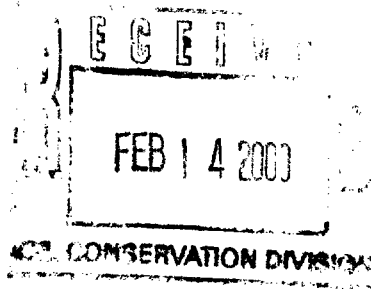


February 11, 2000

New Mexico Oil Conservation Division
State of New Mexico
2040 S. Pacheco
Santa Fe, NM 87505



RE: Conoco, Inc. , SEMU Burger, Well #24, 660 FSL & 660 FEL, Sec 24, T20S, R37E
SEMU Burger, Well #141, 1300 FNL & 1150 FWL, Sec 19, T20S,
R38E
SEMU Burger, Well #144, 1310 FNL & 1310 FEL, Sec 24, T20S, R37E
Eumont Yates Seven Rvrs Queen (Pro Gas), Lea County, NM

Dear Mark,

Please see attached the ownership listing for the above referenced wells, which includes the overriding royalty interest owners which I failed to include in the Surface Commingling request for these wells dated February 3, 2000.

metered
The overriding royalty interest owners have been notified by mail on this date, by copy of this letter, that Conoco, Inc. has made application to surface commingle the anticipated crude oil production from the recompletion of Well #24 to the Eumont gas pool and the new drilling of the SEMU Burger, Well #141, and Well #144. The wells dominant production will be gas which will be metered separately from each well. The minimal crude oil production will be ~~allocated by well test~~ and allocated to each well with sales occurring at the SEMU Permian battery. The Eumont Yates Seven Rivers Queen (Pro Gas) oil gravity is sour and has a 36.9 API gravity. The SEMU Permian battery oil is 41.6 API sour gravity. The impact of the Eumont oil production will not effect the price per barrel at this battery.

If the Oil Conservation Division or any interest owners have questions please contact me as listed below.

Thank you.

Yours truly,

Ann E. Ritchie, Regulatory Agent
Conoco, Inc.

10 Desta Dr., Suite 100W
Midland, TX 79705

(915) 684-6381, (915) 682-1458-fax; e-mail: Wtor1948@aol.com

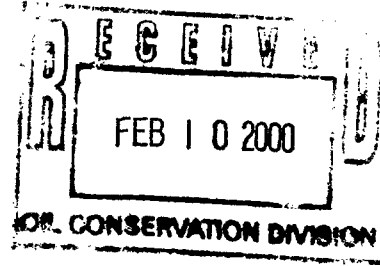
cc: Reesa Wilkes-Conoco/Midland, BLM Roswell & OCD Hobbs

AMEND PC

N/R

February 3, 2000

New Mexico Oil Conservation Division
Department of Energy & Minerals
State of New Mexico
2040 South Pacheco
Santa Fe, NM 87501



Att: Mark Ashley, Engineering Unit

RE: **Conoco, Inc.**, SEMU Burger Well # 24, 660' FSL & 660' FEL, Sec. 24, T20S, R37E;
SEMU Burger Well #141, 1300 FNL & 1150' FWL, Sec. 19, T20S, R38E
SEMU Burger Well #144, 1310 FNL & 1310' FFL, Sec. 24, T20S, R37E
Eumont, Yates, Seven Rvrs Queen (Pro Gas), Lea County, New Mexico

Dear Mark,

Concerning the above referenced wells, the SEMU Burger Well #24 is an anticipated recompletion to the Eumont pool; the SEMU Burger Wells #141 & 144 are new drills to the Eumont gas pool. Conoco, Inc. is respectfully requesting that the wells be added to Commingling Order PC-974 for Eumont gas wells going into the SEMU Permian battery located in Section 19, T20S, R38E. The wells dominant production will be gas (which will be metered separately from each well) and custody transfer will occur on location, but there is a potential for some condensate production. It is proposed to have the oil tested using the existing North test heater treater and allocate back to the SEMU Burger #24, #141 and #144 wells with the oil commingled with the Skaggs Grayburg (Permian) pool oil run tank.

The Eumont Yates Seven Rvrs Queen (Pro Gas) oil gravity is sour and has a 36.9 API (sour) gravity. The SEMU Permian battery oil is 41.6 API (sour) gravity. The impact of the Eumont Seven Rvrs oil production will not effect the price per barrel at this battery.

Ownership is as stated on the listing attached. Copies of this request have been sent to the working and royalty interest owners. Also enclosed is the battery diagram and lease plat.

Please let me know if you have any questions or need more information concerning this request.
Thank you.

Yours truly,

Ann E. Ritchie, Regulatory Agent

Conoco, Inc.

10 Desta Dr., Suite 100W

Midland, TX 79705-4500

(915) 684-6381, (915) 682-1458-fax; e-mail: Wtor1948@aol.com

cc: Reesa Wilkes-Conoco/Midland, Bureau of Land Management-Roswell; OCD-Hobbs

Conoco, Inc.

SEMU Burger, Well #24, 660' FSL & 660' FEL, Sec. 24, T20S, R37E

SEMU Burger, Well #141, 1300 FNL & 1150' FWL, Sec. 19, T20S, R38E

SEMU Burger, Well #144, 1310 FNL & 1310' FEL, Sec. 24, T20S, R37E

Eumont Yates Seven Rivers Queen (Pro Gas), Lea County, New Mexico

RE: Surface Commingling to SEMU Permian battery, Sec. 19, T20S, R38E

Ownership:

Working Interest Owners:

Conoco, Inc. 10 Desta Dr., Suite 100W, Midland, TX 79705-4500

Chevron USA, Inc., P.O. Box 1635, Houston, TX 77251

Arco Oil & Gas, Inc., P.O. Box 1610, Midland, TX 79702

Royalty Owner:

U S Government Federal Lease

Minerals Management Service

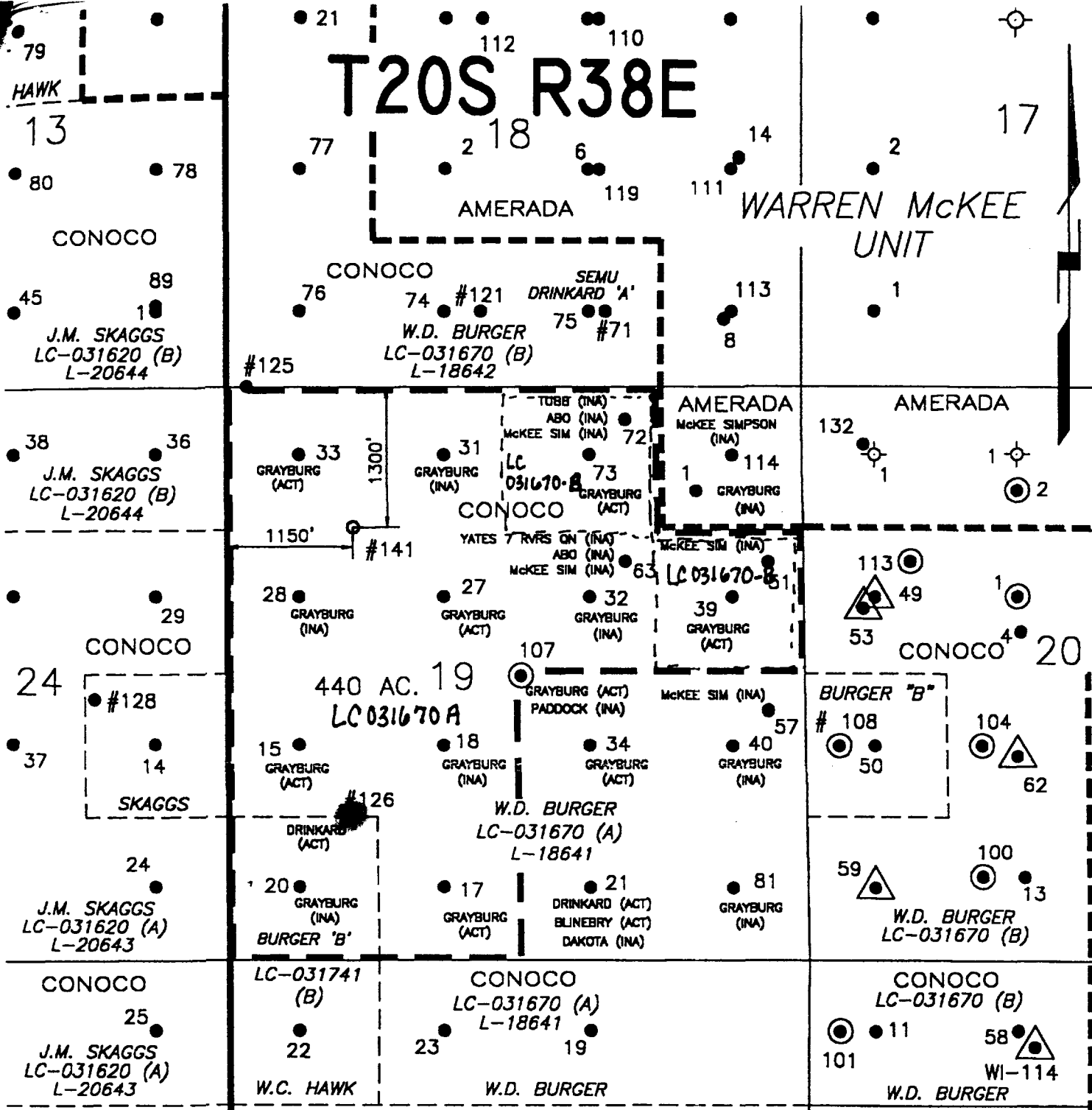
P.O. Box 6810

Denver, CO 80217-5810

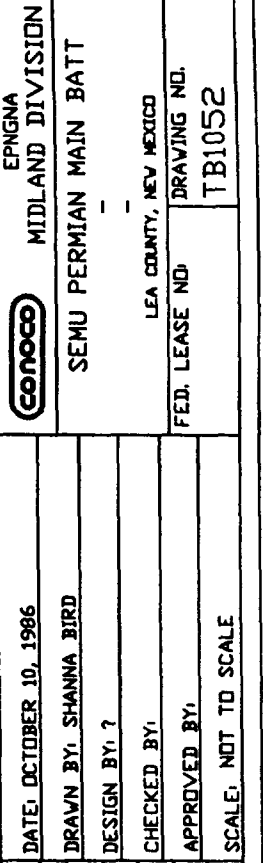


NOTES		 ERNGNA MIDLAND DIVISION			
Pool - Eumont, Yates, 7 Rvrs Qn (Pro Gas) 76480 (New drill) #141 - Non-standard Proration Unit - 560 Ac. Simultaneously dedicated with: SEMU #24 660' FSL & 660' FEL	DATE: 12/17/99	CONOCO SEMU #144 Sec. 24, T20S, R37E Lea County, New Mexico Non-Standard Proration Unit			
	DRAWN BY: glg				
	CHECKED BY:				
	APPROVED BY:				
	SCALE: 1" = 1320'	STATE	API COUNTY	WELL	DRAWING
	STATE PLANE COORDINATES REFERRED TO NAD27 - N.M. EAST STATE PLANE COORDINATES ZONE - 3001	30	- 025	-	semu_144
	CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705				

T20S R38E

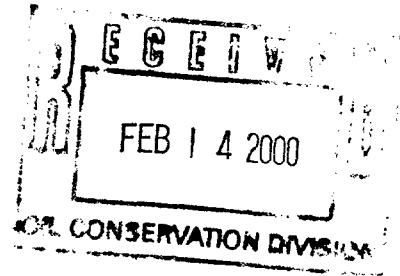


NOTES		EPNGNA MIDLAND DIVISION	
Pool - Eumant, Yates, 7 Rvrs Qn (Pro Gas) 76480 <i>(Newdrill)</i> #141 - Non-standard Proration Unit - 440 Ac. Simultaneously dedicated with: SEMU Burger B#126 1320' FSL & 1120' FWL SEMU Burger B#72 330' FNL & 1650' FEL	DATE: 12/17/99	CONOCO #141 Sec. 19, T20S, R38E Lea County, New Mexico Non-Standard Proration Unit	
	DRAWN BY: glg	STATE API COUNTY WELL 30 - 025 -	
	CHECKED BY:		
	APPROVED BY:		
	SCALE: 1" = 1320'	DRAWING semu_141	
STATE PLANE COORDINATES REFERRED TO NAD27 - N.M. EAST STATE PLANE COORDINATES ZONE - 3001		CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705	



February 11, 2000

New Mexico Oil Conservation Division
State of New Mexico
2040 S. Pacheco
Santa Fe, NM 87505



RE: Conoco, Inc. , SEMU Burger, Well #24, 660 FSL & 660 FEL, Sec 24, T20S, R37E
SEMU Burger, Well #141, 1300 FNL & 1150 FWL, Sec 19, T20S,
R38E
SEMU Burger, Well #144, 1310 FNL & 1310 FEL, Sec 24, T20S, R37E
Eumont Yates Seven Rvrs Queen (Pro Gas), Lea County, NM

Dear Mark,

Please see attached the ownership listing for the above referenced wells, which includes the overriding royalty interest owners which I failed to include in the Surface Commingling request for these wells dated February 3, 2000.

The overriding royalty interest owners have been notified by mail on this date, by copy of this letter, that Conoco, Inc. has made application to surface commingle the anticipated crude oil production from the recompletion of Well #24 to the Eumont gas pool and the new drilling of the SEMU Burger, Well #141, and Well #144. The wells dominant production will be gas which will be metered separately from each well. The minimal crude oil production will be allocated by well test and allocated to each well with sales occurring at the SEMU Permian battery. The Eumont Yates Seven Rivers Queen (Pro Gas) oil gravity is sour and has a 36.9 API gravity. The SEMU Permian battery oil is 41.6 API sour gravity. The impact of the Eumont oil production will not effect the price per barrel at this battery.

If the Oil Conservation Division or any interest owners have questions please contact me as listed below.

Thank you.

Yours truly,

A handwritten signature in dark ink, appearing to read "Ann E. Ritchie".

Ann E. Ritchie, Regulatory Agent
Conoco, Inc.

10 Desta Dr., Suite 100W
Midland, TX 79705

(915) 684-6381, (915) 682-1458-fax; e-mail: Wtor1948@aol.com

cc: Reesa Wilkes-Conoco/Midland, BLM Roswell & OCD Hobbs

KSC (LEASE/TRACT/POOL/WELL) : 6828347

7

SEM UPPER PERMIAN

TRACT ALLOCATION OIL = 0.1077750
GAS = 0.1077750

OWNER NUMBER	SSN/TAX ID	NAME AND ADDRESS	PROD TYPE	INTEREST DECIMAL	TYPE	PAY STATUS
52262000-68	525-62-3082	TIMOTHY T LEONARD PO BOX 2625 EAGLE PASS TX 78853-2625	GAS	0.0012500	ORI	PY PAY
55541800-35	525-36-3180	LEONARD TRUST ROBERT J LEONARD TRUSTEE PO BOX 400 ROSWELL NM 88202-0400	GAS	0.0012500	ORI	PY PAY
64381202-31	23-0371610	ATLANTIC RICHFIELD CO PO BOX 910355 DALLAS TX 75391-0355	GAS	0.2187500	WI	PY PAY
64945700-86	85-0125610	NEW MEXICO BOYS RANCH INC BUSINESS OFFICE 6209 HENDRIX NE ALBUQUERQUE NM 87110-1334	GAS	0.0007500	ORI	PY PAY
73409500-61	85-6000642	UNIVERSITY OF NEW MEXICO UNM PRE-AUDIT DEPT 85-6000642 SCHOLLS HALL RM #251 ALBUQUERQUE NM 87131-3011	GAS	0.0007500	ORI	PY PAY
80498000-78	41-0696908	SHATTUCK-ST MARYS SCHOOL P O BOX 218 FARIBAULT MN 55021-0218	GAS	0.0007500	ORI	PY PAY
99997900-18	53-0196958	MINERALS MGT SERVICE ONSHORE FEDERAL #17555 P O BOX 5810 DENVER CO 80217-5810	GAS	0.0500000	RI	PY PAY
99999900-74	73-0196000	CONOCO	GAS	0.4375000	WI	PY PAY
			TOTAL GAS	1.0000000		
			TOTAL OIL	1.0000000		

* END OF REPORT *

DIVISION OF INTEREST SENT TO YOU AS A COURTESY WITH THE UNDERSTANDING THAT
CONOCO INC. CANNOT BE RESPONSIBLE IF YOU SHOULD RELY ON SAME TO YOUR DETRIMENT.

PAY: DISBURSEMENTS AUTHORIZED; N/PY: NON-PAY, TITLE INFORMATION ONLY; HOLD: SEE EXPLANATION ABOVE *****

RSC(LEASE/TRACT/POOL/WELL): 6828347 7

SEMU UPPER PERMIAN

TRACT ALLOCATION OIL = 0.1077750
GAS = 0.1077750

STATE: 32 NEW MEXICO

COUNTY: 025 LEA

SEC/TOWNSHIP /RANGE
030 20S 38E
030 20S 38E
030 20S 38E

QTR/QTR/OTR LOT DESCRIPTION REMARKS

NM SE
N2 SW
S2 N2

DESCRIPTION:

PART OF THE PARTICIPATING AREA - UPPER PERMIAN AS SET OUT IN THAT
CERTAIN APPLICATION FOR THE 18TH ENLARGEMENT OF THE PARTICIPATING
AREA APPROVED BY THE BLM ON 1/1/60 - LIMITED TO PRODUCTION FROM
THE UPPER PERMIAN ZONE

OWNER NUMBER	SSN/TAX ID	NAME AND ADDRESS	PROD TYPE	INTEREST DECIMAL	TYPE	PAY STATUS
08608500-33	13-5562976	BOYS & GIRLS CLUBS OF AMERICAN NATIONAL HEADQUARTERS 1230 W PEACHTREE ST NM ATLANTA GA 30309-3404	GAS	0.0007500	ORI	PY PAY
14613600-84	25-0527925	CHEVRON USA INC PO BOX 840592 DALLAS TX 75284-0592	GAS	0.2187500	WT	PY PAY
18111200-06	467-35-6348	MOLLY M AZOPARDI PO BOX 620 WIMBERLEY TX 78676-0620	GAS	0.0012500	ORI	PY PAY
24971900-14	04-6038176	ELKS NATL FOUNDATION A PATRICIA KAVANAUGH EXECUTIVE DIRECTOR 2750 LAKE VIEW AVE CHICAGO IL 60614-1806	GAS	0.0007500	ORI	PY PAY
43988300-05	75-6408357	CHLOE BLAIR TRUST MIKE FLOYD TRUSTEE BOX 868 BORGER TX 79008-0868	GAS	0.0375000	ORI	PY PAY
44344466-17	75-6260352	BOYER/COLEMAN/SPITTLER COLLECTION TR #1 C/O NATIONSBANK OF TEXAS TRUSTEE PO BOX 840738 DALLAS TX 75284-0738	GAS	0.0300000	ORI	PY PAY

DIVISION OF INTEREST SENT TO YOU AS A COURTESY WITH THE UNDERSTANDING THAT
CONOCO INC. CANNOT BE RESPONSIBLE IF YOU SHOULD RELY ON SAME TO YOUR DETRIMENT.

PAY: DISBURSEMENTS AUTHORIZED; N/PY: NON-PAY, TITLE INFORMATION ONLY; HOLD: SEE EXPLANATION ABOVE *****

RSC(LEASE/TRACT/POOL/WELL): 6828347 6 SEMU UPPER PERMIAN TRACT ALLOCATION OIL = 0.0925340
 GAS = 0.0925340

STATE: 32 NEW MEXICO

COUNTY: 025 LEA

SEC/TOWNSHIP /RANGE	QTR/QTR/QTR/QTR	LOT	DESCRIPTION REMARKS
018 20S 38E	NW SW		
018 20S 38E	SW SE		
018 20S 38E	S2 SW		
019 20S 38E	NW NE		
019 20S 38E	SE NE		

DESCRIPTION:

 PART OF THE PARTICIPATING AREA - UPPER PERMIAN AS SET OUT IN THAT
 CERTAIN APPLICATION FOR THE 18TH ENLARGEMENT OF THE PARTICIPATING
 AREA APPROVED BY THE BLM ON 1/1/60 - LIMITED TO PRODUCTION FROM
 THE UPPER PERMIAN ZONE

OWNER NUMBER	SSN/TAX ID	NAME AND ADDRESS	PROD TYPE	INTEREST DECIMAL	TYPE	PAY STATUS
14613600-84	25-0527925	CHEVRON USA INC PO BOX 840592 DALLAS TX 75284-0592	GAS OIL	0.2187500	WT	PY PAY
64381202-31	23-0371610	ATLANTIC RICHFIELD CO PO BOX 910355 DALLAS TX 75391-0355	GAS OIL	0.2187500	WT	PY PAY
99997900-18	53-0196958	MINERALS MGT SERVICE ONSHORE FEDERAL #17555 P O BOX 5810 DENVER CO 80217-5810	GAS OIL	0.1250000	RI	PY PAY
99999900-74	73-0196000	CONOCO	GAS OIL	0.4375000	WT	PY PAY
TOTAL GAS ---->				1.0000000		
TOTAL OIL ---->				1.0000000		

 * END OF REPORT *

 DIVISION OF INTEREST SENT TO YOU AS A COURTESY WITH THE UNDERSTANDING THAT
 CONOCO INC. CANNOT BE RESPONSIBLE IF YOU SHOULD RELY ON SAME TO YOUR DETRIMENT.

 PAY: DISBURSEMENTS AUTHORIZED, N/PY: NON-PAY, TITLE INFORMATION ONLY; HOLD: SEE EXPLANATION ABOVE

RSC (LEASE/TRACT/POOL/WELL): 6828347

5

SEMU UPPER PERMIAN

TRACT ALLOCATION OIL = 0.2464610

GAS = 0.2464610

OWNER NUMBER	SSN/TAX ID	NAME AND ADDRESS	PROD TYPE	INTEREST DECIMAL	TYPE	PAY STATUS
73409500-61	85-6000642	UNIVERSITY OF NEW MEXICO UNM PRE-AUDIT DEPT 85-6000642 SCHOLLS HALL RM #251 ALBUQUERQUE NM 87131-3011	GAS	0.0010000	ORI	PY PAY
80498000-78	41-0696908	SHATTUCK-ST MARYS SCHOOL P O BOX 218 FARIBAULT MN 55021-0218	GAS	0.0010000	ORI	PY PAY
82779900-56	561-23-4263	CECILE MARIE DRESSEN PO BOX 864 RIPON CA 95366-0864	GAS	0.0001140	ORI	PY PAY
96758800-41	73-1395601	TOM CONE TRUST TOM CONE TRUSTEE PO BOX 778 JAY OK 74346-0778	GAS	0.0005000	ORI	PY PAY
99997900-18	53-0196958	MINERALS MGT SERVICE ONSHORE FEDERAL #17555 P O BOX 5810 DENVER CO 80217-5810	GAS	0.0500000	RI	PY PAY
99999900-74	73-0196000	CONOCO 74603-0001	GAS	0.4375000	WI	PY PAY
TOTAL GAS			1.0000000			
TOTAL OIL			1.0000000			

* END OF REPORT *

DIVISION OF INTEREST SENT TO YOU AS A COURTESY WITH THE UNDERSTANDING THAT
CONOCO INC. CANNOT BE RESPONSIBLE IF YOU SHOULD RELY ON SAME TO YOUR DETRIMENT.

PAY: DISBURSEMENTS AUTHORIZED; N/PY: NON-PAY, TITLE INFORMATION ONLY; HOLD: SEE EXPLANATION ABOVE *****

RUN TIME: 14.51.47
PREPARED BY: CARL SHERILL

RSC (LEASE/TRACT/POOL/WEILL): 6828347

5

SEMU UPPER PERMIAN

TRACT ALLOCATION OIL = 0.2464610

GAS = 0.2464610

OWNER NUMBER	SSN/TAX ID	NAME AND ADDRESS	PROD TYPE	INTEREST DECIMAL	TYPE	PAY STATUS
47002500-39	74-6401207	AVENSHINE CHILDREN TESTAMENTARY TRUST PO BOX 507 DRIPPING SPRINGS TX 78620-0507	GAS OIL	0.0005000	ORI	PY PAY
48366200-05	75-1213749	THE LONG TRUST PO BOX 3096 KILGORE TX 75663-3096	GAS OIL	0.0020000	ORI	PY PAY
50092501-13	77-6146815	DAVID BOND KYTE 1997 TR DAVID M YAGER SUCCESSOR TRUSTEE PO BOX 576 SANTA BARBARA CA 93102-0576	GAS OIL	0.0012500	ORI	PY PAY
52262000-68	525-62-3082	TIMOTHY T LEONARD PO BOX 2625 EAGLE PASS TX 78853-2625	GAS OIL	0.0016667	ORI	PY PAY
55541800-35	525-36-3180	LEONARD TRUST ROBERT J LEONARD TRUSTEE PO BOX 400 ROSWELL NM 88202-0400	GAS OIL	0.0016667	ORI	PY PAY
59287500-80	85-0053760	ME-TEX SUPPLY CO P O BOX 2070 HOBBS NM 88241-2070	GAS OIL	0.0050000	ORI	PY PAY
64381202-31	23-0371610	ATLANTIC RICHFIELD CO PO BOX 910355 DALLAS TX 75391-0355	GAS OIL	0.2187500	WI	PY PAY
64945700-86	85-0125610	NEW MEXICO BOYS RANCH INC BUSINESS OFFICE 6209 HENDRIX NE ALBUQUERQUE NM 87110-1334	GAS OIL	0.0010000	ORI	PY PAY
71285000-82	552-70-5170	INGRID POWELL P O BOX 416 LOS ALTOS CA 94023-0416	GAS OIL	0.0001500	ORI	PY PAY

DIVISION OF INTEREST SENT TO YOU AS A COURTESY WITH THE UNDERSTANDING THAT

CONOCO INC. CANNOT BE RESPONSIBLE IF YOU SHOULD RELY ON SAME TO YOUR DETRIMENT.

PAY: DISBURSEMENTS AUTHORIZED; N/PY: NON-PAY, TITLE INFORMATION ONLY; HOLD: SEE EXPLANATION ABOVE *****

RUN TIME: 14.51.47
PREPARED BY: CARL SHERRIL

RSC(LEASE/TRACT/POOL/WEEL): 6828347 5

SEMU UPPER PERMIAN

TRACT ALLOCATION OIL = 0.2464610
GAS = 0.2464610

OWNER NUMBER	SSN/TAX ID	NAME AND ADDRESS	PROD TYPE	INTEREST DECIMAL	TYPE	PAY STATUS
14613600-84	25-0527925	CHEVRON USA INC PO BOX 840592 DALLAS	GAS	0.2187500	WI	PY PAY
17092700-17	585-48-2820	KENNETH G CONE P O BOX 11310 MIDLAND	GAS	0.0005000	ORI	PY PAY
17094000-18	585-24-7526	TOM R CONE P O BOX 778 JAY	GAS	0.0005000	ORI	PY PAY
18111200-06	467-35-6348	MOLLY M AZOPARDI PO BOX 620 WIMBERLEY	GAS	0.0016666	ORI	PY PAY
23228550-13	561-72-1291	EDWARD DRESSEN JR P O BOX 416 LOS ALTOS	GAS	0.0001500	ORI	PY PAY
24971900-14	04-6038176	ELKS NATL FOUNDATION A PATRICIA KAVANAUGH EXECUTIVE DIRECTOR 2750 LAKE VIEW AVE CHICAGO	GAS	0.0010000	ORI	PY PAY
25780500-70	85-0276472	ETZ OIL PROPERTIES LTD PO BOX 35 PAYSON	GAS	0.0025000	ORI	PY PAY
25788600-69	75-6249467	GEORGE H ETZ SR TRUST GEORGE H ETZ JR TRUSTEE 1105 XANTHISMA MCALLEN	GAS	0.0025000	ORI	PY PAY
37844400-21	560-73-5205	CECIL BOND KYTE PO BOX 30864 SANTA BARBARA	GAS	0.0012500	ORI	PY PAY
44344466-17	75-6260352	BOYER/COLEMAN/SPITLER COLLECTION TR #1 C/O NATIONSBANK OF TEXAS TRUSTEE PO BOX 840738 DALLAS	GAS	0.0300000	ORI	PY PAY

DIVISION OF INTEREST SENT TO YOU AS A COURTESY WITH THE UNDERSTANDING THAT
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PAY: DISBURSEMENTS AUTHORIZED; N/PY: NON-PAY, TITLE INFORMATION ONLY; HOLD: SEE EXPLANATION ABOVE

RSC(LEASE/TRACT/POOL/WEILL): 6828347 5

SEMU UPPER PERMIAN

TRACT ALLOCATION OIL = 0.2464610
GAS = 0.2464610

STATE: 32 NEW MEXICO

COUNTY: 025 LEA

SEC/TOWNSHIP /RANGE	QTR/QTR/QTR/QTR	LOT	DESCRIPTION REMARKS
019 20S 38E	NW		
019 20S 38E	S2		
019 20S 38E	SW NE		
030 20S 38E	NE NW		
030 20S 38E	N2 NE		

DESCRIPTION:

PART OF THE PARTICIPATING AREA - UPPER PERMIAN AS SET OUT IN THAT
CERTAIN APPLICATION FOR THE 18TH ENLARGEMENT OF THE PARTICIPATING
AREA APPROVED BY THE BLM ON 1/1/60 - LIMITED TO PRODUCTION FROM
THE UPPER PERMIAN ZONE

OWNER NUMBER	SSN/TAX ID	NAME AND ADDRESS	PROD TYPE	INTEREST DECIMAL	TYPE	PAY STATUS
00277000-55	75-6459032	KENNETH CONE TRUST KENNETH CONE TRUSTEE PO BOX 11310 MIDLAND TX 79702-8310	GAS OIL	0.0005000 0.0005000	ORI ORI	PY PAY PY PAY
02914650-00	585-34-1559	CATHY CONE MCCOWN P O BOX 658 DRIPPING SPRINGS TX 78620-0658	GAS OIL	0.0005000 0.0005000	ORI ORI	PY PAY PY PAY
03744300-99	94-6054137	BETTY KYLE DRESSEN IRREVOCABLE TRUST OF 12-23-58 INGRID DRESSEN POWELL TRUSTEE PO BOX 1665 LOS ALTOS CA 94023-1665	GAS OIL	0.0008360 0.0008360	ORI ORI	PY PAY PY PAY
08608500-33	13-5562976	BOYS & GIRLS CLUBS OF AMERICAN NATIONAL HEADQUARTERS 1230 W PEACHTREE ST NM ATLANTA GA 30309-3404	GAS OIL	0.0010000 0.0010000	ORI ORI	PY PAY PY PAY
11307800-84	75-6298911	F W BURGER TRUST NO 1 P O BOX 3735 ABILENE TX 79604-3735	GAS OIL	0.0150000 0.0150000	ORI ORI	PY PAY PY PAY
14515300-17	94-6513116	BETTY M DRESSEN REV TR BETTY M DRESSEN TRUSTEE PO BOX 817 LOS ALTOS CA 94023-0817	GAS OIL	0.0012500 0.0012500	ORI ORI	PY PAY PY PAY

DIVISION OF INTEREST SENT TO YOU AS A COURTESY WITH THE UNDERSTANDING THAT

CONOCO INC. CANNOT BE RESPONSIBLE IF YOU SHOULD RELY ON SAME TO YOUR DETRIMENT.

PAY: DISBURSEMENTS AUTHORIZED; N/PY: NON-PAY, TITLE INFORMATION ONLY; HOLD: SEE EXPLANATION ABOVE *****

RSC (LEASE/TRACT/POOL/WELL) : 6828347

4

SEMU UPPER PERMIAN

TRACT ALLOCATION OIL = 0.0614540
GAS = 0.0614540

OWNER NUMBER	SSN/TAX ID	NAME AND ADDRESS	PROD TYPE	INTEREST DECIMAL	TYPE	PAY STATUS
64945700-86	85-0125610	NEW MEXICO BOYS RANCH INC BUSINESS OFFICE 6209 HENDRIX NE ALBUQUERQUE NM 87110-1334	GAS OIL	0.0010000 0.0010000	ORI ORI	PY PAY PY PAY
71285000-82	552-70-5170	INGRID POWELL P O BOX 416 LOS ALTOS CA 94023-0416	GAS OIL	0.0006750 0.0006750	ORI ORI	PY PAY PY PAY
73409500-61	85-6000642	UNIVERSITY OF NEW MEXICO UNM PRE-AUDIT DEPT 85-6000642 SCHOLES HALL RM #251 ALBUQUERQUE NM 87131-3011	GAS OIL	0.0010000 0.0010000	ORI ORI	PY PAY PY PAY
80498000-78	41-0696908	SHATTUCK-ST MARYS SCHOOL P O BOX 218 FARIBAULT MN 55021-0218	GAS OIL	0.0010000 0.0010000	ORI ORI	PY PAY PY PAY
82779900-56	561-23-4263	CECILE MARIE DRESSEN PO BOX 864 RIPON CA 95366-0864	GAS OIL	0.0005130 0.0005130	ORI ORI	PY PAY PY PAY
95235000-96	85-0113542	WESTERN MINERAL DEED ASSOC C/O CITY BANK PO BOX 5060 LUBBOCK TX 79408-5060	GAS OIL	0.0250000 0.0250000	ORI ORI	PY PAY PY PAY
99997900-18	53-0196958	MINERALS MGT SERVICE ONSHORE FEDERAL #17555 P O BOX 5810 DENVER CO 80217-5810	GAS OIL	0.0500000 0.0500000	RI RI	PY PAY PY PAY
99999900-74	73-0196000	CONOCO 74603-0001	GAS OIL	0.4375000 0.4375000	WI WI	PY PAY PY PAY

TOTAL GAS ----> 1.0000000
TOTAL OIL ----> 1.0000000

* END OF REPORT *

DIVISION OF INTEREST SENT TO YOU AS A COURTESY WITH THE UNDERSTANDING THAT
CONOCO INC. CANNOT BE RESPONSIBLE IF YOU SHOULD RELY ON SAME TO YOUR DETRIMENT.

PAY: DISBURSEMENTS AUTHORIZED; N/PY: NON-PAY, TITLE INFORMATION ONLY; HOLD: SEE EXPLANATION ABOVE *****

RSC (LEASE/TRACT/POOL/WELL) : 6828347

4 SEMU UPPER PERMIAN

 TRACT ALLOCATION OIL = 0.0614540
 GAS = 0.0614540

OWNER NUMBER	SSN/TAX ID	NAME AND ADDRESS	PROD TYPE	INTEREST DECIMAL	TYPE	PAY STATUS
24971900-14	04-6038176	ELKS NATL FOUNDATION A PATRICIA KAVANAUGH- EXECUTIVE DIRECTOR 2750 LAKE VIEW AVE CHICAGO	GAS OIL	0.0010000 0.0010000	ORI ORI	PY PAY PY PAY
25780500-70	85-0276472	ETZ OIL PROPERTIES LTD PO BOX 35 PAYSON	GAS OIL	0.0037500 0.0037500	ORI ORI	PY PAY PY PAY
25788600-69	75-6249467	GEORGE H ETZ SR TRUST GEORGE H ETZ JR TRUSTEE 1105 XANTHISMA MCALLEN	GAS OIL	0.0037500 0.0037500	ORI ORI	PY PAY PY PAY
37844400-21	560-73-5205	CECIL BOND KYTE PO BOX 30864 SANTA BARBARA	GAS OIL	0.0056250 0.0056250	ORI ORI	PY PAY PY PAY
44344466-17	75-6260352	BOYER/COLEMAN/SPLITLER COLLECTION TR #1 C/O NATIONSBANK OF TEXAS TRUSTEE PO BOX 840738 DALLAS	GAS OIL	0.0100000 0.0100000	ORI ORI	PY PAY PY PAY
50092501-13	77-6146815	DAVID BOND KYTE 1997 TR DAVID M YAGER SUCCESSOR TRUSTEE PO BOX 576 SANTA BARBARA	GAS OIL	0.0056250 0.0056250	ORI ORI	PY PAY PY PAY
52262000-68	525-62-3082	TIMOTHY T LEONARD PO BOX 2625 EAGLE PASS	GAS OIL	0.0016667 0.0016667	ORI ORI	PY PAY PY PAY
55541800-35	525-36-3180	LEONARD TRUST ROBERT J LEONARD TRUSTEE PO BOX 400 ROSWELL	GAS OIL	0.0016667 0.0016667	ORI ORI	PY PAY PY PAY
64381202-31	23-0371610	ATLANTIC RICHFIELD CO PO BOX 910355 DALLAS	GAS OIL	0.2187500 0.2187500	WI WI	PY PAY PK PAY-IN KIND

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RSC (LEASE/TRACT/POOL/WEIL): 6828347

SEMU UPPER PERMIAN

TRACT ALLOCATION OIL - 0.0614540

STATE: 32 NEW MEXICO

COUNTY: 025 LEA

INCLUDES EUMONT PH

SEC/TOWNSHIP / RANGE
25 20S 37E
25 20S 37E

QTR/QTR/QTR LOT DESCRIPTION REMARKS

N2 SE
S2 NE

DESCRIPTION:

PART OF THE PARTICIPATING AREA - UPPER PERMIAN AS SET OUT IN THAT CERTAIN APPLICATION FOR THE 18TH ENLARGEMENT OF THE PARTICIPATING AREA APPROVED BY THE BLM ON 1/1/60 - LIMITED TO PRODUCTION FROM THE UPPER PERMIAN ZONE

OWNER NUMBER	SSN/TAX ID	NAME AND ADDRESS	PROD TYPE	INTEREST	DECIMAL	TYPE	PAY STATUS
03744300-99	94-6054137	BETTY KYLE DRESSEN IRREVOCABLE TRUST OF 12-23-58 INGRID DRESSEN POWELL TRUSTEE PO BOX 1665 LOS ALTOS CA 94023-1665	GAS	0.0037620	ORI	PY PAY	
08608500-33	13-5562976	BOYS & GIRLS CLUBS OF AMERICAN NATIONAL HEADQUARTERS 1230 W PEACHTREE ST NM ATLANTA GA 30309-3404	GAS	0.0010000	ORI	PY PAY	
14515300-17	94-6513116	BETTY M DRESSEN REV TR BETTY M DRESSEN TRUSTEE PO BOX 817 LOS ALTOS CA 94023-0817	GAS	0.0056250	ORI	PY PAY	
14613600-84	25-0527925	CHEVRON USA INC PO BOX 840592 DALLAS TX 75284-0592	GAS	0.2187500	WI	PY PAY	
18111200-06	467-35-6348	MOLLY M AZOPARDI PO BOX 620 WIMBERLEY TX 78676-0620	GAS	0.0016666	ORI	PY PAY	
23228550-13	561-72-1291	EDWARD DRESSEN JR P O BOX 416 LOS ALTOS CA 94023-0416	GAS	0.0006750	ORI	PY PAY	

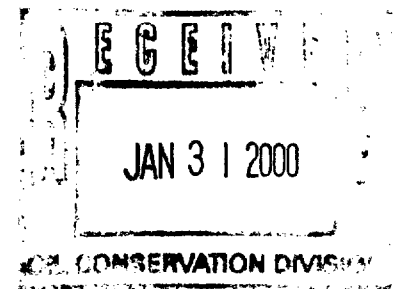
DIVISION OF INTEREST SENT TO YOU AS A COURTESY WITH THE UNDERSTANDING THAT

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January 28, 2000

Oil Conservation Division
State of New Mexico
2040 S. Pacheco
Santa Fe, NM 87501



Att: Mark Ashley, Engineering

RE: Conoco, Inc., SEMU, Well #16, 1980' FNL & 1980' FWL, Sec 30, T20S, R38E,
Lea County, New Mexico: Surface Commingling-SEMU Permian Battery

Dear Mark,

Concerning our conversation about the Surface Commingling application to surface commingle production from the recompletion of the SEMU #16 in the Eumont pool - I submitted incorrect gravity information on the SEMU Permian battery.

The SEMU, Well #16 is to be recompleted in the Eumont pool where the dominant production will be gas. There is a potential for some oil production as reported in our application. The oil will be tested using the existing heater treater and then allocated back to the SEMU #16 then commingled in with the SEMU Permian sales battery.

The Eumont/Seven Rivers oil gravity is sweet and has a 36.5 API gravity. The SEMU Permian battery oil gravity is 41.6 degrees API. Based on the volume and gravity the impact of the Eumont oil production will not effect the price per barrel at the SEMU Permian battery.

Please let me know if you need any further information concerning this application or the SEMU Permian battery. Thank you.

Yours truly,

A handwritten signature in cursive script, appearing to read "Ann E. Ritchie".

Ann E. Ritchie, Regulatory Agent
Conoco, Inc.
10 Desta Dr., Suite 100W
Midland, TX 79705-4500

Cc: Reesa R. Wilkes-Conoco/Midland; Bureau of Land Management-Roswell