

Order Number

DHC
HOB-0322

API Number

30-025-9360

Operator

ConocoPhillips Co

County

Lea / St

Order Date

6/17/09

Well Name

State F-1

Number

027

Location

F/6

UL

1

Sec

215

T (+Dir)

36e

R (-Dir)

Pool 1

29710

Hardy Blinebry

Oil %

62%

Gas %

62%

Pool 2

29760

Hardy Tubb-Drinkard

38%

38%

Pool 3

Pool 4

Comments

ABDms 6/25/09 dm

DOWNHOLE COMMINGLE CALCULATIONS:

DAC- HOB-0322
API # 30-025-39360

OPERATOR: Conoco Phillips Co

PROPERTY NAME: State F-1

WNULSTR: # 27-F, Lot 6, 1-215-360

| SECTION I: | | ALLOWABLE AMOUNT | | |
|-------------|--|------------------|----------------|-------------|
| POOL NO. 1 | <u><29710></u> <u>Hardy Blinebry</u> | <u>107</u> | <u>214</u> MCF | <u>2000</u> |
| POOL NO. 2 | <u><29760></u> <u>Hardy Tubb-Drinkard</u> | <u>142</u> | <u>852</u> MCF | <u>6000</u> |
| POOL NO. 3 | _____ | _____ | _____ MCF | |
| POOL NO. 4 | _____ | _____ | _____ MCF | |
| POOL TOTALS | | <u>249</u> | <u>1066</u> | |

| SECTION II: | | | | GAS |
|-------------|----------------------------|--------------------------|----------------------|------------|
| POOL NO. 1 | <u>Hardy Blinebry</u> | <u>Oil</u> <u>62%</u> | | <u>62%</u> |
| POOL NO. 2 | <u>Hardy Tubb-Drinkard</u> | <u>38%</u> | <u>X 249 = 94.62</u> | <u>38%</u> |
| POOL NO. 3 | _____ | | | |
| POOL NO. 4 | _____ | | | |

OIL GAS

SECTION III:
 $142 \div 38\% = 373.684$ <374>

SECTION IV:
 $374 \times 62\% = 231.88$ <241>
 $374 \times 38\% = 142.12$ <142>

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
 100 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 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.
 30-025-39360

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
 State F-1

8. Well Number 27

9. OGRID Number 217817

10. Pool name or Wildcat
 Hardy:Blinebry,Hardy:Tubb-Drinkard

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3499' 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
 P.O. Box 51810, Midland Texas 79710

4. Well Location ^E/₆
 Unit Letter : 2165 feet from the North line and 2233 feet from the West line
 Section 1 Township 21S Range 36E 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 checked="" type="checkbox"/> | | | |
| OTHER: <input 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.

ConocoPhillips Company respectfully requests approval to downhole commingle production in the Hardy:Blinebry, & Hardy: Tubb-Drinkard DHC authority (R113-63) pre-approved pool areas. The Hardy: Blinebry(29710) zone is perforated at 5707-6307, & the Hardy: Tubb-Drinkard (29760) is perforated at 6392-6650. Allocation for the above well are as follows based on well test/subtraction method:

| | | | |
|----------------------|-----|-----|-------|
| | Oil | Gas | Water |
| Hardy:Blinebry | 62% | 62% | 62% |
| Hardy: Tubb-Drinkard | 38% | 38% | 38% |

Commingling will not reduce the value of the total remaining production
 Ownership interest in both pools is the same
 A Copy was submitted to the State Land Office

DHC-HOB-0322

Spud Date: 03/22/2009 Rig Release Date: 04/06/2009

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

SIGNATURE Justin C. Firkins TITLE Regulatory Specialist DATE 06/11/2009
 Type or print name Justin C. Firkins E-mail address: justin.c.firkins@conocophillips.com PHONE: 432-688-6913

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUN 17 2009
 Conditions of Approval (if any):

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

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

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

RECEIVED

OIL CONSERVATION DIVISION

FEB 16 2009
220 South St. Frances Dr.
Santa Fe, NM 87505

HOBBSOCD

Form C-102
Revised October 12, 2005
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 - 39360 | Pool Code 29710 | Pool Name Hardy: Blinebry |
| Property Code 31471 | Property Name STATE F-1 | Well Number 27 |
| OGRID No. 217817 | Operator Name CONOCOPHILLIPS | Elevation 3499' |

Surface Location

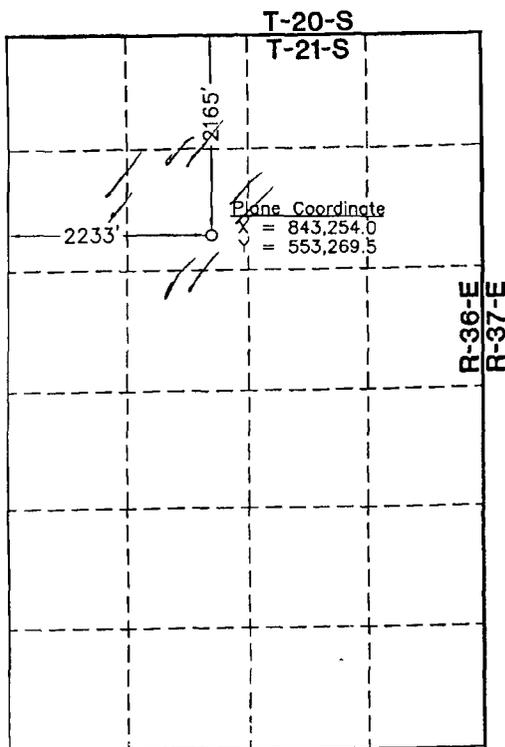
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 6 | 1 | 21 S | 36 E | | 2165 | NORTH | 2233 | 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 | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|
| 40 | | | |

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 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 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.

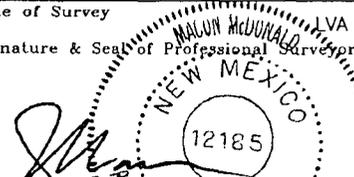
Justin C. Firkins 2/13/09
Signature Date
Justin C. Firkins
Printed Name

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.

February 6, 2009

Date of Survey
Signature & Seal of Professional Surveyor



W.O. Number 2009-0036

Certificate No. 12185

NOTE.

- Plane Coordinates shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1927 Distances shown hereon are mean horizontal surface values.

1" = 2000'

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
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Fee Lease - 3 Copies

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 86210

RECEIVED CONSERVATION DIVISION
1220 South St. Frances Dr.
Santa Fe, NM 87505

FEB 16 2009

DISTRICT III
Rio Brazos Rd., Aztec, NM 87410

HOBBSOCD

AMENDED REPORT

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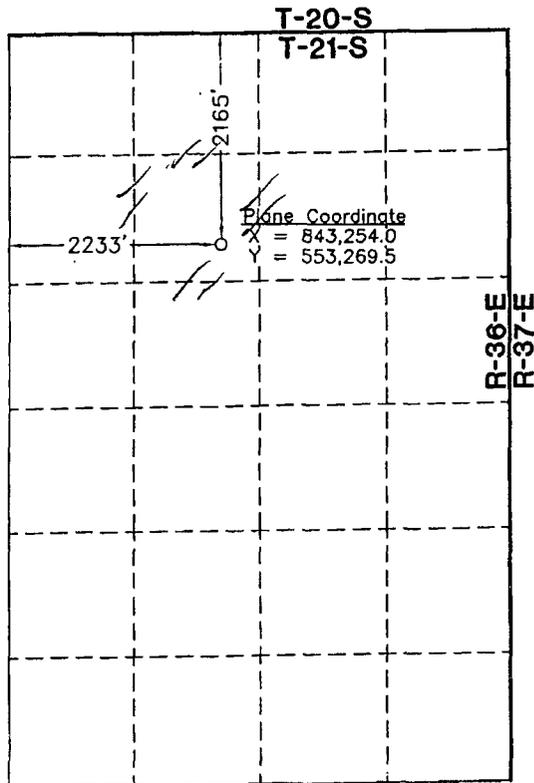
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Justin C. Firkins
Signature Date 2/13/09

Justin C. Firkins
Printed Name

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February 6, 2009

Date of Survey
Signature & Seal of Professional Surveyor

MAURON McDONALD, LVA
NEW MEXICO
12185
W.O. Num 2009-0036
Certificate No. MAURON McDONALD 12185

Plane Coordinates shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1927. Distances shown hereon are mean horizontal surface values.