

DATE IN <u>3.10.11</u>	SUSPENSE	ENGINEER <u>DKB</u>	LOGGED IN <u>3.10.11</u>	TYPE <u>NSL</u>	APP NO. <u>1106957518</u>
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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



ConocoPhillips  
San-Juan 28-7<sup>#</sup> 759M

**ADMINISTRATIVE APPLICATION CHECKLIST** 30-039-25572

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]

6361  
red.

[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 XXE 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

Sr. Regulatory Specialist

3/7/11

Print or Type Name

Signature

Title

Date

Patsy.L.Clugston@conocophillips.com  
e-mail Address



3401 East 30<sup>th</sup> Street  
Farmington, NM 87402

March 7, 2011  
Sent Overnight UPS

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

Re: San Juan 28-7 Unit #159M  
Unit I (NESE), 1605' FSL & 330' FEL, Sec. 22, T28N, R7W  
Rio Arriba Co., NM  
API - 30-039-25572

Dear Sir:

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

The San Juan 28-7 Unit #159M was originally drilled as a MV/DK well in 1996. The Dakota was plugged back in 2000 because of excessive water production. We are currently proposing to recomplete this well adding the Fruitland Coal and Pictured Cliffs formations. The well will then be a MV/FC/PC commingled well.

The Mesaverde and the Fruitland Coal pools at this location are considered standard since they both are within the Participating Area (PA) for section 22, T27N, R7W, as per Order R-10987-A for MV and the R-8768-F for the FC. However, the Pictured Cliffs pool's placement is non-standard since the SE/4 of the Section 22 is not in a PC participating area and the proposed location is less than 660' from the boundary line per Rule 104. Recompleting the FC/PC from this well will allow us to utilize a good wellbore without the expense of drilling a new well as well as the visual and environmental impact of a new well.

Production from the Blanco Pictured Cliffs, South is included in the 160 acres gas spacing unit, SE/4 Section 22, T28N, R7W.

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 Notice of Intent to Recomplete and C102 plat
2. 9 Section Plan showing wells in the area
3. Offset Operator Plat for Section 22 of T28N, R7W
4. Topo and aerial maps showing the location of the well

ConocoPhillips is the offset operator and owns all of the Working Interest in the SW Section of 23 as the to Pictured Cliffs formation. Please let me know if you have any questions about this application by calling me at 505-326-518.

Sincerely,

Patsy Clugston  
Sr. Regulatory Specialist

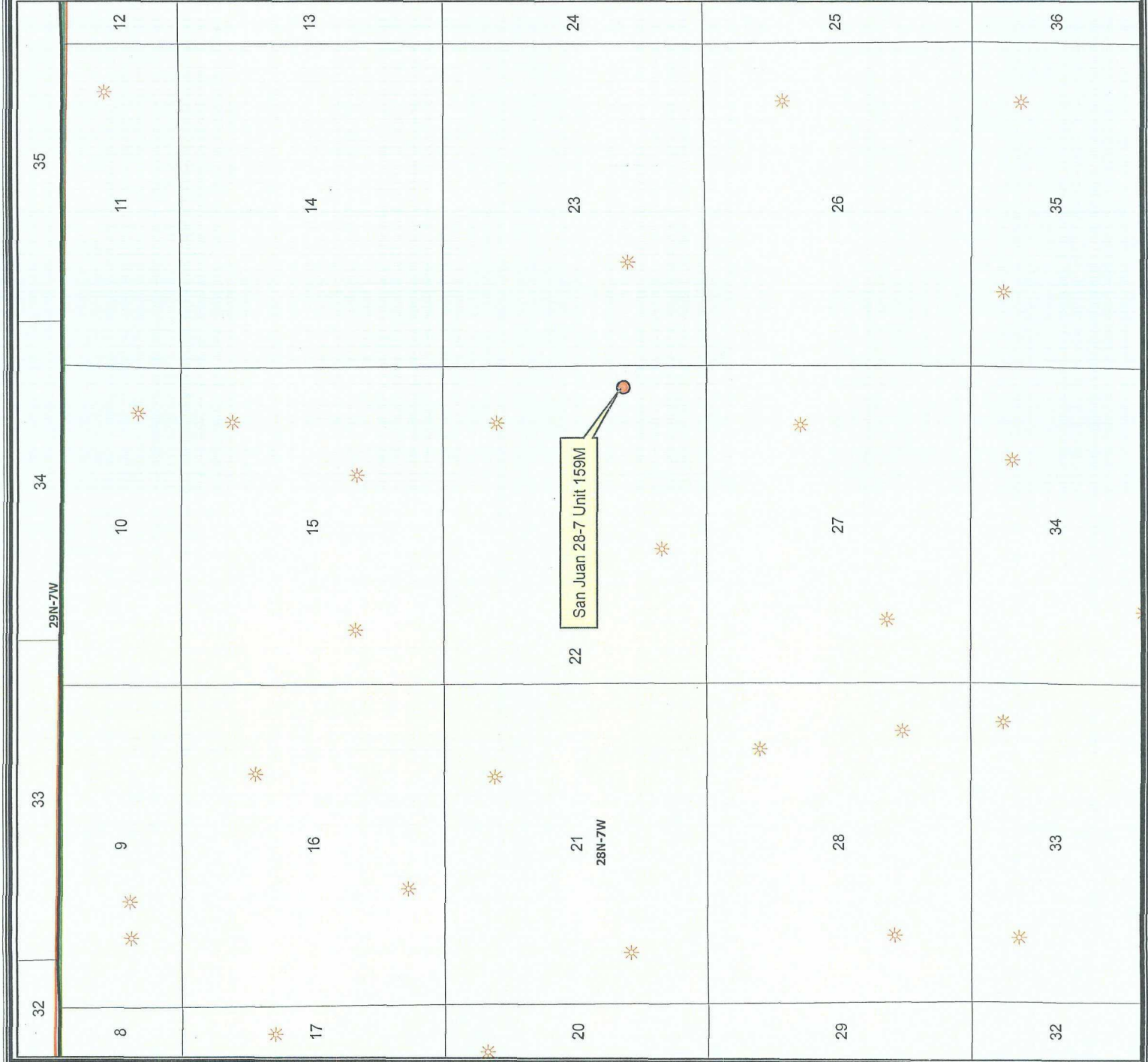


3401 East 30<sup>th</sup> Street  
Farmington, NM 87402

Re: San Juan 28-7 Unit 159M  
Unit I (NESE), 1605' FSL & 330' FEL, Sec. 22, T28N, R7W  
Rio Arriba Co., NM  
API - 30-039-25572

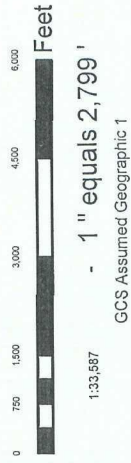
I hereby certify that ConocoPhillips is the offset operator and owns all of the Working Interest for the Pictured Cliffs pool in the SW/4 of Section 23, T28N, R7W.

A handwritten signature in black ink, appearing to read "Patsy Chugh". The signature is written in a cursive, flowing style.



**Legend**

- San Juan 28-7 Unit 159M.shp
- PICTURED CLIFFS
- Townships\_(SJD)
- Sections\_(SJD)



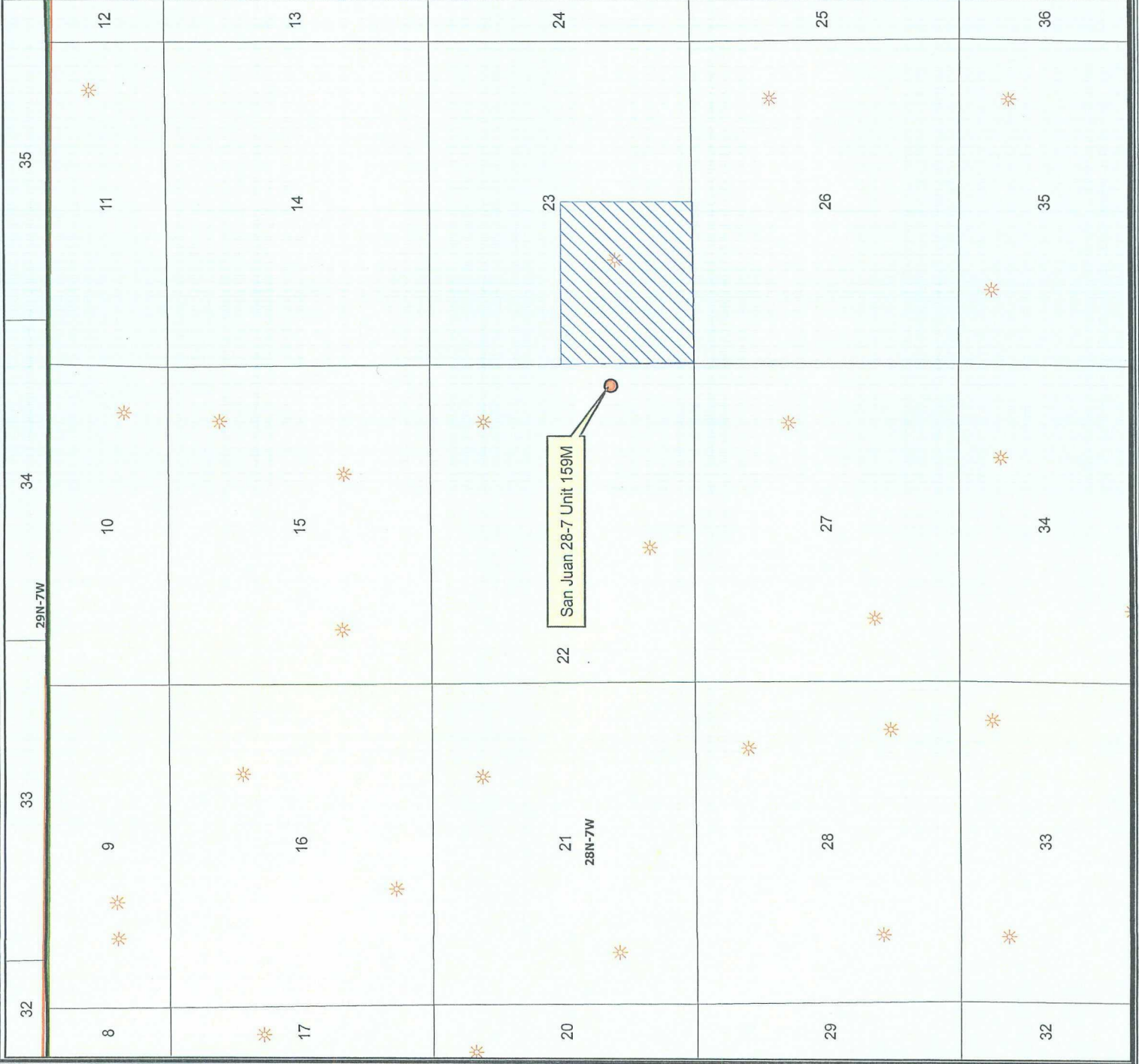
**ConocoPhillips**  
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# San Juan 28-7 Unit 159M

## Sec. 22, T28N, R7W

### Nine Section Plat

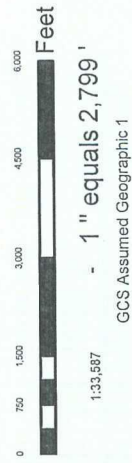
Author:	Richard Davis	Date:	3/4/2011
Compiled by:		Scale:	
Project File: \\paul\kust\Projects\Land Template\Template 1.mxd			



**Legend**

- San Juan 28-7 Unit 159M.shp
- PICTURED CLIFFS
- Townships\_(SJD)
- Sections\_(SJD)

Offset Operator:  
 ConocoPhillips Company  
 Working Interest Owners:  
 See attached list

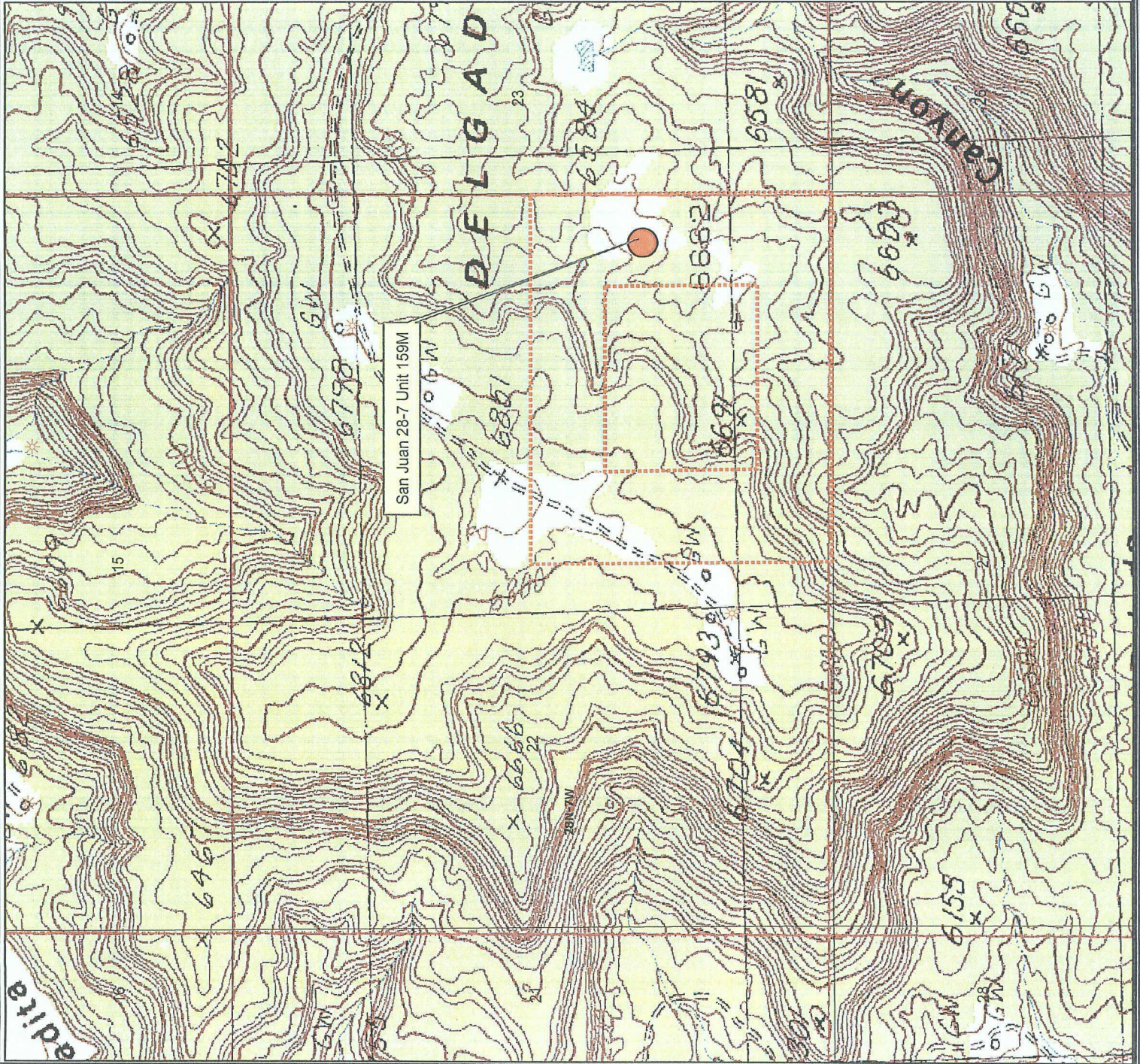


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San Juan 28-7 Unit 159M  
 Sec. 22, T28N, R7W  
 Offset Operator Map

Author: Richard Davis	Date: 3/4/2011
Compiled by:	Scale:
Project File: upland\dwisr\Process1 and Template\Template 1.mxd	





Legend

San Juan 28-7 Unit 159M.shp

PICTURED CLIFFS

Townships\_(SJD)

Sections\_(SJD)

Setback  
660'

0 300 600 1,200 2,400 Feet

1:14,870 - 1" equals 1,222'

GCS Assumed Geographic 1

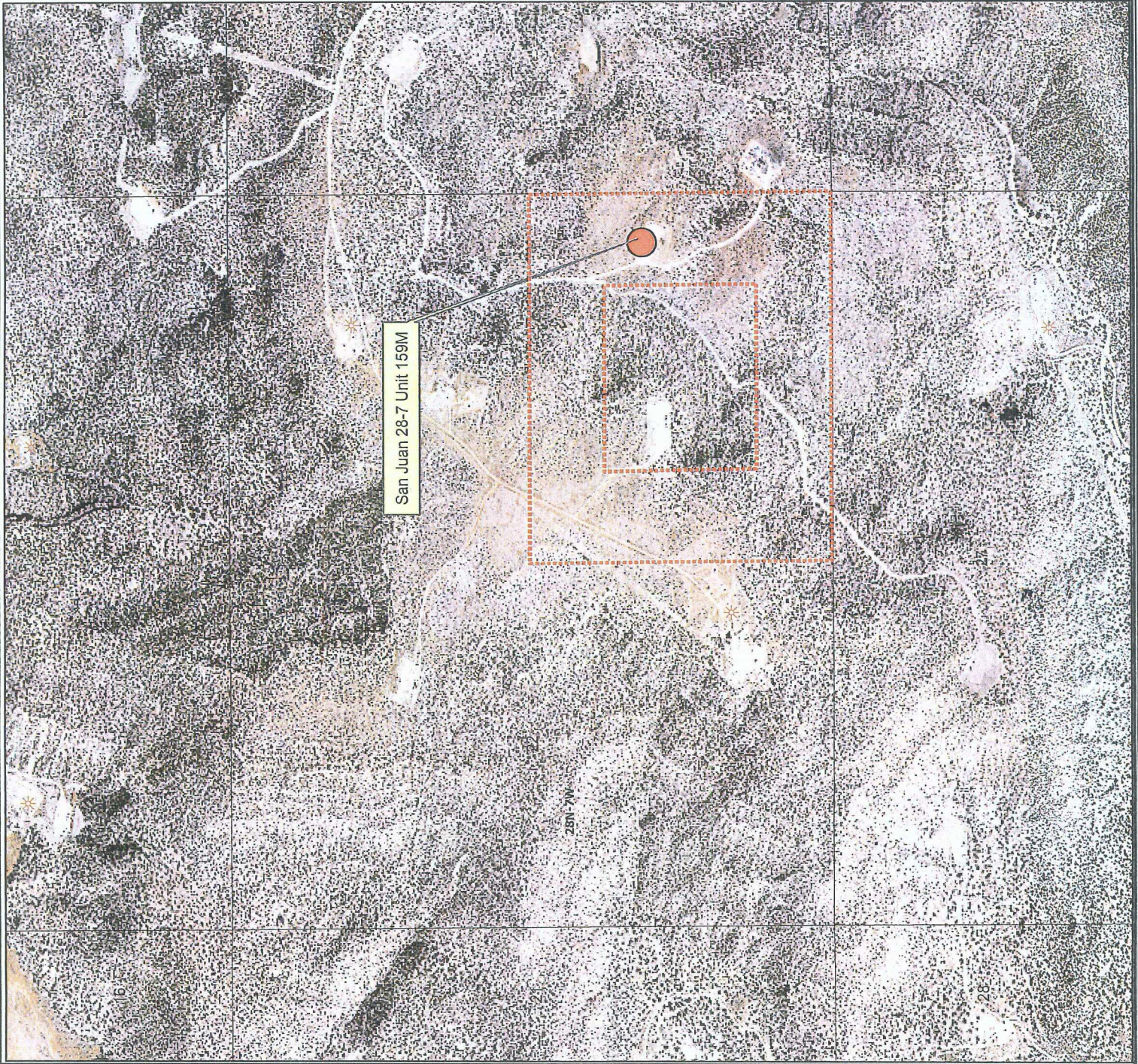


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San Juan 28-7 Unit 159M  
Sec. 22, T28N, R7W  
Topographical Map

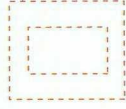
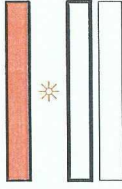
Author:	Richard Davis	Date:	3/4/2011
Compiled by:		Scale:	
Project File: g:\p\dw\proj\San Juan 28-7 Unit 159M\TopoMapTemplate.mxd			



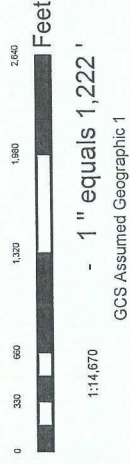


# Legend

San Juan 28-7 Unit 159M.shp  
 PICTURED CLIFFS  
 Townships\_(SJD)  
 Sections\_(SJD)



Setback  
 660'



**ConocoPhillips**  
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**San Juan 28-7 Unit 159M**  
**Sec. 22, T28N, R7W**  
**Aerial Map**

Author:	Richard Davis	Date:	3/4/2011
Compiled by:		Scale:	
Project File: \\plandev\proj\San Juan\San JuanTemplate 1.mxd			