

DATE IN <u>1/24/03</u>	SUSPENS <u>2/13/03</u>	ENGINEER <u>MC</u>	LOGGED BY <u>KW</u>	TYPE <u>NSL</u>
ABOVE THIS LINE FOR DIVISION USE ONLY				

PKRVO3028274/2

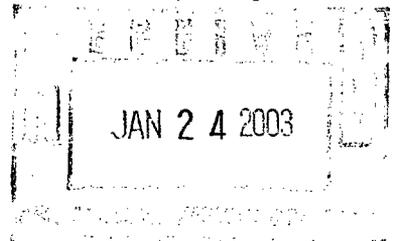
NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [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 - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] and [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

[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] **INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

<u>Kay Maddox</u> <small>Print or Type Name</small>	 <small>Signature</small>	<u>Regulatory Agent</u> <small>Title</small>	<u>1/21/03</u> <small>Date</small>
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*C/O Conoco, Inc.
10 Desta Drive
Suite 100W
Midland TX
79705-4500*

Mr. Michael Stogner
New Mexico Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87504

Application for Nonstandard location for Blinebry Oil & Gas Pool (72480)

Lockhart A-27 # 15
Section 27, T-21-S, R-37-E, Unit Letter F
1980 FNL & 2310 FWL
API # 30-025-34171
Lea County, NM

Dear Mr. Stogner,

Conoco drilled the Lockhart A 27 #15 well in March 1998 and completed it as an oil well producing from the Drinkard. ConocoPhillips proposes to recomplete the Lockhart A 27 #15 to the Blinebry Oil and Gas pool. Based on offset production, the well will be a gas well necessitating the dedication of a standard 160 acre gas proration unit. The well is only 330 feet from the East boundary of the GPU instead of the required 660 feet; therefore a nonstandard location order is required.

Recompleting the Lockhart A 27 #15 will provide access to untapped reserves located in the S/2 of the Northwest standard 160 GPU of the 320 acre ConocoPhillips Lockhart lease. The Blinebry horizon has been a very prolific producing formation on the ConocoPhillips Lockhart lease; cumulative Blinebry production is 200 MBO and 17.4 BCFG from 6 wells. (Exhibit 1) Currently there are two wells still producing in the Northeast 160 GPU, the Lockhart A 27 # 5 and # 16. Exhibit # 2 shows the Lockhart A 27 #15 to be on the same Blinebry structural high as the two producers. There are no current Blinebry producing wells in the northwest 160 acre standard GPU where the #15 is located.

Within the proposed Northwest Lockhart A 27 standard 160 acre gas prorationing unit there are 9 wells excluding the #15. The following is the current status of all nine wells.

as of 12/93

Lockhart A 27 # 1-C 30-025-06800
Lockhart A 27 # 2 30-025-06801
Lockhart A 27 # 3-E 30-025-96807
Lockhart A 27 # 4 30-025-06798
Lockhart A 27 # 7 30-025-06806
Lockhart A 27 # 8-D 30-025-06805

Temporarily abandoned - CIBP Set above Blinebry @ 5610' (See attached sdry) Well scheduled to be plugged in 2003
Paddock (49210) 40 acres
Wantz Abo (62700) 160 acres -
Plugged 5/8/89
Paddock (49210) 40 acres
Paddock (49210) 40 acres

*← Blinebry
551468 MCF
28353 BO*

*474 25 MCF
361 BO
3805998 MCF
38895 BO*

Lockhart A 27 # 9	30-025-06802	Drinkard (19190) 40 acres
Lockhart A 27 # 12	30-025-06796	Hare Simpson (set CIBP over Tubb)
Lockhart A 27 # 13	30-025- 06799	Paddock (49210) 40 acres

The Lockhart A 27 #15 well location is encroaching towards the east, which is the northeast half of the 320 acre ConocoPhillips Section 27 Lockhart lease. The offset operators to the south in Section 27 are Marathon and Exxon. A copy of this application has been sent to them. Please see attached evidence.

ConocoPhillips respectfully requests an administrative nonstandard location order for the Lockhart A 27 #15. If you need any additional data please call me at (915) 686-5798.

Sincerely,

Kay Maddox
Kay Maddox
Regulatory Agent – ConocoPhillips

Cc: NMOCD – Hobbs

Lisa (915) 368-1373
Holland
~~686~~
687-2091 hm.

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd. Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102

Revised February 21, 1994
instructions on back

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34171		2 Pool Code 72480		3 Pool Name Blinebry Oil & Gas (pro Gas)	
4 Property Code 003039		5 Property Name Lockhart A 27			6 Well Number # 15
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 3410'

10 Surface Location

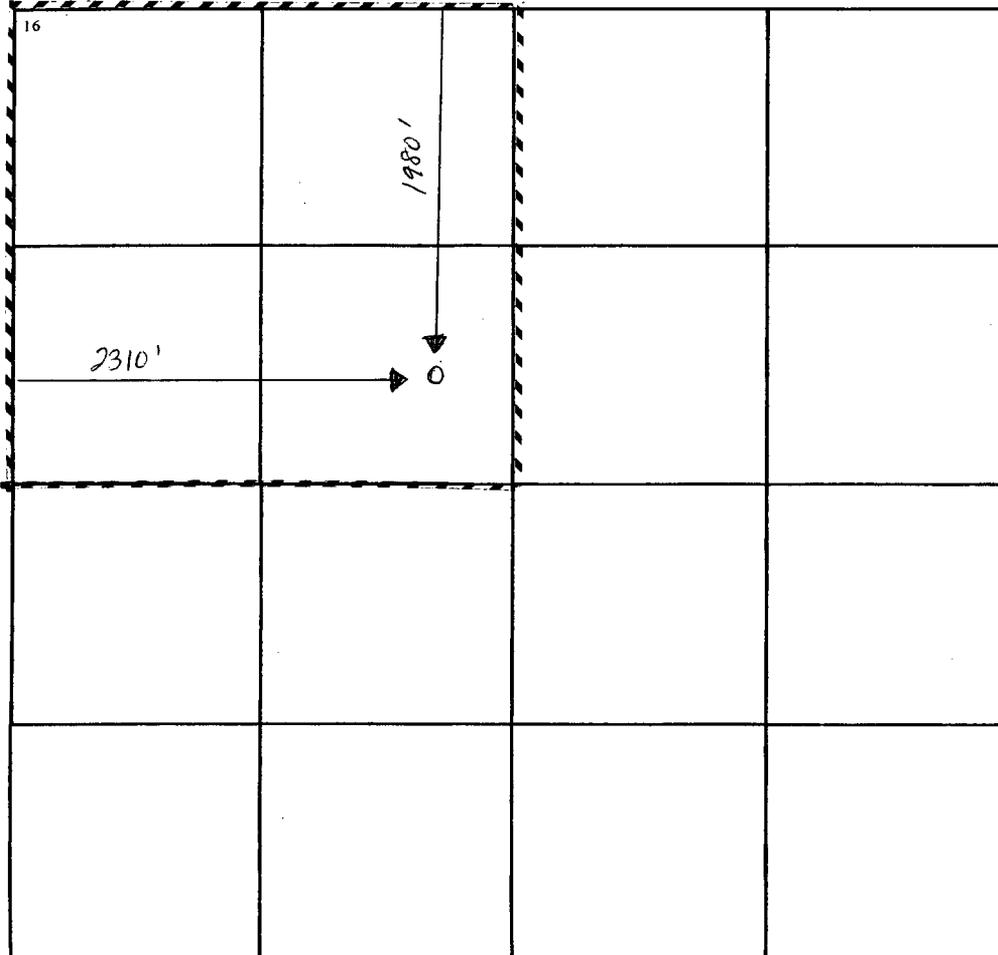
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	27	21S	37E		1980	North	2310	West	Lea

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

12 Dedicated Acres 160	13 Joint or Infill	14 Consolidation Code	15 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



17 OPERATOR CERTIFICATION

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

Kay Maddox
Signature
Kay Maddox

Printed Name
Regulatory Agent

Title
January 16, 2003

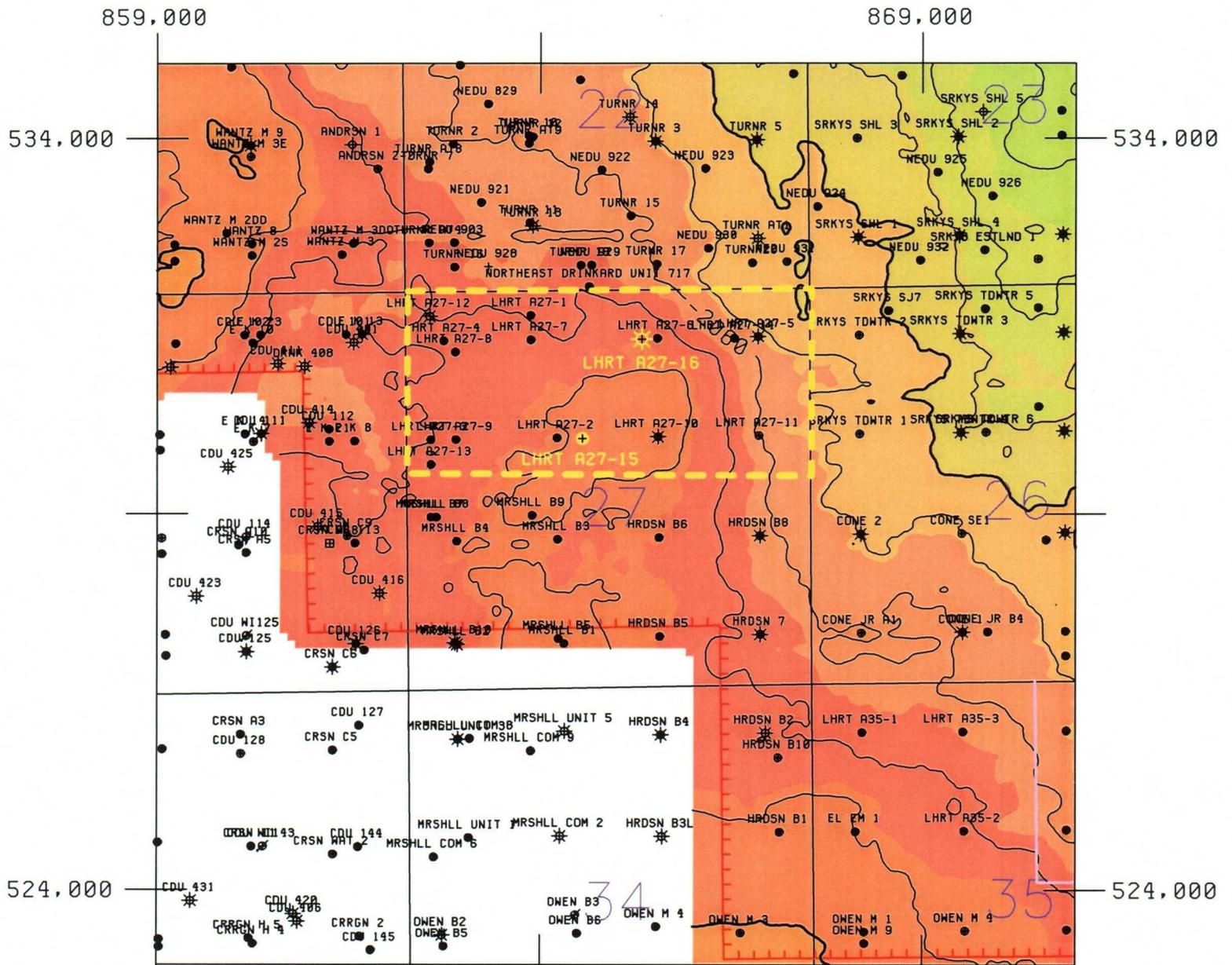
Date

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.

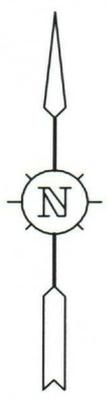
Date of Survey
Signature and Seal of Professional Surveyor:

Certificate Number



1:24000

FEET 0 2000 FEET



ConocoPhillips

LOCKHART A-27 LEASE
LEA COUNTY, NEW MEXICO
BLINEBRY STRUCTURE MAP
CONTOUR INTERVAL: 25'

SCALE 1:24000	DRAWN RICHARD B. FURNER	DATE 13-JAN-2003
DRAWING NO.		

Exhibit 2

PowerTools Map

Summary Lease Report

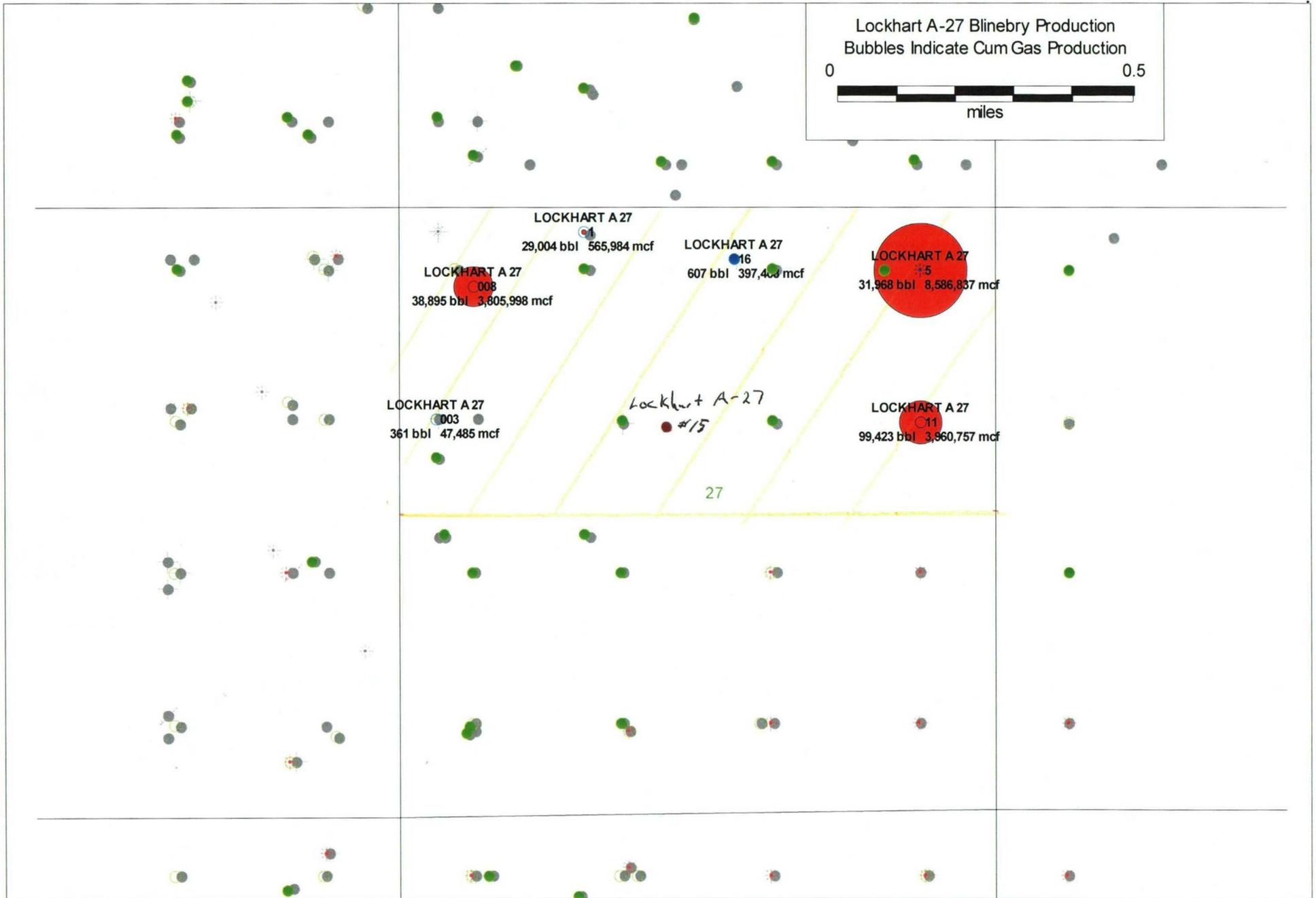


Exhibit 1

OPERATOR'S COPY

Form 3 160-5
(June 1990)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
LC 032096A

6. If Indian, Allottee or Tribe Name

7. If Unit or C.A. Agreement Designation

8. Well Name and No.
Lockhart A 27, Well #1

9. API Well No.
30-025-06800

10. Field and Pool, or Exploratory Area
Blinebry Oil and Gas

11. County or Parish, State
Lea, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
CONOCO INC.

3. Address and Telephone No.
10 DESTA DR. STE. 100W, MIDLAND, TX. 79705-4500 (915) 686-5424

4. Location of Well (Footage, Sec., T. R. M. or Survey Description)
330' FNL & 1650' FWL, Sec. 27, T 21S, R 37E, Unit Ltr 'C'

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other Temporary Abandon
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracuring
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion well completion or recompletion report and log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

MIRU, POOH W/ rods and tubing. GIH W/ 5 1/2" csg scraper to 5660', POOH. GIH W/ CIBP set @ 5610' with 35' of cement on top to 5575'. Circulate packer fluid, run casing test, held. This well is considered to be Temporary Abandoned.

Conoco requests permission to temporary abandon this well, while it is being evaluated for potential remedial work in the Blinebry or recompletion to the Tubb during the next 12 to 18 months.

**APPROVED FOR 12 MONTH PERIOD
ENDING 12/3/98**

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

Signed *Bill R. Keathly* Title Sr. Regulatory Specialist Date 11-24-97

(This space for Federal or State office use)

Approved by (ORIG. SGD.) ALEXIS C. SWOBODA Title PETROLEUM ENGINEER Date DEC 03 1997

Conditions of approval if any:

BLM(6), NMOCD(1), SHEAR, PONCA, COST ASST, FILE ROOM

Title 18 U.S.C. Section 1001, makes 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.

January 22, 2003

Notice to Offset Operators:

Marathon Oil Co
5555 San Felipe
Houston, TX 77253

Exxon Exploration
233 Ben Mar
Houston, TX 77060

Please reference the attached nonstandard location application.

7000 0520 0020 7967 6474

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

Recipient's Name (Please Print Clearly) (To be completed by mailer)
Exxon Exploration
Street, Apt. No., or PO Box No.
233 Ben Mar
City, State, ZIP+4
Houston, TX 77060

PS Form 3800, February 2000 See Reverse for Instructions

7000 0520 0020 7967 6467

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here

Recipient's Name (Please Print Clearly) (To be completed by mailer)
Marathon Oil Co.
Street, Apt. No., or PO Box No.
5555 San Felipe
City, State, ZIP+4
Houston, TX 77253

PS Form 3800, February 2000 See Reverse for Instructions

Form 3160-4
(November 1983)
(formerly 9-330)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER
 1b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. OTHER

2. NAME OF OPERATOR: CONOCO, INC.
 3. ADDRESS OF OPERATOR: 10 Desta Dr., Suite 100W, Midland, Texas 79705-4500 (915) 684-6381 (915) 686-5424

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
 At surface: 1980' FNL & 2310' FWL, Unit Ltr. F
 At top prod. interval reported below: _____
 At total depth: _____

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec 27, T21S, R37E
 12. COUNTY OR PARISH: Lea
 13. STATE: NM
 14. PERMIT NO.: _____ DATE ISSUED: 10-20-97
 15. Date Spudded: 2-15-98
 16. Date T.D. Reached: 3-5-98
 17. DATE COMPL (Ready to prod.): 5-7-98
 18. ELEVATIONS (DF, RKB, RT, GR, ETC.): 3410' GR
 19. ELEV. CASINGHEAD: _____

20. TOTAL DEPTH, MD & TVD: 6700'
 21. PLUG, BACK T.D., MD & TVD: 6650'
 22. IF MULTIPLE COMPL., HOW MANY*: _____
 23. INTERVALS DRILLED BY: _____
 ROTARY TOOLS: X
 CABLE TOOLS: _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD & TVD)*
 Drinkard @ 6451'-6593' & 6350-6395'
 25. WAS DIRECTIONAL SURVEY MADE: NO

26. TYPE ELECTRIC AND OTHER LOGS RUN: GR/CCL
 27. WAS WELL CORED: no

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	Amount Pulled
8 5/8"	23#	1202'	12 1/4"	545 sx	NONE
5 1/2"	15.5 #	6700'	7 7/8"	1315 sx	NONE
					NONE

29. LINER RECORD

Size	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	GREEN (MD)	30. SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 3/8"	6615'	

31. PERFORATION RECORD (Interval, size and number)
 Drinkard from 6451'-6593' w/4 SPF
 Drinkard from 6350-6395' w/1 SPF

32. ACID, SHOT, FRAC., CEMENT SQUEEZE, Etc.
 DEPTH INTERVAL (MD) AMT. AND KIND OF MATERIAL USED
 6451-6593' 5800 gals SAME w/ball sealers
 6350-6395' 2000 gals aqua frac-3500 & 8000 gals Spec-G-3500 & 16,600# 16/20

33. DATE FIRST PRODUCTION: 3-25-98
 PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump): pumping
 WELL STATUS (Producing or PRODUCING): PRODUCING

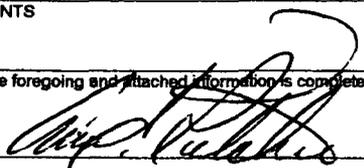
DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'N. FOR TEST PERIOD	OIL - BBL.	GAS - MCF.	WATER - BBL.	GAS-OIL RATIO
5-10-98	24		6		45	18	133

FLOW. TUBING PRESS. _____ CASING PRESSURE _____ CALCULATED 24-HOUR RATE _____
 OIL - BBL. _____ GAS - MCF. _____ WATER - BBL. _____ OIL GRAVITY-API (CORR.) _____

34. DISPOSITION OF GAS: Sales (Sold, used for fuel, vented, etc.)
 TEST WITNESSED BY: _____

35. LIST OF ATTACHMENTS: inclination & logs

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
 915 684-6381

SIGNED:  TITLE Ann E. Ritchie, Regulatory Agent DATE 7-17-98

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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.

DISTR: BLM(6) NMOC(D)(1)

not original - not removed

1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C
Revised February 21,
Instructions on
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District II
Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number		'Pool Code 19190		'Pool Name DRINKARD	
'Property Code 003039		'Property Name LOCKHART A-27			'Well Number 15
'GRID No. 005073		'Operator Name CONOCO INC.			'Elevation 3410'

¹⁰ Surface Location

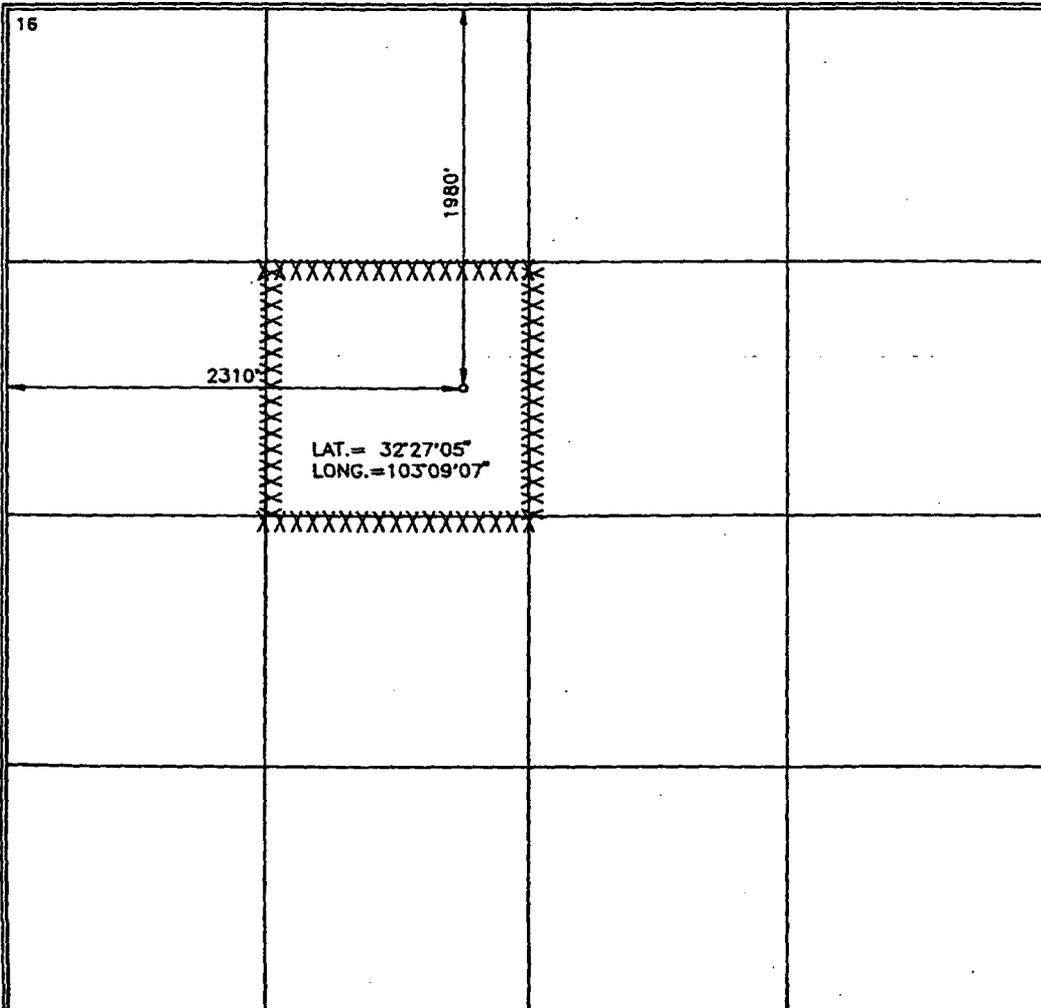
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	27	21-S	37-E		1980	NORTH	2310	WEST	LEA

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

'Dedicated Acres 40	'Joint or Infill	'Consolidation Code	'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



¹⁷ OPERATOR CERTIFICATION

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

Mike L. Mankin
Signature

Mike L. Mankin
Printed Name

Right of Way Agent
Title

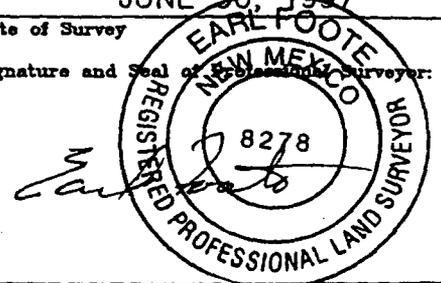
7-22-97
Date

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 best of my belief.

JUNE 30, 1997
Date of Survey

Signature and Seal of Registered Professional Land Surveyor



Certificate Number