

PNRM 0720028576

C-103 Received 5-18-2007
DHC No. Assigned 7-17-2007

Order Number HOB-0207		API Number 30-025-38531		Operator ConocoPhillips Company		County Lea	
Order Date		Well Name Jack B-26		Number 007		Location	
						F UL	26 Sec
						24 S T (+Dir)	37 E R (+Dir)
Pool 1	34200	Justis Blinebry	Oil % 70%	Gas % 81%			
Pool 2	35280	Justis Tubb Drinkard	30%	19%			
Pool 3							
Pool 4							
Comments: Work completed effective _____ Work cancelled effective _____							

Posted to
RBDMS
7-17-2007

B

Range
Operating
N/M
J/E
8-17-8-9-4-14

30-025-38531
HOB-0207

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: ConocoPhillips Company

PROPERTY NAME: Jack B-26

WNULSTR: 7-F, 26-24-37

	SECTION I:	ALLOWABLE AMOUNT	
34200	POOL NO. 1 <u>Justis Blinebry</u>	<u>107</u>	<u>642</u> MCF 6000
35280	POOL NO. 2 <u>Justis Tubb Drinkard</u>	<u>107</u>	<u>642</u> MCF 6000
	POOL NO. 3 _____	_____	_____ MCF
	POOL NO. 4 _____	_____	_____ MCF
		POOL TOTALS <u>214</u>	<u>1284</u>

SECTION II:	OIL	GAS
POOL NO. 1 <u>Justis Blinebry</u>	70% X 214 = 149.8	81%
POOL NO. 2 <u>Justis Tubb Drinkard</u>	30%	19%
POOL NO. 3 _____		
POOL NO. 4 _____		

<u>OIL</u>	<u>GAS</u>
SECTION III: <u>107 ÷ 70% = 152.857 (153)</u>	_____

SECTION IV: <u>153 X 70% = 107.10 (107)</u>	_____
<u>153 X 30% = 45.9 (46)</u>	_____
_____	_____
_____	_____

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well [X] Oil Well [] Gas Well [] Other

2. Name of Operator ConocoPhillips Company

3a. Address P. O. Box 51810 Midland TX 79710 3b. Phone No. (include area code) (432)688-6942

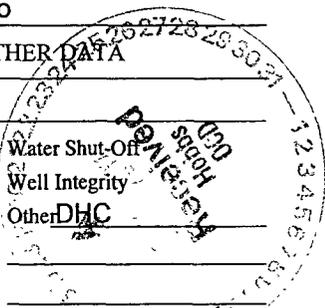
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2310' FNL & 1580' FWL UL "F" Sec 26, T24S, R37E SENW

SUBJECT TO LIKE APPROVAL BY STATE

5. Lease Serial No. NM-0321613
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. Jack B-26 #7
9. API Well No. 30-025-38531
10. Field and Pool, or Exploratory Area Justis; Tubb-Drinkard/Justis; Blinebry
11. County or Parish, State Lea New Mexico

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

Table with columns TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production, Water Shut-Off, etc.



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 recomplete 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 recompletion 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.)

ConocoPhillips Company respectfully requests approval to downhole commingle production in the Justis; Tubb-Drinkard and Justis; Blinebry pools. Both pools are pre-approved for downhole commingling in New Mexico's statewide rules. The Tubb-Drinkard zone is perfed at 5940'-6116' and the Blinebry zone is perfed at 5163'-5627'. Commingling will not reduce the value of the total remaining production. ConocoPhillips tested the Tubb-Drinkard zone on 1/25/07 with 17 BO, 75 MCF, and 19 BW. A test of the Tubb-Drinkard and Blinebry zones was obtained on 4/13/07 with 80 BO, 177 MCF, and 87 BW. The subtraction method will be used to allocate production between the Tubb-Drinkard and Blinebry zones based on the well tests.

ATTACHED IS THE JACK B-26 #7 PRODUCTION ALLOCATION REPORT WITH WELL TESTS TO SUPPORT THE DHC ALLOCATION.

Form 3160-5 is being submitted to the New Mexico Oil Conservation Division for state approval.

SUBJECT TO LIKE APPROVAL BY STATE DHC Order No. HOB-0207

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Judy Bagwell

Title Agent

Signature

Judy Bagwell

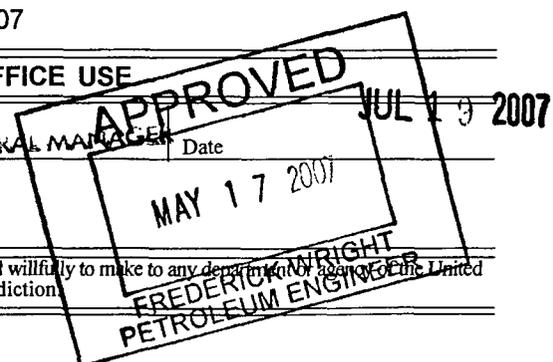
Date 05/10/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Chris Williams District Supervisor, General Manager Date

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



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.

(Instructions on page 2)

Jack B-26 #7-Production Allocation Report

Opetator: ConocoPhillips
API #: 3002538531
Surface Location: SEC 26, R37E,T24S
Formations completed: Blinebry and Tubb
Allocation is based on production tests

PRODUCTION TEST---Tubb stabilized test from 2/21/07 to 2/26/07

Date	Oil Prod	Water Prod	Gas Prod
	BBI/D	BBL/D	MCF/D
2/21/2007	21	15	71
2/22/2007	21	10	50
2/23/2007	19	23	43
2/24/2007	15	15	60
2/25/2007	20	7	50
2/26/2007	17	7	55
Average	18.83	12.83	54.83

PRODUCTION TEST---Blinebry and Tubb (commingled) stabilized test from 4/18/07 to 4/23/07

Date	Oil Prod	Water Prod	Gas Prod
	BBI/D	BBL/D	MCF/D
4/18/2007	58	93	296
4/19/2007	70	51	317
4/20/2007	70	68	285
4/21/2007	58	58	270
4/22/2007	58	58	270
4/23/2007	58	58	270
Average	62.00	64.33	284.67

CALCULATION--- of Blinebry allocation using subtraction method

Oil Prod	Water Prod	Gas Prod
BBI/D	BBL/D	MCF/D
43.17	51.50	229.83

CALCULATION---% allocation per formation

	Oil Prod	Water Prod	Gas Prod
Blinebry Allocation =	70%	80%	81%
Tubb Allocation=	30%	20%	19%

**Since oil is the primary product the final allocation is Blinebry = 70% of total well production
 and Tubb = 30% of total well production**

DISTRICT I
1625 N. FRANCIS DR., BOHNS, NM 86240

DISTRICT II
1301 N. GRANDED AVENUE, ARTESIA, NM 86210

DISTRICT III
1000 Rio Grande Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-38531	Pool Code 34200	Pool Name Justis; Blinebry
Property Code 31396	Property Name JACK B26	Well Number 7
OGEM No. 217817	Operator Name CONOCOPHILLIPS COMPANY	Elevation 3194'

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	26	24-S	37-E		2310	NORTH	1580	WEST	LEA

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.
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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

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Celeste Dale</i> Signature</p> <p>Celeste Dale Printed Name</p> <p>Regulatory Specialist Title</p> <p>04/24/07 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>MARCH 16, 2005</p> <p>Date Surveyed</p> <p><i>G. EIDSON</i> Signature & Seal of Professional Surveyor</p> <p>NEW MEXICO</p> <p><i>GARY H. EIDSON 3/16/05</i> Date</p> <p>05-11-0441 Certificate No.</p> <p>12841</p>

GEODETIC COORDINATES
NAD 27 NME

Y=434595.9 N
X=870206.2 E

LAT.=32°11'20.97" N
LONG.=103°08'12.03" W

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I
1625 N. FRENCH DR., BOHEAS, NM 88240

DISTRICT II
1304 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Elc Brazos Rd., Aztec, NM 87410

DISTRICT IV
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WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-38531	Pool Code 35280	Pool Name Justis; Tubb-Drinkard
Property Code 31396	Property Name JACK B26	Well Number 7
OGRID No. 217817	Operator Name CONOCOPHILLIPS COMPANY	Elevation 3194'

Surface Location

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
F	26	24-S	37-E		2310	NORTH	1580	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

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GEODETIC COORDINATES
NAD 27 NME

Y=434595.9 N
X=870206.2 E

LAT.=32°11'20.97" N
LONG.=103°08'12.03" W