

PNRM0824031128 X

PNRM0823934054

C-103 Received 7-30-2008

DHL No. Assigned 8-26-2008

Order Number

HOB-0256

API Number

30-025-07846

Operator

ConocoPhillips Company

County

Lea

Order Date

Well Name

SEMU Mckee

Number

011

Location

D

UL

29

Sec

205

T (+Dir)

38E

R (+Dir)

Oil %

46%

Gas %

46%

Pool 1

87080

Warren Tubb (Gas)

Pool 2

63080

Warren Drinkard

Pool 3

Pool 4

Comments:

Oil Well

Posted to
RBAM

8-26-2008

B

30-025-07846
HOB-0256

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: ConocoPhillips Company

PROPERTY NAME: SEMU McKee

WNULSTR: 11-D, 29-20-38

	SECTION I:	ALLOWABLE AMOUNT	
87080	POOL NO. 1 <u>Warren Tubb (Gas)</u>	<u>999</u>	<u>9999</u> MCF <u>99999</u>
63080	POOL NO. 2 <u>Warren Drinkard</u>	<u>142</u>	<u>1136</u> MCF <u>8000</u>
	POOL NO. 3 _____	_____	_____ MCF
	POOL NO. 4 _____	_____	_____ MCF
		<u>POOL TOTALS</u> <u>142</u>	<u>1136</u>

	SECTION II:	Oil	Gas
	POOL NO. 1 <u>Warren Tubb (Gas)</u>	<u>46%</u>	<u>46%</u>
	POOL NO. 2 <u>Warren Drinkard</u>	<u>54% X .142 = 76.68</u>	<u>54%</u>
	POOL NO. 3 _____		
	POOL NO. 4 _____		

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u>142 ÷ 54% = 262.963 (263)</u>	_____
SECTION IV:	<u>263 X 46% = 120.98 (121)</u>	_____
	<u>263 X 54% = 142.02 (142)</u>	_____
	_____	_____
	_____	_____

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 20 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 June 19, 2008

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-07846
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SEMUMcKee
8. Well Number #11
9. OGRID Number 217817
10. Pool name or Wildcat Warren; Tubb/Warren Drinkard
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3551' GR

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
ConocoPhillips Company

3. Address of Operator
3300 N. "A" Street, Bldg. 6
Midland, TX 79705

4. Well Location
 Unit Letter D : 660 feet from the North line and 660 feet from the West line
 Section 29 Township 20S Range 38E NMPM County Lea

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: Commingle Tubb & Drinkard Production <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Request permission to downhole commingle the following pre-approved pools pursuant to NM division rule 1103.803.
 #87080 Warren; Tubb; Perfs 6565' - 6650'
 #63080 Warren; Drinkard; Perfs 6730' - 6785'

Ownership for the Tubb & Drinkard (same for both Pools):
 ConocoPhillips Company .50 WI, .4375 NRI
 BP .25 WI, .21875 NRI
 Chevron .25 WI, .21875 NRI

The Net Pay Method will be utilized to allocate production per the following:
 Warren; Tubb 46% Oil, Gas, & Water
 Warren; Drinkard 54% Oil, Gas, & Water
 The downhole commingling of these pools will not reduce the value of the total remaining production.

Spud Date: Rig Release Date:

DHC Order No. HOB-0256

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

SIGNATURE Celeste G. Dale TITLE Regulatory Specialist DATE 08/20/2008

Type or print name Celeste G. Dale E-mail address: celeste.g.dale@conocophillips.com PHONE: (432)688-6884

For State Use Only

APPROVED BY: Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE AUG 26 2008

Conditions of Approval (if any):

RECEIVED
 AUG 21 2008
 HOBBS OCD

