

5/6/11

| | | | | | |
|---------|----------|----------|-----------|------|----------|
| DATE IN | SUSPENSE | ENGINEER | LOGGED IN | TYPE | APP NO. |
| 5-11 | | DB | | | 11265026 |

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Burlington
 Conoco Phillips
 San Juan 29-7 #89A
 6388

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.

Patsy Clugston

Print or Type Name

Patsy Clugston
 Signature

Sr. Regulatory Specialist

Title

5/5/11

Date

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

Burlington Resources Oil & Gas Company, LP

3401 East 30th Street
Farmington, NM 87402

May 5, 2011
Sent Overnight UPS

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

Re: San Juan 29-7 Unit #89A
Unit E, 2020' FNL & 390' FWL, Section 7, T29N, R7W
Rio Arriba County, NM; API-30-039-21625

Dear Sir:

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

The San Juan 29-7 Unit #89A was originally drilled as a Mesaverde well in 1978. 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 pool at this location is considered standard since it falls within the Participating Area (PA) for section 7, T29N, R7W, as per Order R-10987-A for MV. However, the Pictured Cliffs and Fruitland Coal pool's placement is non-standard since the W/2 of Section 12 is not in a PC participating area and the proposed location is less than 660' from the boundary line per Rule 104 for the PC and the R-8768-F for the FC. 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 1126.56 acres gas spacing unit, NW/4 Section 07, T29N, R7W and the Basin Fruitland Coal is included in the 226.72 acres gas spacing unit, W/2 Section 7, T29N, 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 plats for the PC and FC
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

For the Pictured Cliffs, the San Juan 29-7 Unit #89A is encroaching on Section 12 and there are currently no Pictured Cliffs wells in Section 12. Therefore we need to bring it to a lease level and notify all WIO's in the NE of Section 12, T29N, R8W. From the base of the Fruitland Coal to the base of the Dakota formation the interest is split 50/50 between COPC and BP. We are notifying BP America Production Company for the Pictured Cliffs formation. There are multiple Fruitland Coal wells in Section 12, and Energen Resources operates all of them. Since we are also encroaching Energen Resources with the placement of this well, we will also give notice to Energen. 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

Burlington Resources Oil & Gas Company, LP

3401 East 30th Street
Farmington, NM 87402

Non-Standard As Well Location for PC & FC Interval
San Juan 29-7 Unit #89A
Unit E, 2020' FNL & 390' FWL, Section 7, T29N, R7W
Rio Arriba County, NM; API-30-039-21625

I hereby certify that BP America Production Company and ConocoPhillips are the Working Interest for the Pictured Cliffs pool in the NE/4 of Section 12, T29N, R8W which is the area that is being encroached by the placement of our well in the NW/4 of Section 7, T29N, R7W. Notification is being sent to them on 5/5/11.

BP America Production Company
Attn: Donna Jones
501 Westlake Park Blvd.
Houston, TX 77079-2696

I hereby also certify that Energen Resources is the Off-set Operator for the wells in E/2 of Section 12, T29N, R8W for the Fruitland Coal formation of which are being encroached by the placement of our well in the NW/4 of Section 7, T29N, R7W. Notification is being sent to them on 5/5/11.

Energen Resources
Attn: David Poage
2010 Afton Place
Farmington, New Mexico 87401

Poage *Cliffs*
5-5-11

submitted in lieu of Form 3160-5

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AMENDED RECEIVED

MAR 23 2011

Sundry Notices and Reports on Wells

1. Type of Well
GAS

2. Name of Operator
BURLINGTON
RESOURCES OIL & GAS COMPANY LP

3. Address & Phone No. of Operator
PO Box 4289, Farmington, NM 87499 (505) 326-9700

4. Location of Well, Footage, Sec., T, R, M
Unit E (SWNW), 2020' FNL & 390' FWL, Section 7, T29N, R7W, NMPM

Farmington Field Office
Bureau of Land Management

5. Lease Number
SF-078943-A
6. If Indian, All. or
Tribe Name

7. Unit Agreement Name
San Juan 29-7 Unit

8. Well Name & Number
San Juan 29-7 Unit 89A

9. API Well No.
30-039-21625

10. Field and Pool
Blanco MV/Basin FC/Blanco PC

11. County and State
Rio Arriba, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

Type of Action

☒ Notice of Intent

☐ Abandonment

☐ Change of Plans

☐ Other -

☐ Subsequent Report

☒ Recompletion

☐ New Construction

☐ Plugging

☐ Non-Routine Fracturing

☐ Final Abandonment

☐ Casing Repair

☐ Water Shut off

☐ Altering Casing

☐ Conversion to Injection

13. Describe Proposed or Completed Operations

Burlington Resources requests permission to recompleate the Fruitland Coal and Pictured Cliffs formation for the subject well per the amended attached procedure, current wellbore schematic and C102s. The C107A will be filed as soon as possible to DHC.

This will produce as a MV/PC/FC trimingle.

The procedure has been amended to include TOC information.

DHC 4347
Submit CBL & Discuss TOC with Agencies before Pelt

14. I hereby certify that the foregoing is true and correct.

Signed

Crystal Tafoya

Crystal Tafoya

Title: Staff Regulatory Technician

Date 3/23/11

(This space for Federal or State Office use)

APPROVED BY Original Signed: Stephen Mason Title

Date MAR 24 2011

CONDITION OF APPROVAL, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOC

San Juan 29-7 Unit #89A

**Unit E, Section 7, Township 29N, Range 07W
Rio Arriba Co., NM
API#: 3003921625**

**Pictured Cliffs/Fruitland Coal Recompletion Sundry
Revised
3/21/2011**

Procedure:

1. MIRU service rig. TOOH with current tubing string.
2. MIRU wireline unit. RIH with a gauge ring for 7" 20#/ft casing. POOH
3. RIH with a gauge ring for 4-1/2" 10.50#/ft casing. POOH
4. RIH with a 4-1/2" CBP and set at +/- 3350'. POOH
5. Pressure test casing to a max pressure of 2805psi.
6. MIRU wireline to run a GR/CCL/CBL log from 3280' (liner top @ 3282') to surface. The CBL will be used to determine an accurate TOC and the GR will be used to determine formation tops. Remedial cement work will be completed as needed.
7. Perforate and fracture stimulate the Pictured Cliff.
8. Set a removable bridge plug above PC.
9. Perforate and fracture stimulate the Fruitland Coal.
10. Open well to flow back frac on clean-up.
11. RIH with tubing and retrieve the RBP over the PC.
12. Obtain a commingled (FRC/PC) flowrate up the annulus on a 1/2" choke to the atmosphere.
13. RIH with an RBP and set above the PC. Flowtest the FRC on a 1/2" choke to the atmosphere.
14. POOH with the RBP.
15. Once test is complete RIH, drill out the CBP plug @ 3350' with air / mist.
16. Cleanout to PBSD @ 5711'. Land production tubing and obtain a commingled flowrate up the annulus on a 1/2" choke to the atmosphere.
17. Release service rig and turn over to production.

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

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

Form C-102
Permit 126078

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--------------------------------------|--|---|
| 1. API Number 30-039-21625 | 2. Pool Code 71629 | 3. Pool Name BASIN FRUITLAND COAL (GAS) |
| 4. Property Code 7465 | 5. Property Name SAN JUAN 29 7 UNIT | 6. Well No. 089A |
| 7. OGRID No. 14538 | 8. Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP | 9. Elevation 6350 |

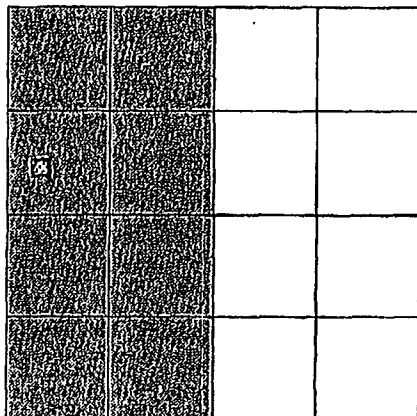
10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|----------|------------|------------|---------|-------------|----------|------------|----------|-------------------|
| E | 7 | 29N | 07W | | 2020 | N | 390 | W | RIO ARriba |

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 226.72 (W/2) | 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**

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.

Crystal Tafoya 1/27/11

E-Signed By: **Crystal Tafoya**

Title: **Staff Regulatory Technician**

Date: **January 27, 2011**

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.

Surveyed By: **David O. Kilven**

Date of Survey: **10/12/1977**

Certificate Number: **1760**

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

Form C-102
Permit 126078

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--------------------------------------|--|---|
| 1. API Number 30-039-21625 | 2. Pool Code 72359 | 3. Pool Name BLANCO PICTURED CLIFFS (GAS) |
| 4. Property Code 7465 | 5. Property Name SAN JUAN 29 7 UNIT | 6. Well No. 089A |
| 7. OGRID No. 14538 | 8. Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP | 9. Elevation 6350 |

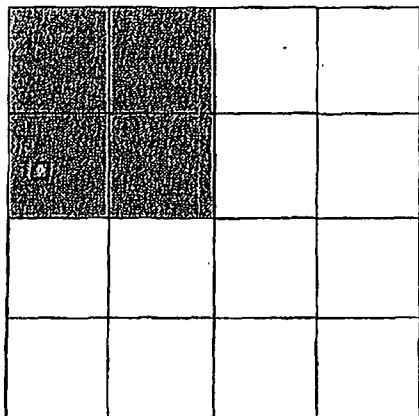
10. Surface Location

| | | | | | | | | | |
|----------------------|---------------------|------------------------|---------------------|---------|--------------------------|----------------------|-------------------------|----------------------|-----------------------------|
| UL - Lot E | Section 7 | Township 29N | Range 07W | Lot Idn | Feet From 2020 | N/S Line N | Feet From 390 | E/W Line W | County RIO ARRIBA |
|----------------------|---------------------|------------------------|---------------------|---------|--------------------------|----------------------|-------------------------|----------------------|-----------------------------|

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 112.56(NW/4) | | 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



**NW/4 - 112.56 acres for PC spacing/density
; W/2 - 226.72 acres for Federal Unit
Agreement Drillblocks Spacing**

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 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.

Crystal Tafuya 1/27/11
E-Signed By: **Crystal Tafuya**
Title: **Staff Regulatory Technician**
Date: **January 27, 2011**

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.

Surveyed By: **David O. Kilven**
Date of Survey: **10/12/1977**
Certificate Number: **1760**

Legend

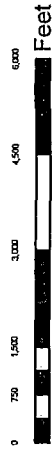
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PICTURED CLIFFS

SJ 29-7 Unit 89A.shp

Townships_(SJD)

Sections_(SJD)



1:33,327 - 1" equals 2,777'

GCS Assumed Geographic 1

ConocoPhillips

© Unpublished Work, ConocoPhillips



Nine Section Plat
San Juan 29-7 Unit 89A
Sec. 7, T29N, R7W
San Juan County, NM

Author: Richard Davis
Compiled by:
Date: 3/23/2011
Scale:
Project File: E:\Production\Projects\11 and 12\SanJuan\Townships 1.mxd

| | | | | |
|----|--------------|--------------|----|----|
| 35 | 36 30N-8W | 31 30N-7W | 32 | 33 |
| 2 | 1 | 6 | 5 | 4 |
| 11 | 12 | 7 | 8 | 9 |
| 14 | 13 | 18 | 17 | 16 |
| 23 | 24 | 19 | 20 | 21 |

San Juan 29-7 Unit 89A

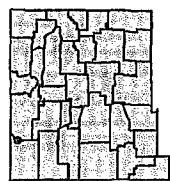
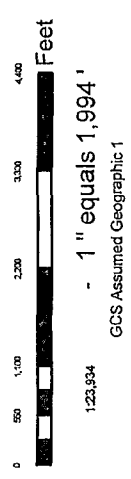




Legend

PICTURED CLIFFS
 SJ 29-7 Unit 89A.shp
 Townships_(SJD)
 Sections_(SJD)

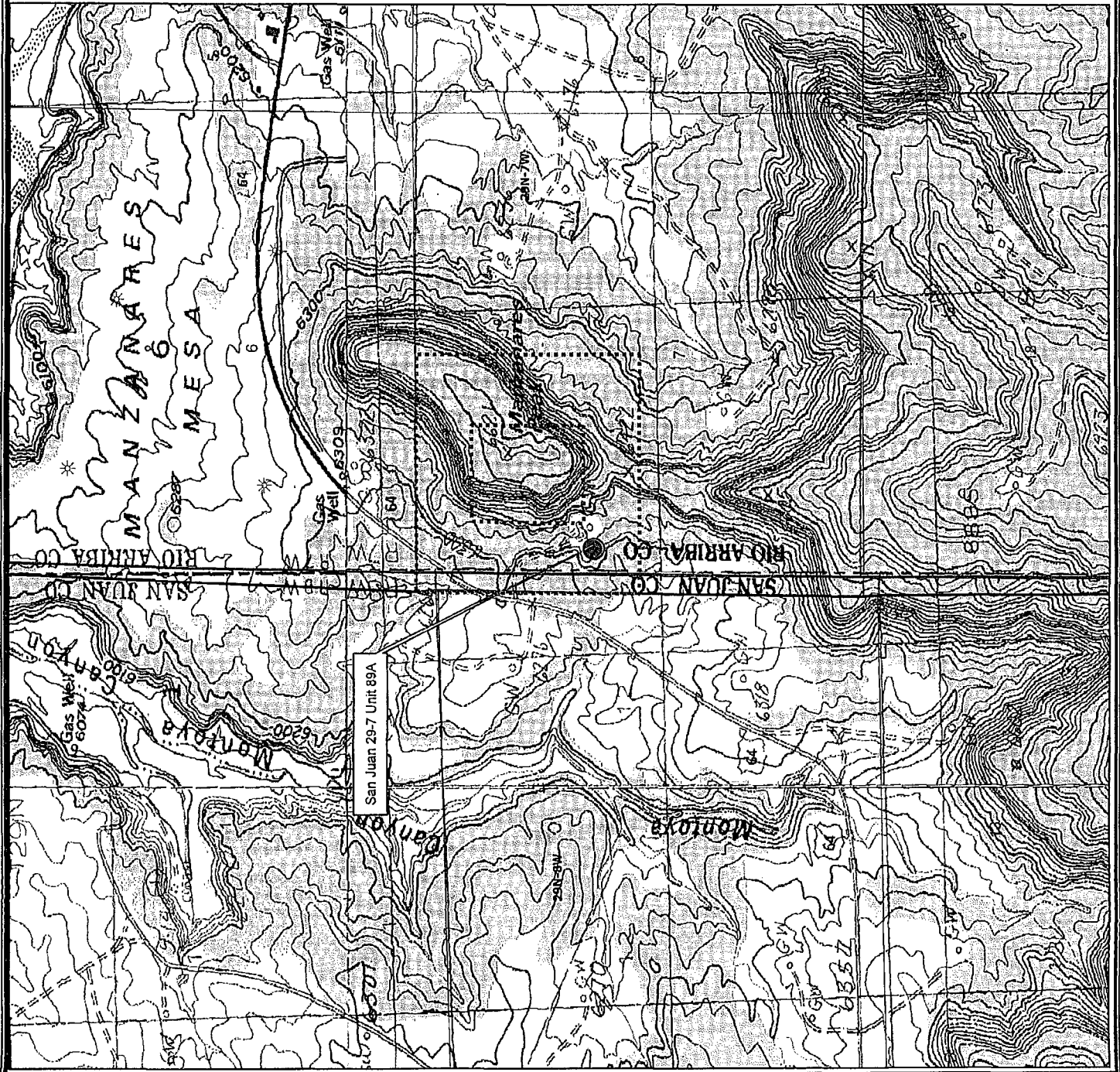
Offset Operator:
None
See attached list for WIO's



ConocoPhillips
© Unpublished Work, ConocoPhillips

Offset Operator
 San Juan 29-7 Unit 89A
 Sec. 7, T29N, R7W
 San Juan County, NM

| | |
|---|-----------------|
| Author: Richard Davis | Date: 3/23/2011 |
| Compiled by: | Scale: |
| Project File: E:\SanJuan\29-7 Unit 89A\San Juan 29-7 Unit 89A.shp | |



Legend

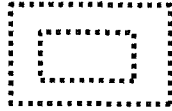
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PICTURED CLIFFS

SJ 29-7 Unit 89A.shp

Townships_(SJD)

Sections_(SJD)



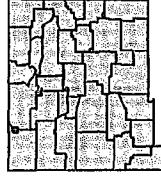
660' Setback



Feet

1:19,392 - 1" equals 1,616'

GCS Assumed Geographic 1



ConocoPhillips

© Unpublished Work, ConocoPhillips

Topographical Map San Juan 29-7 Unit 89A Sec. 7, T29N, R7W San Juan County, NM

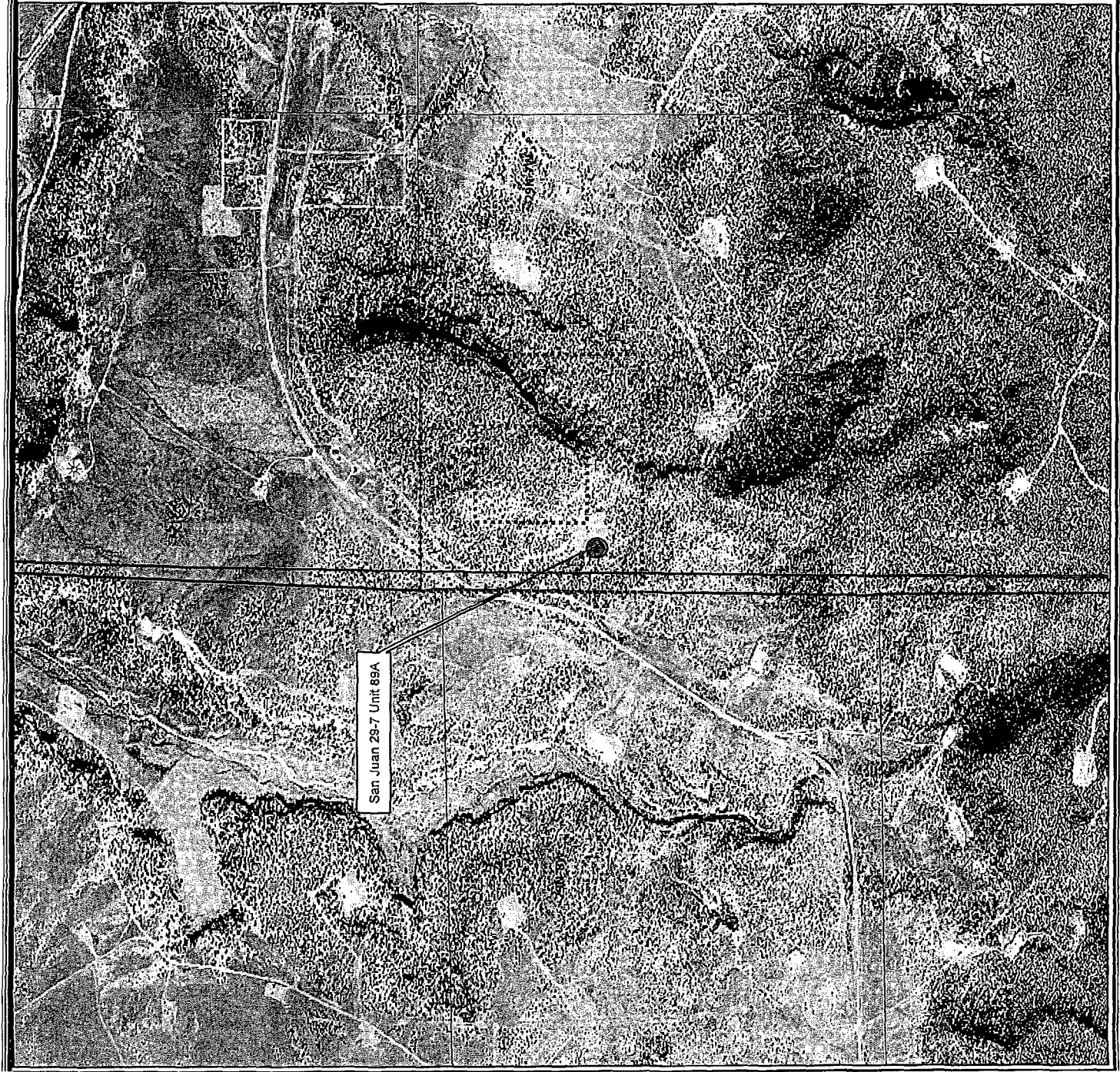
Date: 3/23/2011

Author: Richard Davis

Compiled by:

Scale:

Project File: P:\Projects\Topo\San Juan\San Juan 29-7 Unit 89A.mxd



Legend

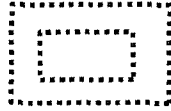


PICTURED CLIFFS

SJ 29-7 Unit 89A.shp

Townships_(SJD)

Sections_(SJD)



660' Setback



1:19,392 - 1" equals 1,616'

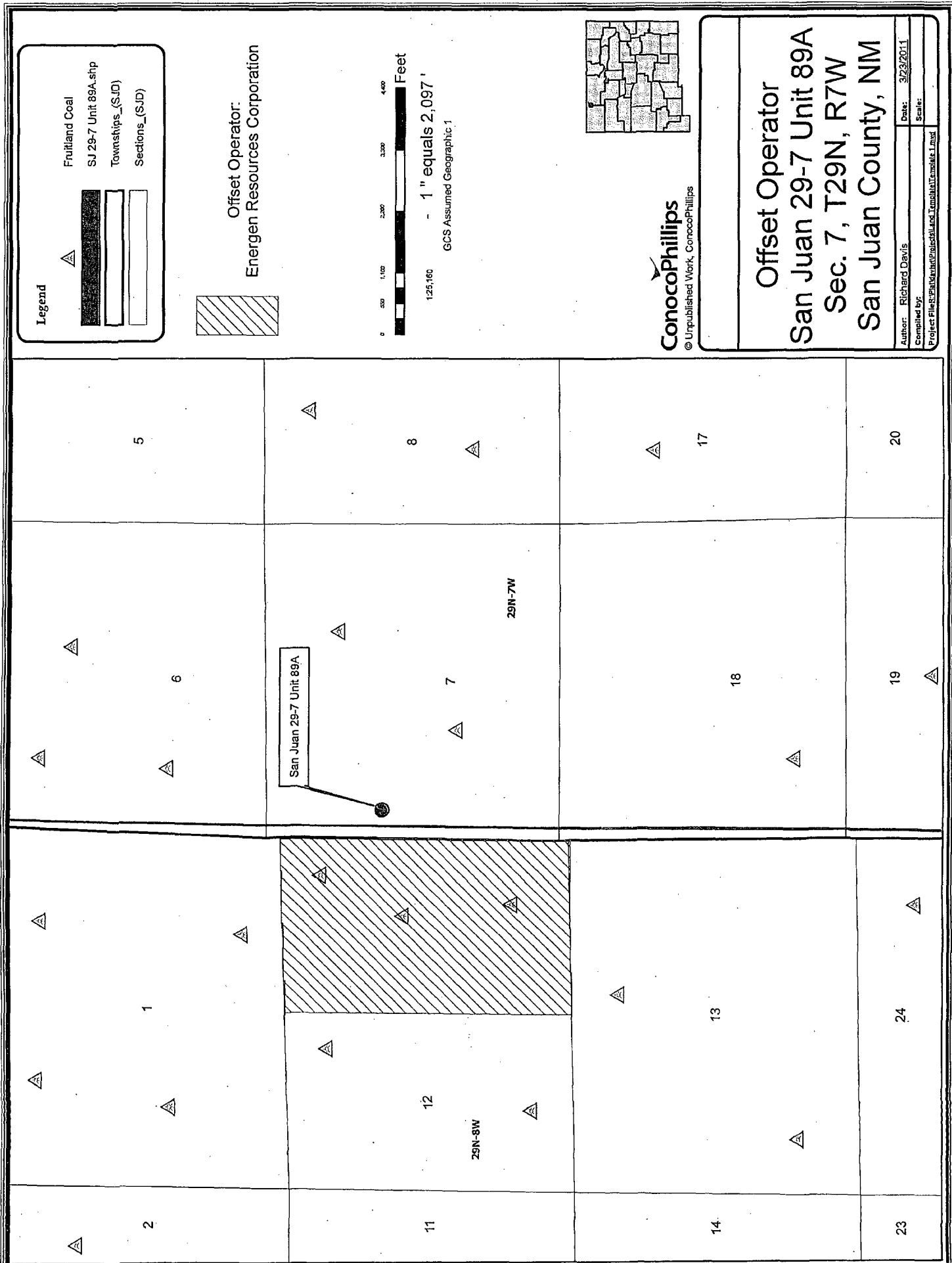
GCS Assumed Geographic 1



ConocoPhillips
© Unpublished Work, ConocoPhillips

Aerial Map
San Juan 29-7 Unit 89A
Sec. 7, T29N, R7W
San Juan County, NM

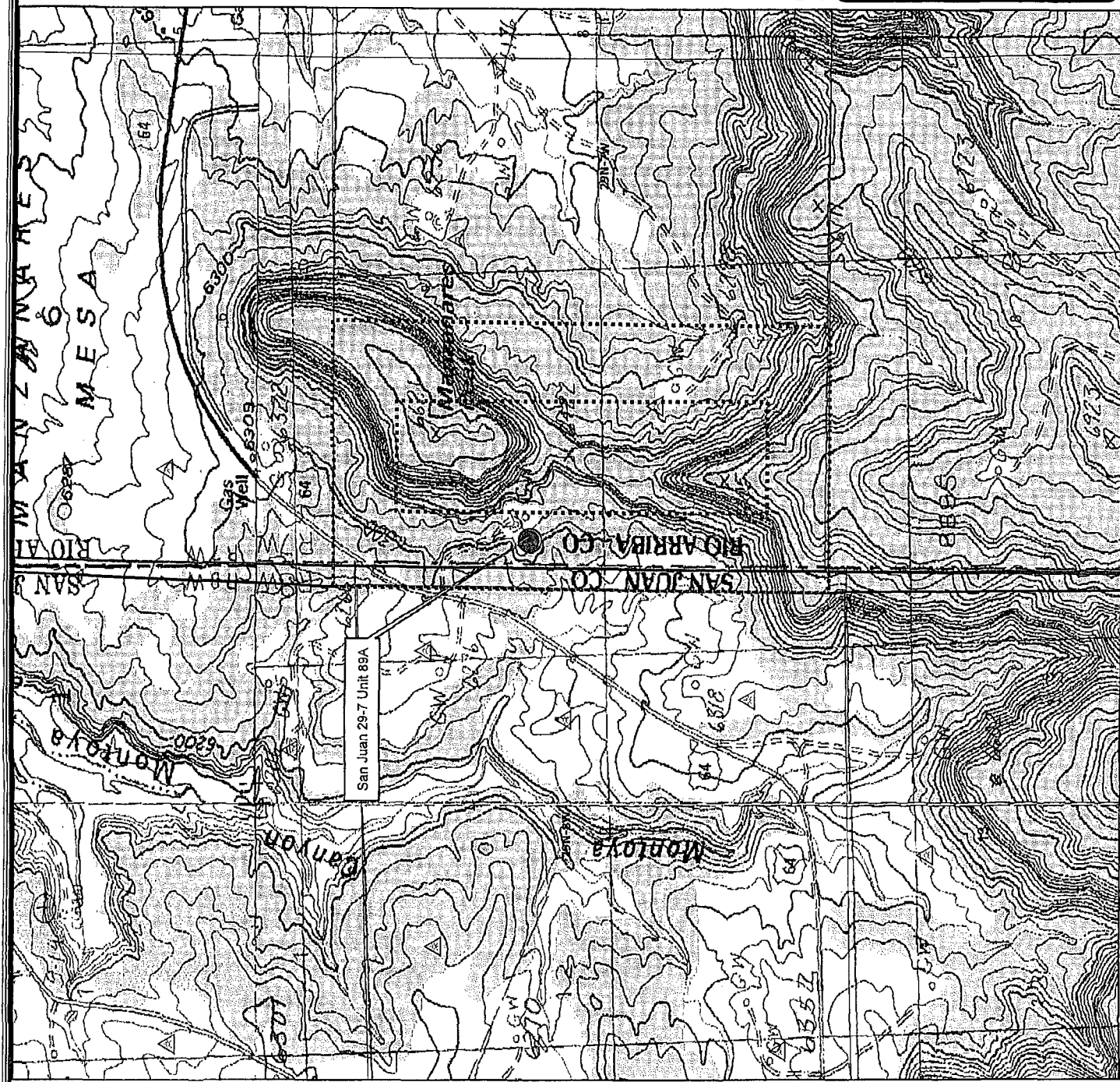
| | |
|--|-----------------|
| Author: Richard Davis | Date: 3/23/2011 |
| Compiled by: | Scale: |
| Project File: SJ 29-7 Unit 89A.shp and Township 29N, Range 7W, Section 7 | |



ConocoPhillips
 © Unpublished Work, ConocoPhillips

Offset Operator
San Juan 29-7 Unit 89A
Sec. 7, T29N, R7W
San Juan County, NM

| | |
|--|-----------------|
| Author: Richard Davis | Date: 3/23/2011 |
| Compiled by: | Scale: |
| Project File: R:\P\SanJuan\29-7 Unit 89A\T29N R7W\T29N R7W.mxd | |



Legend



Fruitland Coal

SJ 29-7 Unit 89A.shp

Townships_(SJD)

Sections_(SJD)

660' Setback



- 1" equals 1.469'

GCS Assumed Geographic 1



© Unpublished Work, ConocoPhillips

Topographical Map

San Juan 29-7 Unit 89A

Sec. 7, T29N, R7W

San Juan County, NM

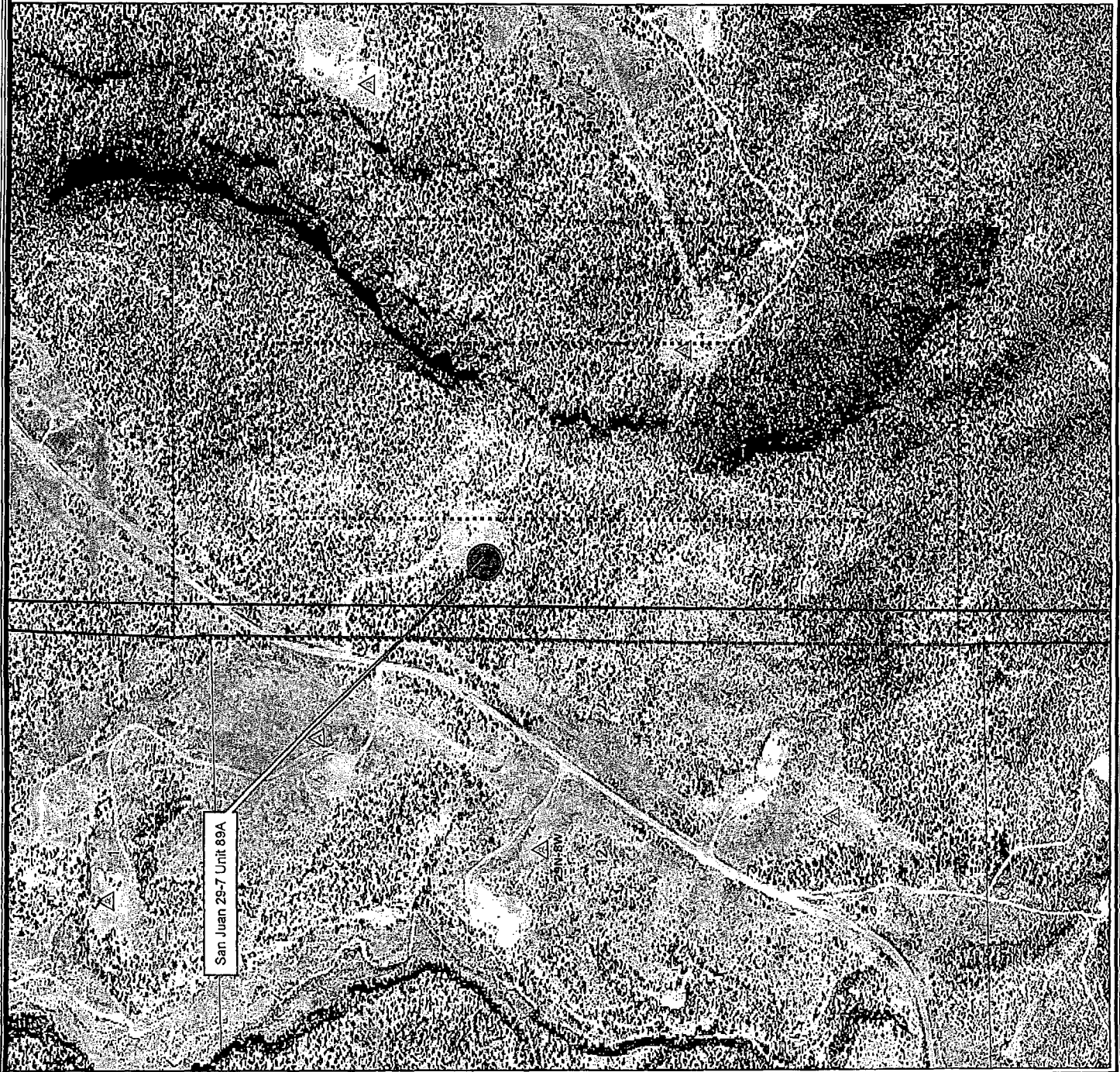
Author: Richard Davis

Date: 3/23/2011





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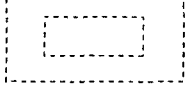
Scale:

Project File 8: PlaidVox\Project1\And Template\Template 1.mxd



Legend

-  Fruitland Coal
-  SJ 29-7 Unit 89A.shp
-  Townships_(SJD)
-  Sections_(SJD)

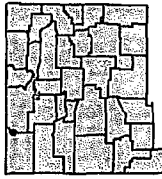


660' Setback



1:11,038 - 1" equals 920'

GCS Assumed Geographic 1



ConocoPhillips
© Unpublished Work, ConocoPhillips

Aerial Map

San Juan 29-7 Unit 89A
Sec. 7, T29N, R7W
San Juan County, NM

| | |
|---|-----------------|
| Author: Richard Davis | Date: 9/23/2011 |
| Compiled by: | Scale: |
| Project File: SJ29-7 Unit 89A.shp and SJ29-7 Unit 89A.mxd | |

Burlington Resources Oil & Gas Company, LP

3401 East 30th Street
Farmington, NM 87402

May 13, 2010

Energen Resources
Attn: David Poage
2010 Afton Place
Farmington, New Mexico 87401

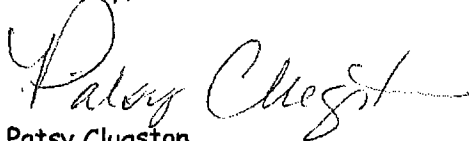
Non-Standard As Well Location for PC & FC Interval
San Juan 29-7 Unit #89A
Unit E, 2020' FNL & 390' FWL, Section 7, T29N, R7W
Rio Arriba County, NM; API-30-039-21625

Dear Mr. Poage:

Attached you will find a copy of our NSL (non-standard location) application to the NMOCD office in Santa Fe. And according to NMOCD Rule 104.E(4) be advised that Energen has a 20 day time frame from the date this notice is received to let the NMOCD know that you have objection to have the San Juan 29-7 Unit #89A being drilled in the currently staked location.

Attached is a copy of the NSL application that was originally submitted to the NMOCD. If you are so inclined, please sign the attached waiver and return it to my attention either by mail at the address shown above or by fax @ 505-599-4062. If the 20 day waiting period expires the NMOCD will conclude that your company has no objection and the NSL approval will be granted to ConocoPhillips Company. If you do have objection to the staked location on this well, please advise the NMOCD and us as soon as possible. If you should have questions concerning this application please feel free to call me at 505-326-9518.

Sincerely,



Patsy Clugston
Sr. Regulatory Specialist
ConocoPhillips Company

Waiver to NSL - Energen

Energen does not object to Burlington Resources Oil & Gas, LP's re-completing the SJ 29-7 Unit 89A , MV well into the Basin Fruitland Coal and Blanco Pictured Cliffs formations. We understand that the both the Basin FC and Blanco PC intervals are considered NSL. The well is located at a surface location of Unit E, 2020' FNL & 390' FWL, Section 7, T29N, R7W, Rio Arriba County, NM; API-30-039-21625

Signature: _____

Title: _____

Date: _____

Burlington Resources Oil & Gas Company, LP

3401 East 30th Street
Farmington, NM 87402

May 13, 2010

BP America Production Company
Attn: Donna Jones
501 Westlake Park Blvd.
Houston, TX 77079-2696

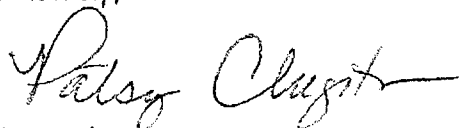
Non-Standard As Well Location for PC & FC Interval
San Juan 29-7 Unit #89A
Unit E, 2020' FNL & 390' FWL, Section 7, T29N, R7W
Rio Arriba County, NM; API-30-039-21625

Dear Ms. Jones

Attached you will find a copy of our NSL (non-standard location) application to the NMOCD office in Santa Fe. And according to NMOCD Rule 104.E(4) be advised that Energen has a 20 day time frame from the date this notice is received to let the NMOCD know that you have objection to have the San Juan 29-7 Unit #89A being drilled in the currently staked location.

Attached is a copy of the NSL application that was originally submitted to the NMOCD. If you are so inclined, please sign the attached waiver and return it to my attention either by mail at the address shown above or by fax @ 505-599-4062. If the 20 day waiting period expires the NMOCD will conclude that your company has no objection and the NSL approval will be granted to ConocoPhillips Company. If you do have objection to the staked location on this well, please advise the NMOCD and us as soon as possible. If you should have questions concerning this application please feel free to call me at 505-326-9518.

Sincerely,



Patsy Clugston
Sr. Regulatory Specialist
ConocoPhillips Company

Waiver to NSL - BP America

BP America does not object to Burlington Resources Oil & Gas, LP's re-completing the SJ 29-7 Unit 89A , MV well into the Basin Fruitland Coal and Blanco Pictured Cliffs formations. We understand that the both the Basin FC and Blanco PC intervals are considered NSL. The well is located at a surface location of Unit E, 2020' FNL & 390' FWL, Section 7, T29N, R7W, Rio Arriba County, NM; API-30-039-21625

Signature: _____

Title: _____

Date: _____

7006 2610 0001 9142 4306

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| Street, Apt. No., or PO Box No. <u>501 Westlake Park Blvd.</u> | |
| City, State, ZIP+4 <u>Houston TX 77079-2696</u> | |
| PS Form 3800, August 2006 See Reverse for Instructions | |

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| Total Postage & Fees | \$ |
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| Sent To <u>Energizer Resources</u> | |
| Street, Apt. No., or PO Box No. <u>Attn David Poage</u> | |
| City, State, ZIP+4 <u>2010 Ashton Place</u> | |
| <u>Farmington NM 87401</u> | |
| PS Form 3800, August 2006 See Reverse for Instructions | |

Brooks, David K., EMNRD

From: Clugston, Patricia L [Patsy.L.Clugston@conocophillips.com]
Sent: Friday, May 13, 2011 4:07 PM
To: Brooks, David K., EMNRD
Subject: SJ 29-7 Unit 89A NSL - notification
Attachments: SJ 28-7 #89a - NSL new notification.TIF; SJ 29-7 #89A new NSL cert recpts.tif

Hi David,

I have resubmitted the NSL application on this well and included the attached objection notices to BP and Energen. These went in the mail today. If I happen to receive waivers on this location I will forward them on to you. I will remember to include these in the future. If you need anything further on this, please let me know. Thanks. Patsy

*Patsy Clugston
Sr. Regulatory Specialist
SJBU - ConocoPhillips
505-326-9518*



May 17, 2011

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

Attention: Patsy Clugston
Senior Regulatory Specialist

RE: Non-Standard Well location for FC and PC
San Juan 29-7 Unit # 89A Well
NW/4 Section 7-T29N-R7W
Rio Arriba County, New Mexico

Dear Ms. Clugston:

Attached please find a Waiver to NSL letter for the referenced well. Energen Resources has no objections to this proposal and is signing the Waiver and returning to you.

This waiver is executed with the understanding that you will advise Energen when you are ready to complete this well so that we may have sufficient time to prepare our well and protect it from any damage.

Sincerely,

A handwritten signature in black ink, appearing to read "David M. Poage".

David M. Poage
District Landman

Burlington Resources Oil & Gas Company, LP

3401 East 30th Street
Farmington, NM 87402

May 13, 2010

Energen Resources
Attn: David Poage
2010 Afton Place
Farmington, New Mexico 87401

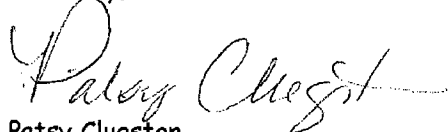
Non-Standard As Well Location for PC & FC Interval
San Juan 29-7 Unit #89A
Unit E, 2020' FNL & 390' FWL, Section 7, T29N, R7W
Rio Arriba County, NM; API-30-039-21625

Dear Mr. Poage:

Attached you will find a copy of our NSL (non-standard location) application to the NMOCD office in Santa Fe. And according to NMOCD Rule 104.E(4) be advised that Energen has a 20 day time frame from the date this notice is received to let the NMOCD know that you have objection to have the San Juan 29-7 Unit #89A being drilled in the currently staked location.

Attached is a copy of the NSL application that was originally submitted to the NMOCD. If you are so inclined, please sign the attached waiver and return it to my attention either by mail at the address shown above or by fax @ 505-599-4062. If the 20 day waiting period expires the NMOCD will conclude that your company has no objection and the NSL approval will be granted to ConocoPhillips Company. If you do have objection to the staked location on this well, please advise the NMOCD and us as soon as possible. If you should have questions concerning this application please feel free to call me at 505-326-9518.

Sincerely,



Patsy Clugston
Sr. Regulatory Specialist
ConocoPhillips Company

RECEIVED

MAY 17 2011

Energen
Farmington

Waiver to NSL - Energen

Energen does not object to Burlington Resources Oil & Gas, LP's re-completing the SJ 29-7 Unit 89A , MV well into the Basin Fruitland Coal and Blanco Pictured Cliffs formations. We understand that the both the Basin FC and Blanco PC intervals are considered NSL. The well is located at a surface location of Unit E, 2020' FNL & 390' FWL, Section 7, T29N, R7W, Rio Arriba County, NM; API-30-039-21625

Signature: 

Title: DISTRICT MANAGER

Date: May 17, 2011

Brooks, David K., EMNRD

From: Clugston, Patricia L [Patsy.L.Clugston@conocophillips.com]
Sent: Wednesday, May 25, 2011 9:21 AM
To: Brooks, David K., EMNRD
Subject: SJ 29-7 Unit 89A NSL waiver
Attachments: Energen Waiver 29-7 89A.pdf

Hi David,

I received this waiver for the NSL application for the SJ 29-7 Unit 89A from Energen yesterday. We didn't receive one from BP yet, so it looks like we will need to wait the entire waiting period unless BP responses in the next day or so. Thanks. Patsy