

AMEND PC N/R

JUL 10

June 26, 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 ✓

RE: Conoco, Inc., SEMU Burger B, Well #125, 190' FWL & 10' FSL,
Section 18, T20S, R38E, Lea County, New Mexico

Dear Mark,

Concerning the above referenced well, Conoco, Inc. anticipates recompletion to the Warren Tubb Gas pool. If this is successful completion, we are requesting permission to utilize the SEMU Permian tank battery, for the crude oil produced from this well under existing Commingling Order PC-974 (copy attached). We have recently recompleted the SEMU Burger #126 in the Warren Tubb Gas pool which resulted in a producing rate of 2174 mcf/day and 28 bbls/oil per day with a GOR of 77,642. The GOR has risen since production was initially incurred.

The ownership has previously been notified of our request to commingle to Tubb completions with the SEMU Permian (Grayburg) and Eumont Yates Seven Rivers production. A copy of this request is being sent to the working interest owners (listed below), the Bureau of Land Management and Minerals Management Service. Also enclosed are copies of the battery diagram, lease plat and justification.

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

Yours truly,



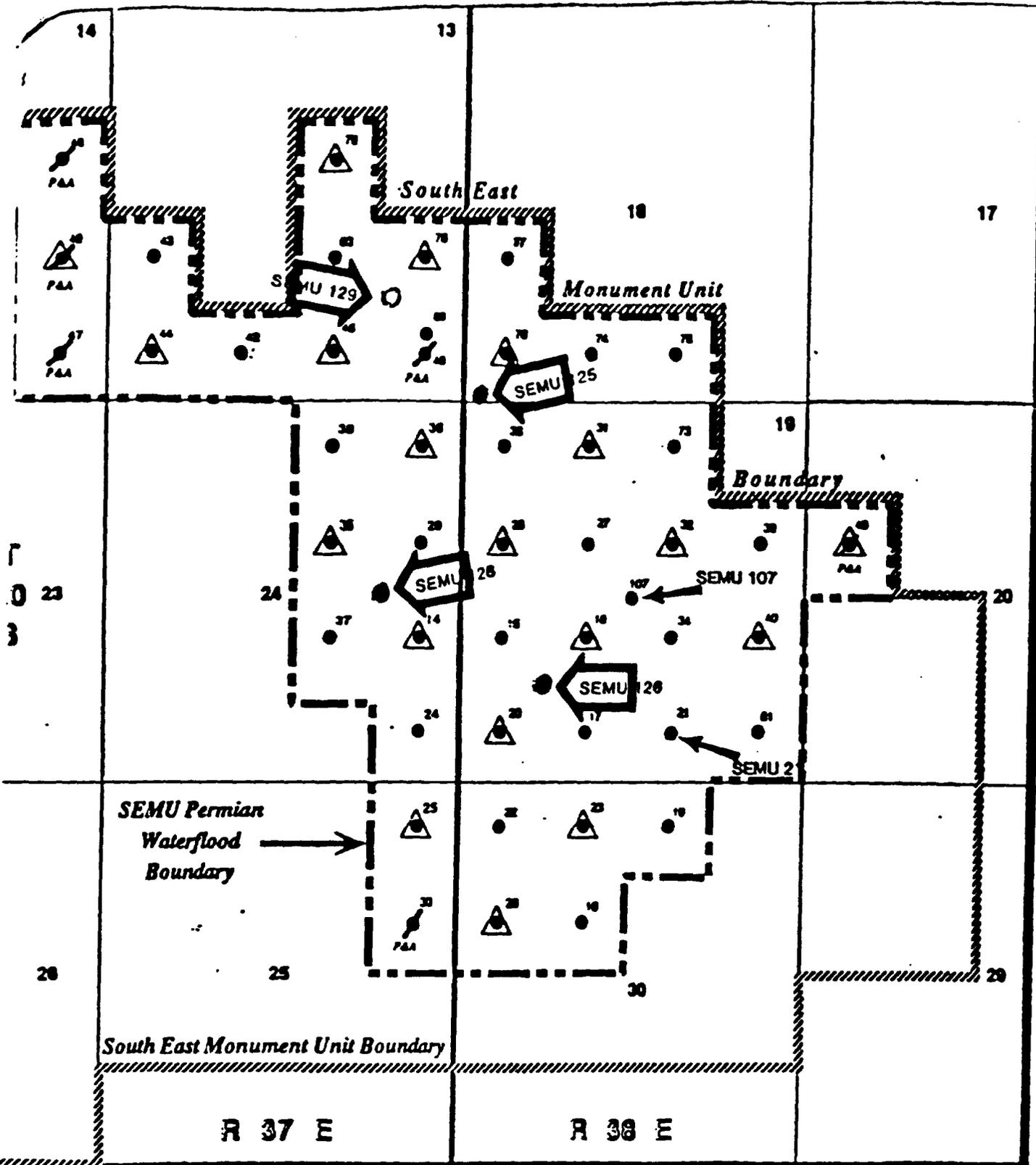
Ann E. Ritchie, Regulatory Agent
Conoco, Inc.
10 Desta Dr., Suite 100W
Midland, TX 79705
(915) 684-6381, (915) 682-1458-fax

cc: Reesa Wilkes-Conoco/Midland; BLM-Roswell; OCD-Hobbs
Arco Permian, P.O. Box 1610, Midland, TX 79702
Chevron USA, Inc., P.O. Box 1635, Houston, TX 77251

JUSTIFICATION

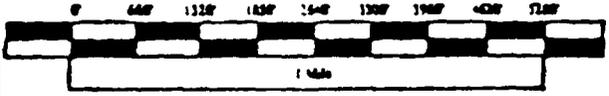
Conoco, Inc.
SEMU Burger B, Well #125
10' FSL & 190' FWL
Section 18, T20S, R38E
Lea County, New Mexico

Conoco, Inc. is requesting permission to surface commingle, at the Conoco, Inc. SEMU Permian battery, located in Section 19, T20S, R38E, Unit Letter K, Lea County, New Mexico, the anticipated production from the SEMU Burger B, Well #125, Warren Tubb Gas pool recompletion. The Warren Tubb Gas recompletion is scheduled upon approval of permitting requirements. The Tubb gravity should be approximately 38 API sweet crude. The oil gravity at the SEMU Permian battery is 41.6 API sour, therefore the impact of the Tubb oil production will not effect the price per barrel. The oil production will be tested monthly and allocated using the existing Drinkard test treater. The gas will be metered separately.



Well Legend

●	Producing
▲	Injection
⚡	Plugged & Abandoned



SEMU Boundary

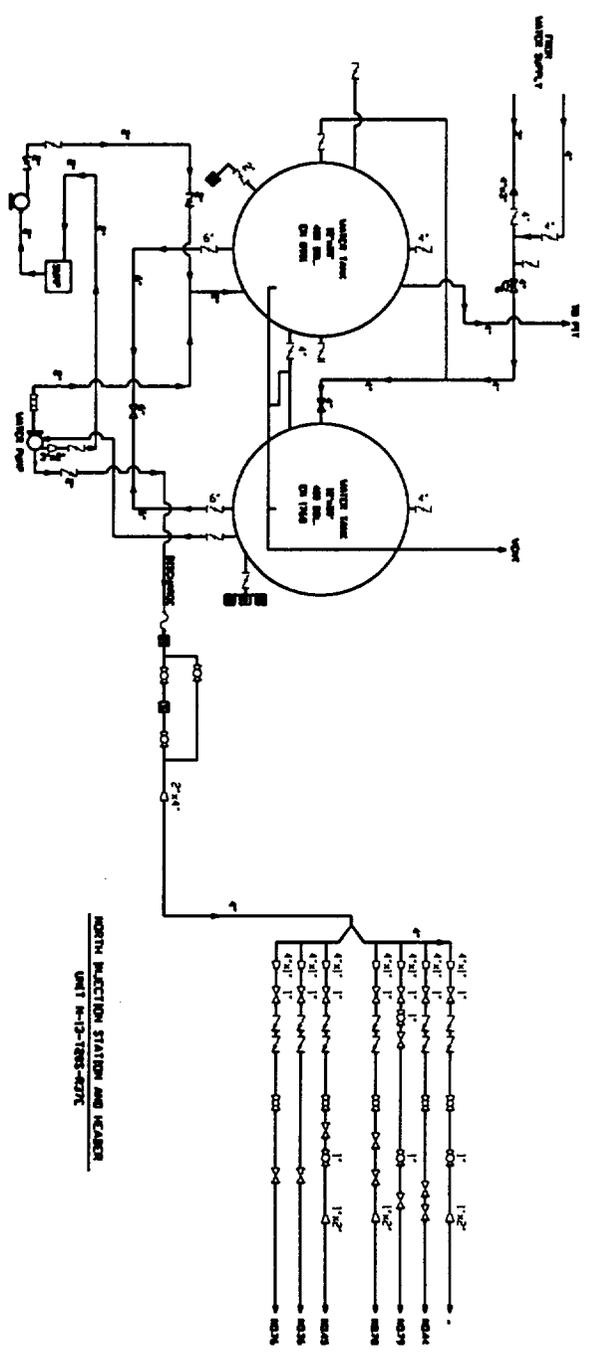
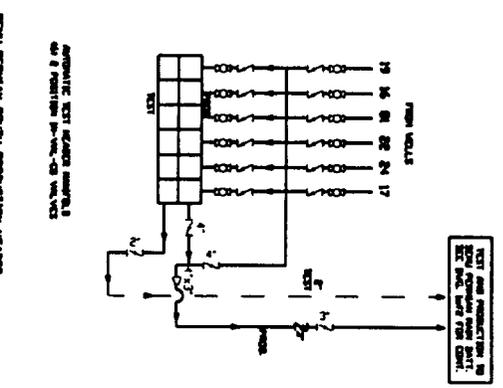
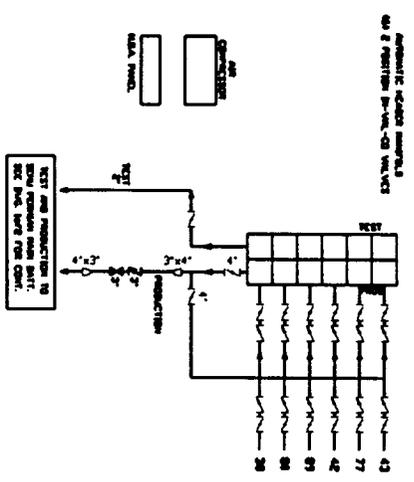
SEMU Permian Waterflood Boundary

PERMIAN WATERFLOOD
("SEMU PERMIAN")
1800 Acres

SOUTH EAST MONUMENT UNIT
SKAGGS-GRAYBURG POOL

LEA COUNTY, NEW MEXICO
Map J. SEMU Permian Waterflood

SENU PERMIAN NORTH PRODUCTION HEADERS
UNIT #13-1205-427E



PIPING LEGEND

- GAS
- OIL
- WATER
- CIRCULATING
- MIXTURE LINE/VESSEL
- VAPOR RECOVERY
- EXTRA

THIS FACILITY IS IN COMPLIANCE WITH CONOCO INC. MIDLAND DIVISION SITE SECURITY PLAN. PLAN LOCATED AT: CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705

VALVE LEGEND: POSITION/MODE

1. CLOSE/SALE
2. OPEN/SALE
3. CLOSED/PRODUCTION
4. OPEN/PRODUCTION

REVISIONS				REVISIONS			
NO.	DESCRIPTION	DATE	BY	NO.	DESCRIPTION	DATE	BY
1	PERMAN 1983	8/88	JP				
2	REV. PER MARK-UPS	7/17/96	DR				
3	REV. PER MARK-UPS	8/1/96	DR				

DATE: OCTOBER 10, 1986
DRAWN BY: SHAWNA BIRD
DESIGN BY: 7
CHECKED BY:
APPROVED BY:
SCALE: NOT TO SCALE

CONOCO MIDLAND DIVISION
SENU PERMIAN MAIN BATT
LEA COUNTY, NEW MEXICO
FED. LEASE NO. BRAVING NO. T81052