

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office

OCD Hobbs

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an
abandoned well. Use form 3160-3 (APD) for such proposals.5. Lease Serial No.
NMNM27508

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
WILDER 28 FEDERAL 1H9. API Well No.
30-025-40261-00-S110. Field and Pool, or Exploratory
JENNINGS11. County or Parish, and State
LEA COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

MAY 23 2016

RECEIVED

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

CONOCOPHILLIPS COMPANY

Contact: ASHLEY BERGEN

E-Mail: ashley.bergen@conocophillips.com

3a. Address

MIDLAND, TX 79710

3b. Phone No. (include area code)

Ph: 432-688-6938

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 28 T26S R32E NENE 610FNL 835FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Surface Commingling |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Wilder Federal 28 1H Sect. 28, NENE, T26S, R32E 30-025-40261
Wilder Federal 28 2H Sect. 28, NWNE, T26S, R32E 30-025-40329
Wilder Federal 29 1H Sect. 29, NENE, T26S, R32E 30-025-40790
Wilder Federal AC 29 2H Sect. 29, NWNE, T26S, R32E 30-025-41511
Wilder Federal 29 5H Sect. 29, NENE, T26S, R32E 30-025-41509
Wilder 28 AC Federal COM 3H Sect. 28, NENW, T26S, R32E 30-02-40501
Wilder 28 AC Federal COM 4H Sect. 28, NWNW, T26S, R32E 30-025-40502
Wilder 28 AC Federal COM 8H Sect. 28, NWNW, T26S, R32E 30-025-41692

See attached detailed commingling information, diagram and map(s).

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

Electronic Submission #336818 verified by the BLM Well Information System
For CONOCOPHILLIPS COMPANY, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 04/21/2016 (16PP0577SE)

Name (Printed/Typed) ASHLEY BERGEN

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 04/18/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

J.D. 2 hitlorkg

Title

LPET

Date

5/17/16

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

CFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

APPLICATION FOR, COMMINGLING AT A COMMON CENTRAL TANK BATTERY

Proposal for Wilder 28 Federal 1H, Wilder 28 Federal 2H, Wilder 29 Federal 1H, Wilder Federal AC 29 2H, Wilder 29 Federal AC 5H, Wilder Federal 28 3H, Wilder Federal AC 28 4H, and Wilder Federal AC COM 28 8H.

Federal Lease NM27508 which is 12.5% Royalty Rate

Well Name	Location	API#	Pool 97838	Oil BOPD	Gravities	MCFPD	BTU/d
Wilder 28 Federal 1H	SEC 28, NENE T26S R32E	30-025-40261	Jennings, Upper Bone Spring Shale	14	48.5	60	1167
Wilder 28 Federal 2H	SEC 28, NENE T26S R32E	30-025-40329	Jennings, Upper Bone Spring Shale	15	47	69	1321
Wilder 29 Federal 1H	SEC 29, NENE T26S R32E	30-025-40790	Jennings, Upper Bone Spring Shale	68	47.5	118	1186
Wilder Federal AC 29 2H	SEC 29,NWNE T26S R32E	30-025-41511	Jennings, Upper Bone Spring Shale	345*	46*	1000*	1400*
Wilder 29 Federal AC 5H	SEC 29, T26S 32E NENE	30-025-41509	Jennings, Upper Bone Spring Shale	345*	48.7*	1000*	1300*

Federal Lease NM27508 & Federal Lease NM130738 is 12.5% Royalty Rate- CA# NM134716

Wilder Federal 28 3H	SEC 28, NENE T26S 32E	30-025-40501	Jennings, Upper Bone Spring Shale	480*	48.7*	1400*	1300*
Wilder Federal AC 28 4H	SEC 28, NENE T26S R32E	30-025-40502	Jennings, Upper Bone Spring Shale	480*	48.7*	1400*	1300*
Wilder Federal AC COM 28 8H	SEC 28, NENE T26S R32E	30-025-41692	Jennings, Upper Bone Spring Shale	480*	48.7*	1000*	1300*

*These are proposed totals for these wells; once these wells are producing the production information will be amended. I will submit BOPD & MCFPD for the Wilder Wells upon receipt.

Attached map shows the federal leases and well locations in Section 28, 29 & 33 T26S 32E.

Lease NM27508 royalty rate at 12.5% and lease NM130738 royalty rate 12.5%.
Communitization agreement NM134716 includes acreage from both of these leases.

Location:

The central tank battery is located on Sec 29, NENE, T26S, R32E on federal lease NM27508 in Lea County, NM. Wells served are the wells listed above.

Overview:

The flow of production is shown in the facility lay out which is enclosed. The enclosed map shows the Facility boundary, location of wells, and gas sales meter. The commingling of this production will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce the surface facility footprint and overall emissions. Conoco Phillips understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Process and Flow Descriptions:

The facility will be as follows. The production for each well will flow to a dedicated 3 phase Production Separator for gas, water, and oil to be metered. Oil is metered through a Coriolis meter* and the gas is metered through an EFM gas allocation meter*. The water is metered through a turbine meter. The oil production for the Wilder Central Facility has (8) 500 bbl oil tanks at the tank battery that all wells can utilize. Oil will be sold through a common LACT meter*. The volume of all tanks is determined by both Guided Wave Radar and Differential Pressure Level.

The gas off of the HP separators is sent to the High Pressure Scrubber and goes to sales or to the LP scrubber as gas make-up to Compression. Excess gas is sold at the sales gas meter*. Deductions are made for the Gas Lift Meter* Nuevo's Buy Back Meter* and the fuel gas meter*.

Produced water flows from the Production Separator and Heater Treater to one of two on-site 1000 bbl gun barrels. Water and any lighter hydrocarbon is separated in these two units and the hydrocarbon is decanted to a 500 bbl Slop tank, the water is transferred to any of (8) 500 bbl water tanks. Hydrocarbon from the slop tank is sent back one of the designated Heater Treaters for reprocessing. The water is transferred to the Wilder SWD injection well, to another facility, or via truck.

*Meter information for each well and sales meter is attached below, see metering section.

Metering:

Wilder 28 Federal 1H production is measured at a three phase separator which includes Micro Motion meter allocation #119-21-070. Gas is measure through allocation Meter #119-33-004 and lift meter # 119-09-024 is located at the wellhead. Water is measured through a turbine meter.

Wilder 28 Federal 2H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-071. Gas is measure through allocation Meter# 119-33-005 and lift meter #119-09-022 is located at the wellhead. Water is measured through a turbine meter.

Wilder 29 Federal 1H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-076. Gas is measure through allocation meter #119-33-010 and lift meter # 119-09-026 is located at the wellhead. Water is measured through a turbine meter.

Wilder Federal AC 29 2H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-077. Gas is measure through allocation meter # 119-33-011 and lift meter # 119-09-028 is located at the wellhead. Water is measured through a turbine meter.

Wilder 29 Federal AC 5H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-075. Gas is measure through allocation meter #119-33-009 and lift meter #119-09-025 is located at the wellhead. Water is measured through a turbine meter.

Wilder Federal 28 3H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-072. Gas is measure through allocation Meter# 119-33-006 and lift meter #119-09-021 is located at the wellhead. Water is measured through a turbine meter.

Wilder Federal AC 28 4H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-074. Gas is measure through allocation Meter #119-33-008 and lift meter #119-09-027 is located at the wellhead. Water is measured through a turbine meter.

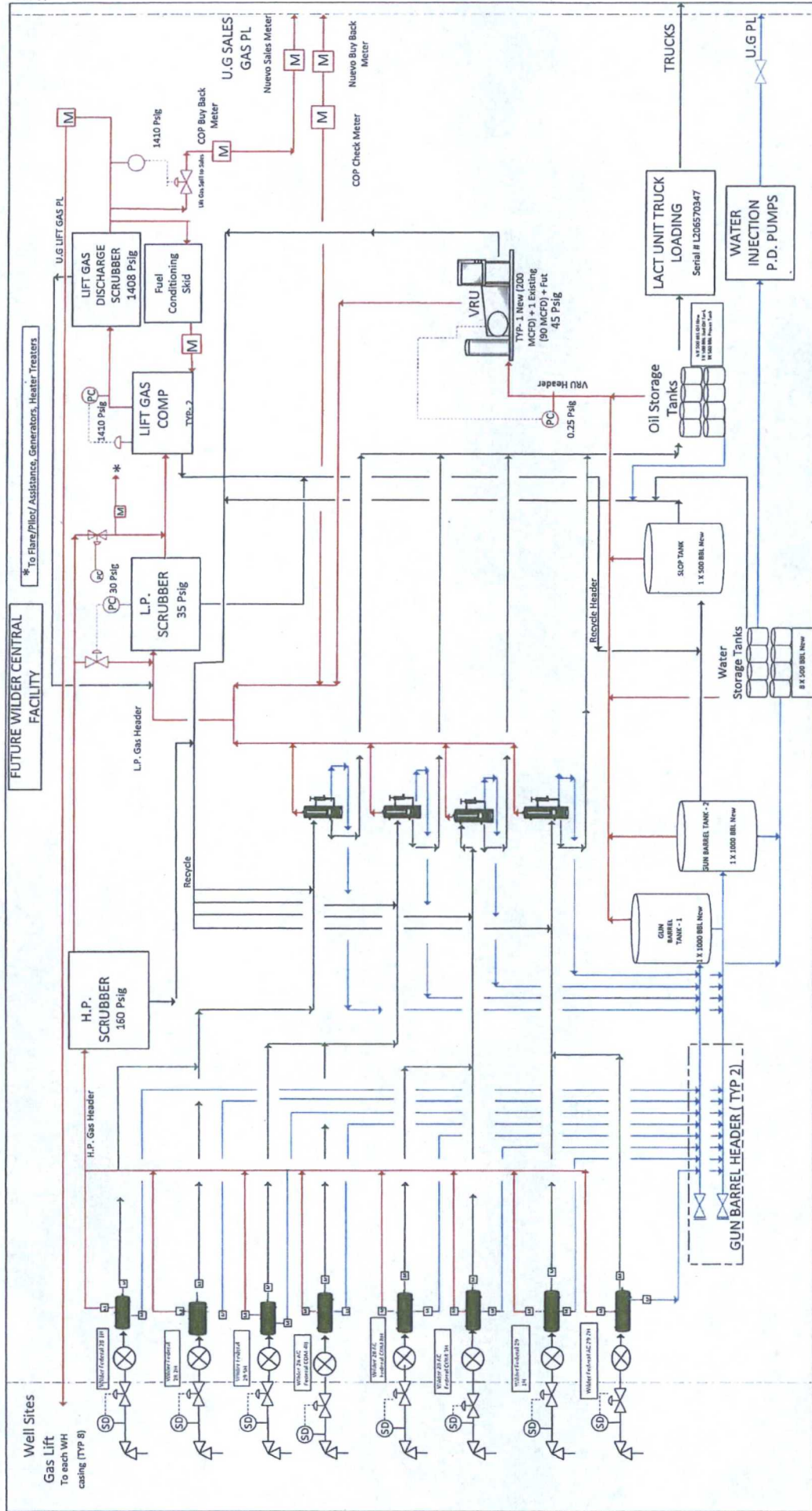
Wilder Federal AC COM 28 8H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-073. Gas is measure through allocation Meter # 119-33007 and lift meter #119-09-023 is located at the wellhead. Water is measured through a turbine meter.

The gas obtained from heater treater and VRU will be allocated back to each well based off oil production.

The facility has a common gas offtake to Nuevo Midstream which is located on the West side of the facility. Flow is metered using Nuevo's sales meter #119-87-004, this flow is checked using COP's meter #119-87-005 to validate the flow. A Nuevo buy back meter #01612043 and checked against a COP buy back meter #119-05-001 monitors the gas used on lease. The fuel gas meter # 1119-06-007 will measure the gas used for the flare assist, flare pilot, generators and heater treaters. The meter off of the Fuel Conditioning Skid measures the compression engine consumption and is meter #11906010. The Gas Lift meter # 1410771DC monitors the gas used for gas lift.

The transfer of oil from the battery to sales will be a LACT unit (Serial #-L206570347 equipped with a Smith Meter unit to either truck or to pipeline to Western Refining.

The oil meters will be proven, as per API, NMOCD, and BLM specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then quarterly thereafter, the factor obtained will be used to allocate the production volumes.

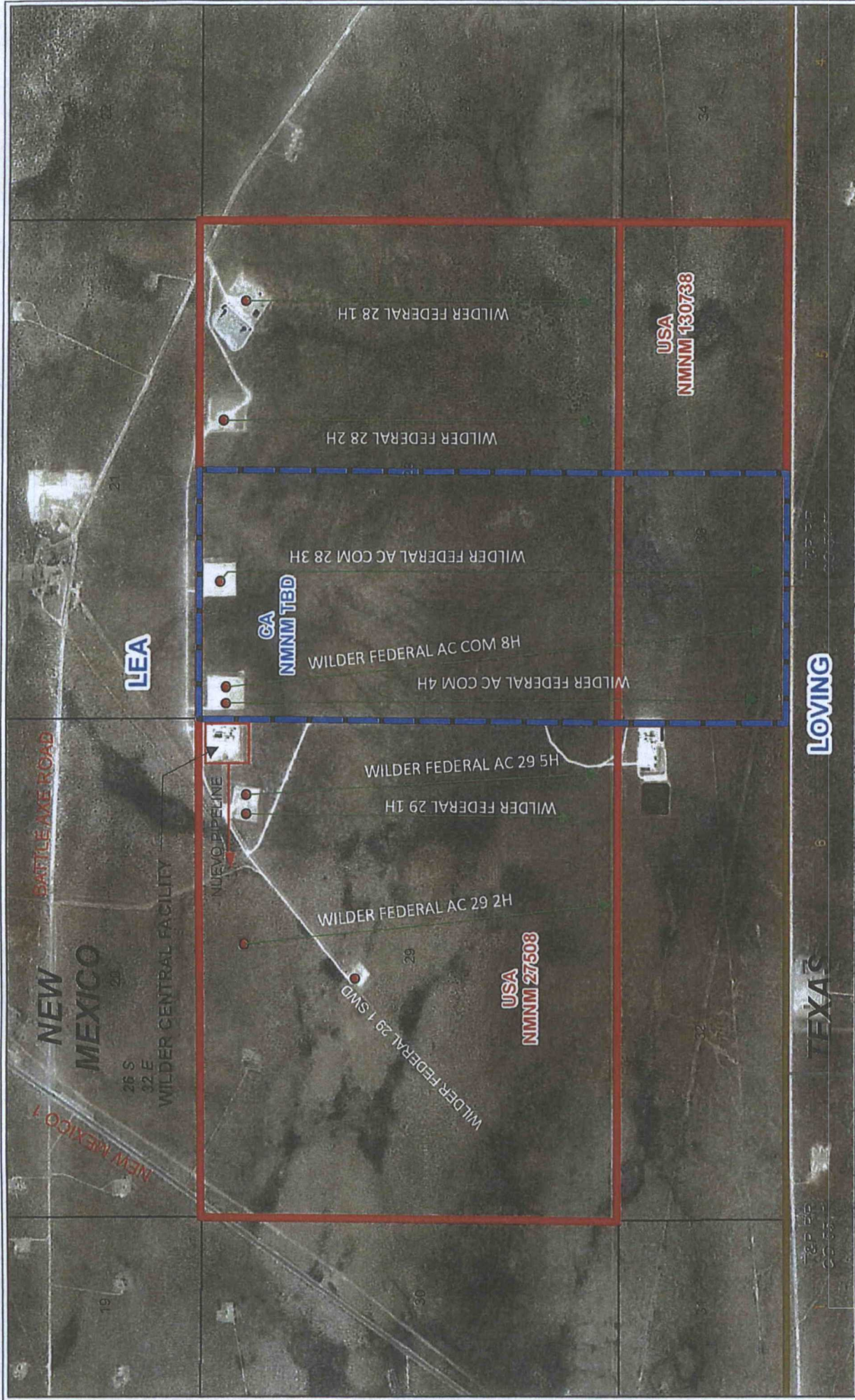


NOTES :
 "H.P." Denotes High Pressure, "L.P." Denotes Low Pressure, "I.P." Denotes Intermediate Pressure
 "Fut" Denotes Future, "U.G." Denotes Under Ground, "PL" Denotes Pipeline, "M" Denotes Meter

■ GAS
■ WATER
■ OIL
■ MULTIPHASE

ConocoPhillips

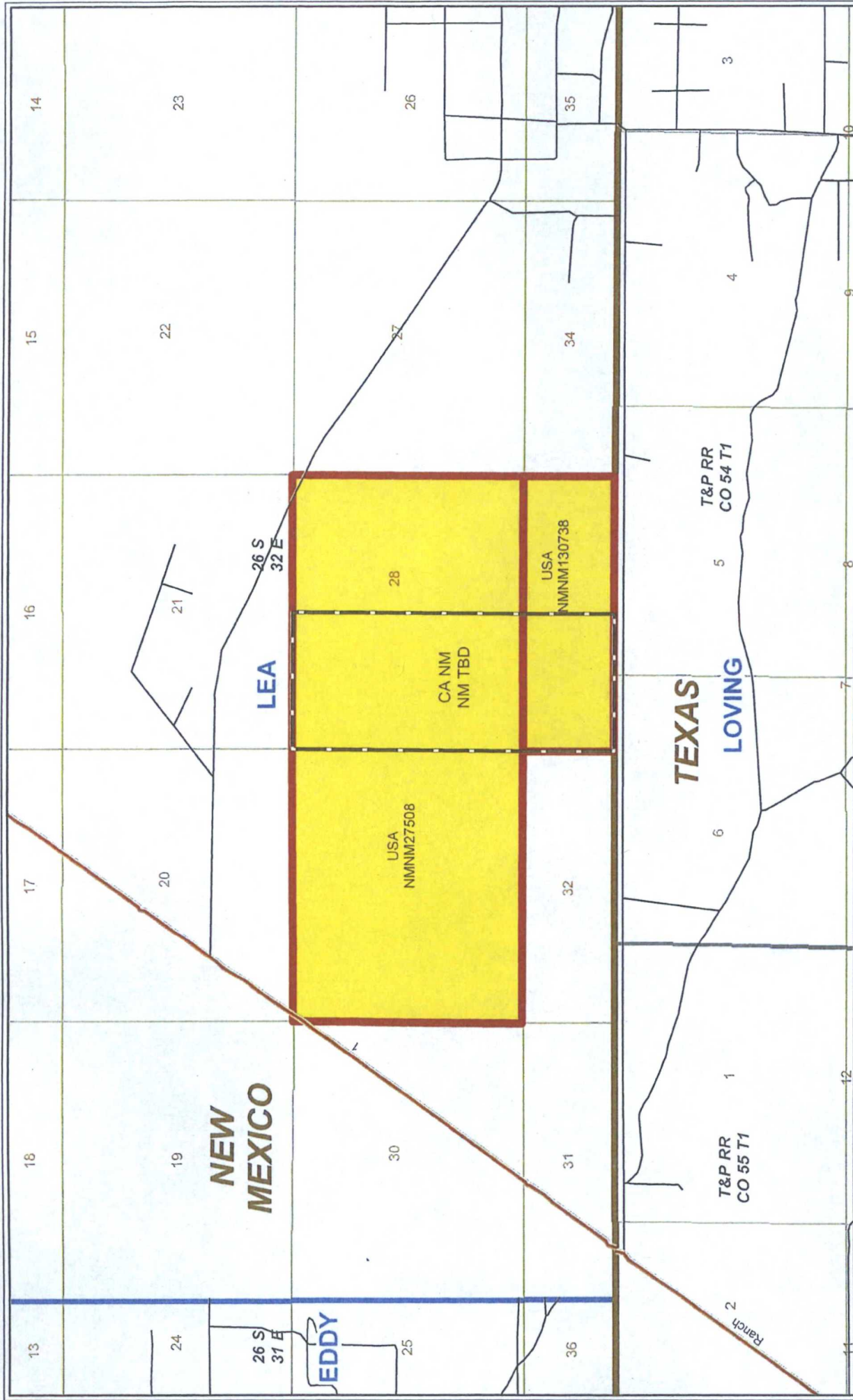
Block Flow Diagram
 WILDER CENTRAL FACILITY



ConocoPhillips

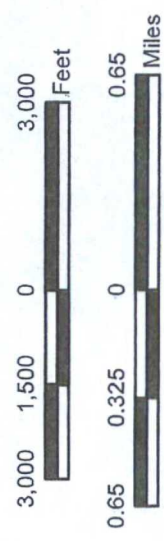
CA NM NM TBD
Lea County, New Mexico

Author	C. Travis	Date	2/12/2015
Compiled by	NLC/RE	Scale	1" = 1,653'
Project File			



ConocoPhillips
 CA NM NM TBD
 Lea County, New Mexico

Author	C. Timmins	Date	9/25/2014
Compiled by	hudson	Scale	1" = 3,000'
Project No.			



019 NMLC 0068281A	NMLC 0068281B 020	NMNM 107393 021	NMNM 0275 022
030 NMLC 0068281B	NMNM 027508 029	028	027 NMNM 0275
031 NMNM 120910	032	NMNM 130738 033	034



019 NMLC 0068281A	NMLC 0068281B	020	NMNM 131001 NMNM 107393	NMNM 128298 021	NMNM 132956	NMNM 126877	NMNM 0275 022 NMNM 126105
030 NMLC 0068281B	NMNM 027508	029	NMNM 134716	028			027 NMNM 0275
031 NMNM 120910		032	NMNM 130738	033			034

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 11:10 AM

Page 1 of 1

Run Date: 11/03/2014

01 12-22-1987;101STAT1330;30USC181 ET SE

Case Type 312021: O&G LSE COMP PD -1987

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Total Acres

258.920

Serial Number

NMNM-- - 130738

Name & Address			Serial Number: NMNM-- - 130738	Int Rel	% Interest
CONOCOPHILLIPS	PO BOX 2197	HOUSTON TX 772522197		LESSEE	100.000000000

Serial Number: NMNM-- - 130738						District/Field Office	County	Mgmt Agency
Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0320E	033	ALIQ	N2N2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0320E	033	LOTS	1,2,3,4;			

Act Date	Code	Action	Action Remark	Pending Office
10/16/2001	387	CASE ESTABLISHED		
12/01/2001	496	FUND CODE	05;145003;	
12/01/2001	530	RLTY RATE - 12 1/2%		
12/01/2001	868	EFFECTIVE DATE		
12/01/2012	553	CASE CREATED BY ASGN	OUT OF NMNM 107393;	
06/25/2013	235	EXTENDED	THRU 12/01/14;	
06/25/2013	974	AUTOMATED RECORD VERIF	JA;	
12/01/2014	763	EXPIRES		

Line Nr	Remarks	Serial Number: NMNM-- - 130738

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 02:30 PM

Page 1 of 2

Run Date: 09/23/2014

01 02-25-1920;041STAT0437;30USC226

Total Acres

Serial Number

Case Type 311111: O&G LSE NONCOMP PUB LAND

1,440.000

NMNM-- - 027508

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 027508

Name & Address			Int Rel	% Interest
ACME LAND CO	PO BOX 10280	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000
CHILDRESS ROYALTY CO	PO BOX 66	JOPLIN MO 64802	OPERATING RIGHTS	0.000000000
CONOCOPHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 740057500	LESSEE	100.000000000
HIGHLAND PROD CO	PO BOX 6326	ODESSA TX 79762	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 027508

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0260S	0320E	026	ALIQU	NWNE,N2NW,SWNW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0320E	028	ALL	ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0320E	029	ALL	ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 027508

Act Date	Code	Action	Action Remark	Pending Office
06/30/1951	387	CASE ESTABLISHED		
07/01/1951	496	FUND CODE	05;145003	
07/01/1951	530	RLTY RATE - 12 1/2%		
07/01/1951	868	EFFECTIVE DATE		
11/01/1973	209	CASE CREATED BY SEGR	OUT OF NMLC069515;	
11/01/1973	648	EXT BY PROD ON ASSOC LSE	NMLC069515;	
10/24/1979	940	NAME CHANGE RECOGNIZED	CONTL OIL/CONOCO INC	
06/06/1984	111	RENTAL RECEIVED	\$0;84-85	
06/10/1985	111	RENTAL RECEIVED	\$0;85-86	
06/06/1986	111	RENTAL RECEIVED	\$0;86-87	
05/02/1987	974	AUTOMATED RECORD VERIF	JAM	
06/05/1987	963	CASE MICROFILMED	CNUM 100,539 DS	
06/09/1987	111	RENTAL RECEIVED	\$1440.00;1YR/87-88	
06/05/1988	111	RENTAL RECEIVED	\$1440.00;1YR/89-90	
06/06/1988	111	RENTAL RECEIVED	\$1440.00;1YR/88-89	
06/04/1990	111	RENTAL RECEIVED	\$1440.00;21/1103249	
06/06/1991	111	RENTAL RECEIVED	\$1440.00;21/1108912	
06/05/1992	974	AUTOMATED RECORD VERIF	AR/KRP	
07/09/1992	575	APD FILED	TOPAT OIL CORP CE	
07/29/1992	576	APD APPROVED	CONOCO FED NO 1-89	
06/17/1993	111	RENTAL RECEIVED	\$1440.00;21/1126215	
09/21/1993	932	TRF OPER RGTS FILED	CONOCO/HIGHLAND PROD	
11/17/1993	933	TRF OPER RGTS APPROVED	EFF 10/01/93;	
11/17/1993	974	AUTOMATED RECORD VERIF	JLV/KRP	
06/16/1994	111	RENTAL RECEIVED	\$1440.00;21/1132000	
08/15/1994	932	TRF OPER RGTS FILED	(1) CONOCO/CHILDRESS	
08/15/1994	932	TRF OPER RGTS FILED	(2) CONOCO/CHILDRESS	
08/15/1994	932	TRF OPER RGTS FILED	(3) CONOCO/CHILDRESS	
01/10/1995	933	TRF OPER RGTS APPROVED	(1) EFF 09/01/94;	
01/10/1995	933	TRF OPER RGTS APPROVED	(2) EFF 09/01/94;	
01/10/1995	933	TRF OPER RGTS APPROVED	(3) EFF 09/01/94;	
01/10/1995	974	AUTOMATED RECORD VERIF	MV/MV	
06/19/1995	084	RENTAL RECEIVED BY ONRR	\$1440.00;21/000001137	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 05/17/16 07:32 AM

Page 1 of 1

01 02-25-1920;041STAT0437;30USC181

Total Acres

Serial Number

Case Type 318310: O&G COMMUNITIZATION AGRMT

449.380

NMNM-- - 134716

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Case File Juris: CARLSBAD FIELD OFFICE

Serial Number: NMNM-- - 134716

Name & Address			Int Rel	%Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220	OFFICE OF RECORD	0.000000000
CONOCO INC	600 N DAIRY ASHFORD	HOUSTON TX 77079	OPERATOR	100.000000000

Serial Number: NMNM-- - 134716

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0260S	0320E	028	ALIQ	W2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0320E	033	ALIQ	N2NW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0320E	033	LOTS	3,4;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 134716

Act Date	Code	Action	Action Remarks	Pending Office
01/01/2014	387	CASE ESTABLISHED		
01/01/2014	516	FORMATION	BONE SPRING	
01/01/2014	525	ACRES-NONFEDERAL	0	
01/01/2014	526	ACRES-FED INT 100%	449.38 100%	
01/01/2014	868	EFFECTIVE DATE	/1/ 3002540501	
12/22/2014	654	AGRMT PRODUCING	/1/	
12/22/2014	658	MEMO OF 1ST PROD-ACTUAL	/1/ MEMO 6/26/2015	
06/26/2015	643	PRODUCTION DETERMINATION	/1/	

Line Nr Remarks

Serial Number: NMNM-- - 134716

0001	RECAPITULATION EFFECTIVE 1/1/14			
0002	TR#	LEASE#	AC COMM	%INT
0003	1	NM27508	320.00	71.209
0004	2	NM130738	129.38	28.791
0005	TOTAL		449.38	100.00

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM



Ashley Bergen
Regulatory Specialist
Phone: (432) 688-6938

ConocoPhillips Company
P.O. Box 51810
Midland, TX 79710-1810

October 15, 2014

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Interest Owners

Re: Request for Surface Commingle
Sec. 28, 29 & 33 T26S-R32E
Lea County, New Mexico

Gentlemen:

This is to advise you that ConocoPhillips Company is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval for a Central Tank Battery & Off-Lease Oil & Gas Measurement, Sales, & Storage for the following wells:

Well Name	Location	API#
Wilder Federal 28 1H	SEC 28, NENE T26S R32E	30-025-40261
Wilder Federal 28 2H	SEC 28, NWNW T26S R32E	30-025-40329
Wilder Federal 29 5H	SEC 29, T26S 32E NENE	30-025-41509
Wilder 28 AC Federal COM 4H	SEC 28, NWNW T26S R32E	30-025-40502
Wilder 28 AC Federal COM 8H	SEC 28, NWNW T26S R32E	30-025-41692
Wilder Federal 29 1H	SEC 29, NENE T26S R32E	30-025-40790
Wilder Federal AC 29 2H	SEC 29, NWNW T26S R32E	30-025-41511
Wilder 28 AC Federal COM 3H	SEC 28, NENW T26S 32E	30-025-40501

A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

Please contact the undersigned at (432) 688-6938 should you have any questions or need anything further.

Sincerely,


Ashley Bergen
Regulatory Specialist



Cody S. Travers, RPL
MCBU – West Permian

600 N. Dairy Ashford
BKC-04-4011B
Houston, TX 77079

Phone: 281-206-5072
Cody.S.Travers@ConocoPhillips.com

September 25, 2014

Bureau of Land Management
Attn: Duncan Whitlock
620 E. Greene Street
Carlsbad, NM 88220

RE: Surface Commingle
Township 26 South, Range 32 East
Sections 28, 29 & 33
Lea County, NM

Dear Mr. Whitlock,

Please find enclosed a map portraying the boundaries of the leases and agreements associated with the subject lands and a summary of the interest owners. ConocoPhillips Company has verified the interest owners by procuring title opinions covering the subject lands.

Should you have any questions, please do not hesitate to contact the undersigned at (281) 206-5072.

Sincerely,

A handwritten signature in black ink, appearing to read 'Cody S. Travers', followed by a long horizontal line.

Cody S. Travers, RPL
Senior Landman

Enclosures

Surface Commingle Application
Wilder CTB

Please see the information below regarding the interest owners and wells covering Sections 28, 29 and 33 of T26S-R32E, Lea County, NM.

The following wells are currently producing and all have the same interest owners: Wilder Federal 28 1H, Wilder Federal 28 2H, Wilder Federal 29 1H, Wilder Federal AC 29 2H and Wilder Federal AC 29 5H (see ownership breakdown below).

<u>Interest Owners</u>	<u>WI</u>	<u>NRI</u>
ConocoPhillips Company	100%	84.5%
Office of Natural Resource Revenue	0%	12.5%
Good Earth Minerals LLC	0%	1.75%
Matlock Minerals LTD	0%	1.25%
Total	100%	100%

The following wells are currently in the process of completion and all have the same interest owners: Wilder 28 AC Federal COM 3H, Wilder 28 AC Federal COM 4H and Wilder 28 AC Federal COM 8H (see ownership breakdown below).

<u>Interest Owners</u>	<u>WI</u>	<u>NRI</u>
ConocoPhillips Company	100%	81.765%
Office of Natural Resource Revenue	0%	12.5%
Good Earth Minerals LLC	0%	1.246%
Matlock Minerals LTD	0%	.890%
The Blanco Company	0%	1.512%
RSC Resources, L.P.	0%	1.080%
Peregrine Production, LLC	0%	.720%
Runaway Enterprises, LLC	0%	.288%
Total	100%	100%

Wells and Leases: Wilder Federal 28 1H (NMNM27508), Wilder Federal 28 2H (NMNM27508), Wilder 29 Federal AC 5H (NMNM27508), Wilder Federal AC 28 4H (NMNM27508), Wilder Federal AC COM 28 8H (NMNM103738), Wilder Federal 29 1H (NMNM27508), Wilder Federal AC 29 2H (NMNM27508), Wilder Federal AC 28 3H (NMNM27508)

Respondent Name/Address:

Certified Mailing Number

Office of Natural Resource Revenue
Room A 614
Building 85, Denver Federal Center (6th Kipling)
Denver, CO 80225

7013 3020 0001 2047 4970

Good Earth Minerals LLC
849 Broken Arrow
Roswell, NM 88201

7013 3020 0001 2047 4918

Matlock Minerals LTD
849 Broken Arrow
Roswell, NM 88201

7013 3020 0001 2047 4925

The Blanco Company
110 2nd Street NW
Albuquerque, NM 87102

7013 3020 0001 2047 4932

RSC Resources, L.P.
6824 Island Circle
Midland, Texas 79707

7013 3020 0001 2047 4949

Peregrine Production, LLC
3201 N Pecos Street
Midland, Texas 79710

7013 3020 0001 2047 4956

Runaway Enterprises, LLC
20255 Willow Glade Cir.
Pilot Point, Texas 76258

7013 3020 0001 2047 4963

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
---------	----------	----------	-----------	------	---------

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 ☐ 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.

Ashley Bergen

Print or Type Name

Ashley Bergen
 Signature

Regulatory Specialist

Title

10/15/2014

Date

Ashley.bergen@conocophillips.com
 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: ConocoPhillips Company
OPERATOR ADDRESS: P.O. Box 51810 Midland, TX 79710
APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☐ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☐ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☐ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☒ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☒ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Ashley Bergen TITLE: Regulatory Specialist DATE: 10/15/2014

TYPE OR PRINT NAME Ashley Bergen TELEPHONE NO.: (432)688-6938

E-MAIL ADDRESS: ashley.bergen@cop.com

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Wilder 28 Federal 1H-3002540261, Wilder 28 Federal 2H-3002540329, Wilder 29 Federal 1H-3002540790,
Wilder Federal AC 29 2H-3002541511, Wilder 29 Federal AC 5H-3002541509, Wilder Federal 28 3H-3002540501,
Wilder Federal AC 28 4H-3002540502, Wilder Federal AC Com 28 8H-3002541692
Leases: NM27508, NM130738, CA: NM134716**

**ConocoPhillips Company
May 17, 2016**

Condition of Approval

**Commingling of lease and CA production, variance to use Coriolis meter for oil measurement,
and off CA storage, measurement and sales**

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
11. Variance to Onshore Order #4 oil measurement to use Coriolis meters is approved with this approval.