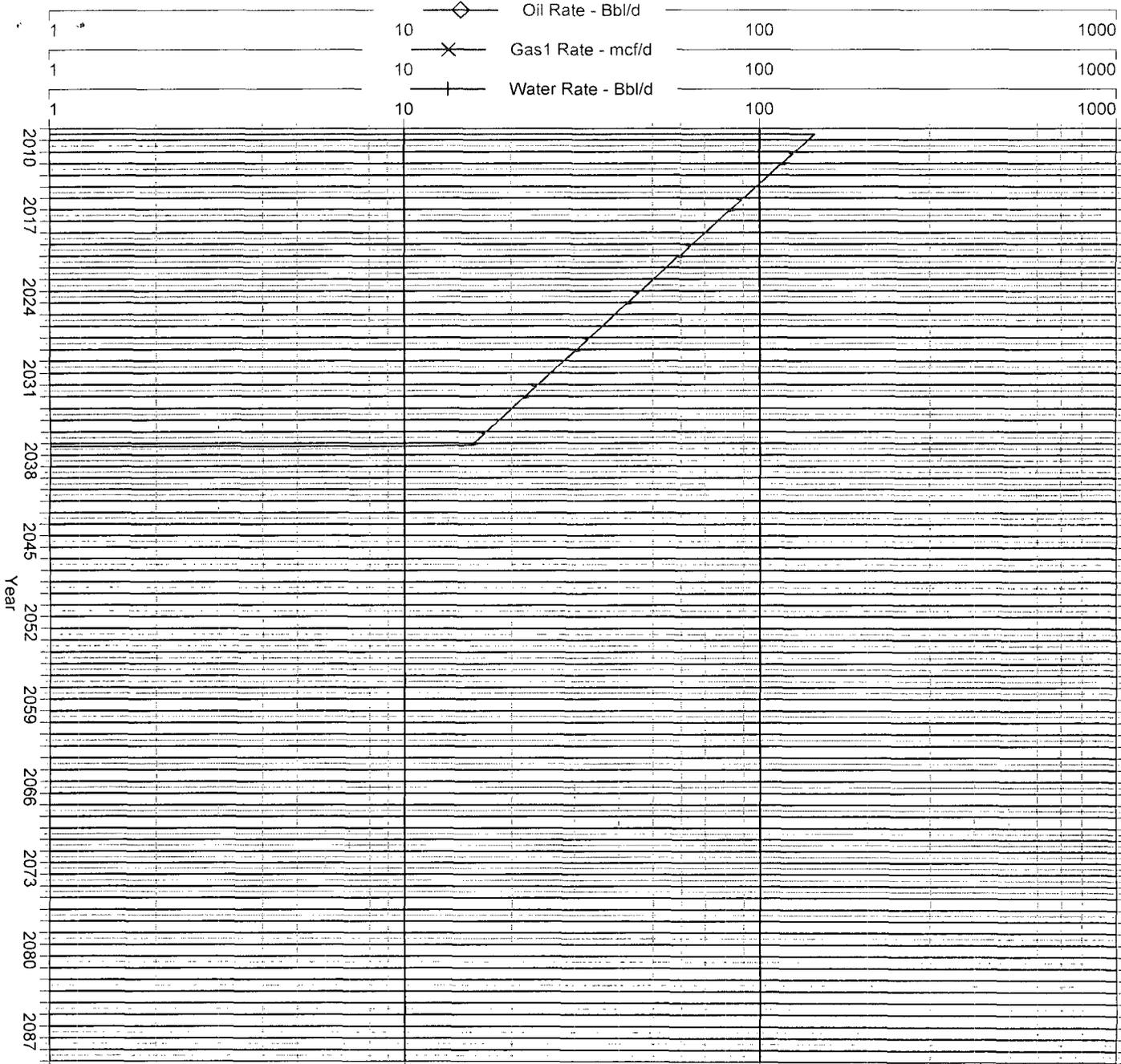
<sup>12</sup> Dedicated Acres NE/4 160.0 - CH N/2 320.0 - DK E/2 320.0 - MV	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<sup>16</sup> BLM 1955 N 89°58'33" E N 89°52' W  DEDICATED ACREAGE USA NM-03560 SECTION 29, T-27-N, R-7-W  WELL FLAG NAD 83 LAT: 38.545968° N LONG: 107.595627° W NAD 27 LAT: 38°32.757561' N LONG: 107°35.701142' W	5268.8' (M) 5270.1' (R)  MEASURED FROM W.C. 1955 BLM  2641.0' (R) 2640.9' (R)	<sup>17</sup> 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 undivided 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 Tafava</i> 3/25/09 Signature Crystal Tafava Printed Name Regulatory Technician Title and E-mail Address March 25th, 2009 Date

SAN JUAN 28-7 UNIT 98P CH Data: Apr 2010-Apr 2010

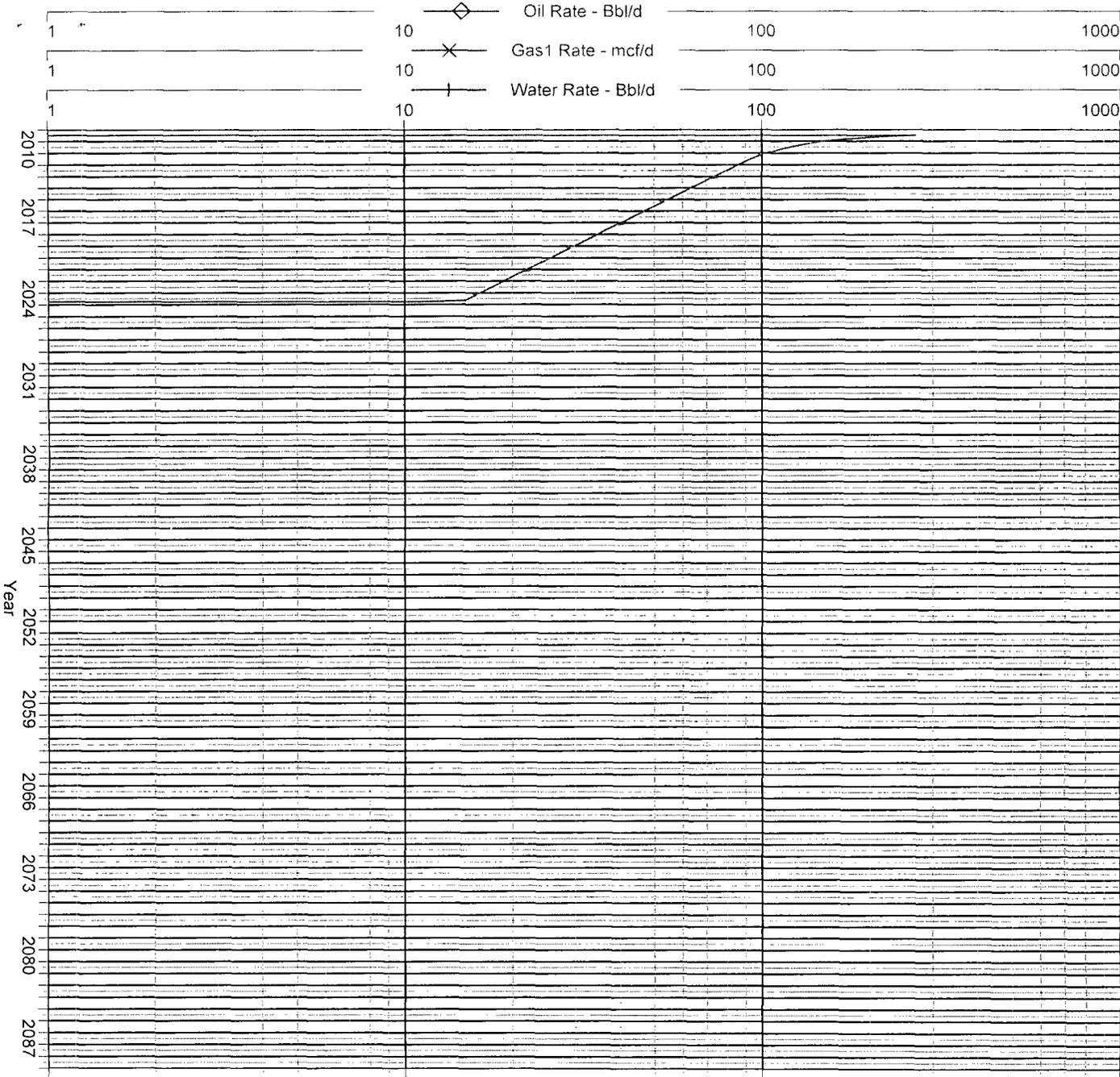
Operator: No  
 Field: Active  
 Zone: Forecast  
 Type: Other  
 Group: None  
 Production Cums  
 Oil: 0 MSTB  
 Gas: 0 MMSCF  
 Water: 0 MSTB  
 Cond: 0 MSTB



◆ Oil Rate - Bbl/d Cum: 0.00  
 ✱ Gas1 Rate - mcf/d Cum: 0.00  
 + Water Rate - Bbl/d Cum: 0.00

SAN JUAN 28-7 UNIT 98P MV Data: Apr. 2010-Apr. 2010

Operator: No  
 Field: Active  
 Zone: Forecast  
 Type: Other  
 Group: None  
 Production Cumms  
 Oil: 0 MSTB  
 Gas: 0 MMSCF  
 Water: 0 MSTB  
 Cond: 0 MSTB



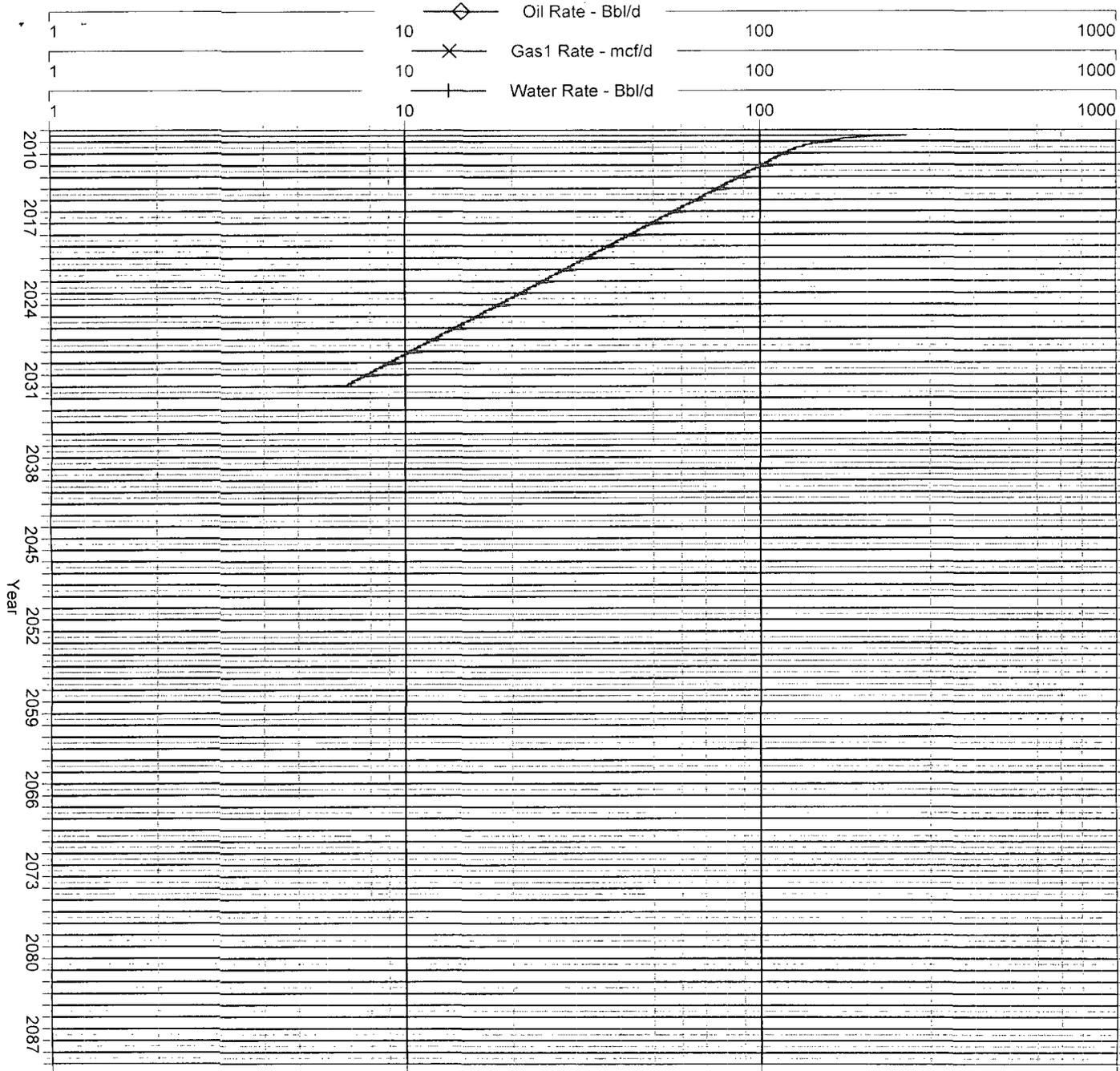
◆ Oil Rate - Bbl/d Cum: 0.00  
 \* Gas 1 Rate - mcf/d Cum: 0.00  
 † Water Rate - Bbl/d Cum: 0.00

SAN JUAN 28-7 UNIT 98P DK Data: Apr. 2010-Apr. 2010

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

No  
Active  
Forecast

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



◆ Oil Rate - Bbl/d  
 \* Gas1 Rate - mcf/d  
 + Water Rate - Bbl/d

Curn: 0.00  
 Curn: 0.00  
 Curn: 0.00