

6/30/03 PLR0318227769

DRC

LIR

PLC

6/28/03

RECEIVED



JUN 30 2003

Oil Conservation Division

ConocoPhillips Company
4001 Penbrook Street
Odessa, TX 79762

EXPLORATION & PRODUCTION
Permian Basin Business Unit

June 27, 2003

PLC-231

Mr. David Catanach
Oil Conservation Division
P. O. Box 6429
Santa Fe, New Mexico 87505

Re: Devon State #1, API #30-025-24731
UL "I", T17S, R33E, S.22
1874' FSL & 554' FEL, Lea Co., NM

Dear Mr. Catanach:

The subject well was recently recompleted from the Leamex (Pennsylvanian) to the Maljamar (Grayburg-San Andres). The well is now producing approximately 6 BOPD, 30 BWPD, and 67 MCFPD. The closest tank battery to this well is the Leamex #3 Battery, which is located at the Leamex #6 well location, (Leamex; Pennsylvanian) UL "L", T17S, R33E, S.23, 1910 FSL & 730' FWL. Presently, the Leamex #6 is shut-in and the only well supplying the battery.

Line connections are already in place from the Devon well to the Leamex battery. Metering equipment is in place at the battery, and no oil is presently in the tanks. Both leases share a common working interest, royalty interest, and overriding royalty interest.

ConocoPhillips Company respectfully requests your approval for Pool/Lease Surface Commingling, to store and move the production from this facility. The Leamex #6 well is scheduled to be reactivated within the Penn (Form C-103 copy attached) then, completed within the Grayburg at a later date. Your consideration and administrative approval will be greatly appreciated. If any further information is needed, please contact me at (915) 368-1667.

Sincerely,

Celeste G. Dale
Regulatory Analyst, Permian Basin

Cc: Commissioner of Public Lands
P. O. Box 1148
Santa Fe, NM 87504-1148

/cgd

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling
☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

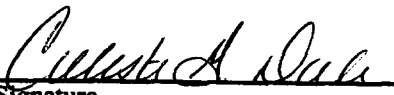
- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Celeste G. Dale
 Print or Type Name


 Signature

Regulatory Analyst
 Title

06/26/03
 Date

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: ConocoPhillips Company
OPERATOR ADDRESS: 4001 Penbrook Street, Odessa, TX 79762
APPLICATION TYPE:
☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)
LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Leamex (Pennsylvanian)			\$ 1.87	\$ 3.13 mcf	6 mcf/g
#37810	38.1/1.511(dry)		\$23.97		6 BOPD
Maljamar (Grayburg-San Andres)		37.2/1.228	\$ 3.24	\$24.33 BO	67mcf/g
#43329	36.2/1.203(dry)		\$24.68		6 BOPD
					67 mcf/g

- (2) Are any wells producing at top allowables? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☒ No. (N.A.-ConocoPhillips 100%)
(4) Measurement type: ☒ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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 Analyst DATE: 06/27/03
TYPE OR PRINT NAME Celeste G. Dale TELEPHONE NO. 915-368-1667
E-MAIL ADDRESS: celeste.g.dale@conocophillips.com

Production from:

Devon State #1, Maljamar (Grayburg-San Andres)

API No. 30-025-24731

NMOCD Property #31092

State Oil & Gas Lease No. B-2516

UL "T", S. 22, T-17-S, R-33-E, Lea Co., NM

1874' FSL & 554' FEL

Leamex #6, Maljamar (Grayburg-San Andres) & Leamex (Pennsylvanian)

API No. 30-025-01515

NMOCD Property #31118

State Oil & Gas Lease No. B-2148

UL "L", S. 23, T-17-S, R-33-E, Lea Co., NM

1910' FSL & 730' FWL

Surface Commingling requested to:

Leamex #3 Battery (located at the Leamex #6 well location)

NMOCD Property #31118

State Oil & Gas Lease No. B-2148

UL "L", S. 23, T-17-S, R-33-E, Lea Co., NM

1910' FSL & 730' FWL

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
111 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

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.)		WELL API NO. 30-025-01515
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator ConocoPhillips Company		6. State Oil & Gas Lease No. B-2148
3. Address of Operator 4001 Penbrook St. Odessa TX 79762		7. Lease Name or Unit Agreement Name Leamex
4. Well Location Unit Letter <u>L</u> <u>1910</u> feet from the <u>South</u> line and <u>730</u> feet from the <u>West</u> line Section <u>23</u> Township <u>17-S</u> Range <u>33-E</u> NMPM County <u>Lea</u>		8. Well No. <u>6</u>
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 4159' RKB		9. Pool name or Wildcat Leamex (Penn)

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
WELL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: Acidize Existing Penn Perforations ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOBS ☐
OTHER: ☐

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

1. MIRU DDU. POOH w/ rods and pump. ND wellhead and NU shop tested, Class 1 BOP and environmental tray.
2. Lower 2 3/8" & 2 7/8" tubing, tag fill, and TOO H w/ tubing. Visually inspect tubing while pulling. If condition is good, tubing may be used as workstring. If not, lay down tubing and PU workstring.
3. If fill is above 11,355', TIH w/ bit and bailer on tubing. CO to 11,368'+/-. TOO H w/ bit, bailer and tubing and obtain fill sample. Check fill sample for calcium sulfate scale.
4. TIH w/ casing scraper to 11,260'+/-. TOO H w/ casing scraper.
5. PU and TIH with 5 1/2" treating packer on workstring. Test for casing leak while GIH.
6. If casing leak is discovered, TOO H w/ packer and TIH w/ packer and RBP. Isolate casing leak and perform pump-in test. Obtain injection rate and pressure for cement squeeze design. Depending on condition of casing, perform cement squeeze as per service company recommendation or temporarily abandon well.
7. If no casing leak is discovered, test workstring to 6,500 psig while GIH. Set packer at 11,250'+/-. SION. Swab back load.
8. MIRU pump truck. Pump 10 bbl xylene followed by 15 BW down tubing. SION. Swab back load.

Continued on back**

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

SIGNATURE Alva Franco TITLE Regulatory Assistant DATE 06/09/2003

Type or print name Alva Franco

Telephone No. (432)368-1665

(This space for State use)

ORIGINAL SIGNED BY
GARY W. WINK

APPROVED BY OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE 1 7 2003

Conditions of approval, if any:

Laboratory Services, Inc.

4016 Fiesta Drive
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

Fax 432-3681476

FOR: Metering & Testing Services Inc.
Attention: Mr. Tom Duncan
2807 West County Road
Hobbs, New Mexico 88240

SAMPLE:
IDENTIFICATION: Devon State #1
COMPANY: ConocoPhillips
LEASE:
PLANT:

SAMPLE DATA: DATE SAMPLED: 5/6/03 10:00 am
ANALYSIS DATE: 5/6/03
PRESSURE - PSIG 85
SAMPLE TEMP. °F
ATMOS. TEMP. °F 80

GAS (XX) LIQUID ()
SAMPLED BY: Al Lewis
ANALYSIS BY: Vickie Biggs

REMARKS:

COMPONENT ANALYSIS

COMPONENT	MOL PERCENT	GPM
Hydrogen Sulfide (H2S)		
Nitrogen (N2)	6.196	
Carbon Dioxide (CO2)	0.371	
Methane (C1)	74.007	
Ethane (C2)	10.725	2.861
Propane (C3)	4.992	1.872
I-Butane (IC4)	0.579	0.189
N-Butane (NC4)	1.467	0.462
I-Pentane (IC5)	0.366	0.184
N-Pentane (NC5)	0.347	0.125
Hexane Plus (C6+)	0.950	0.412
	100.000	5.555

BTU/CU.FT. - DRY 1203
AT 14.650 DRY 1200
AT 14.650 WET 1179
AT 14.73 DRY 1206
AT 14.73 WET 1185

MOLECULAR WT. 21.7782

SPECIFIC GRAVITY -
CALCULATED 0.750
MEASURED

**Laboratory Services, Inc.**

4016 Fiesta Drive
Hobbs, New Mexico 88240
Telephone: (505) 397-3713

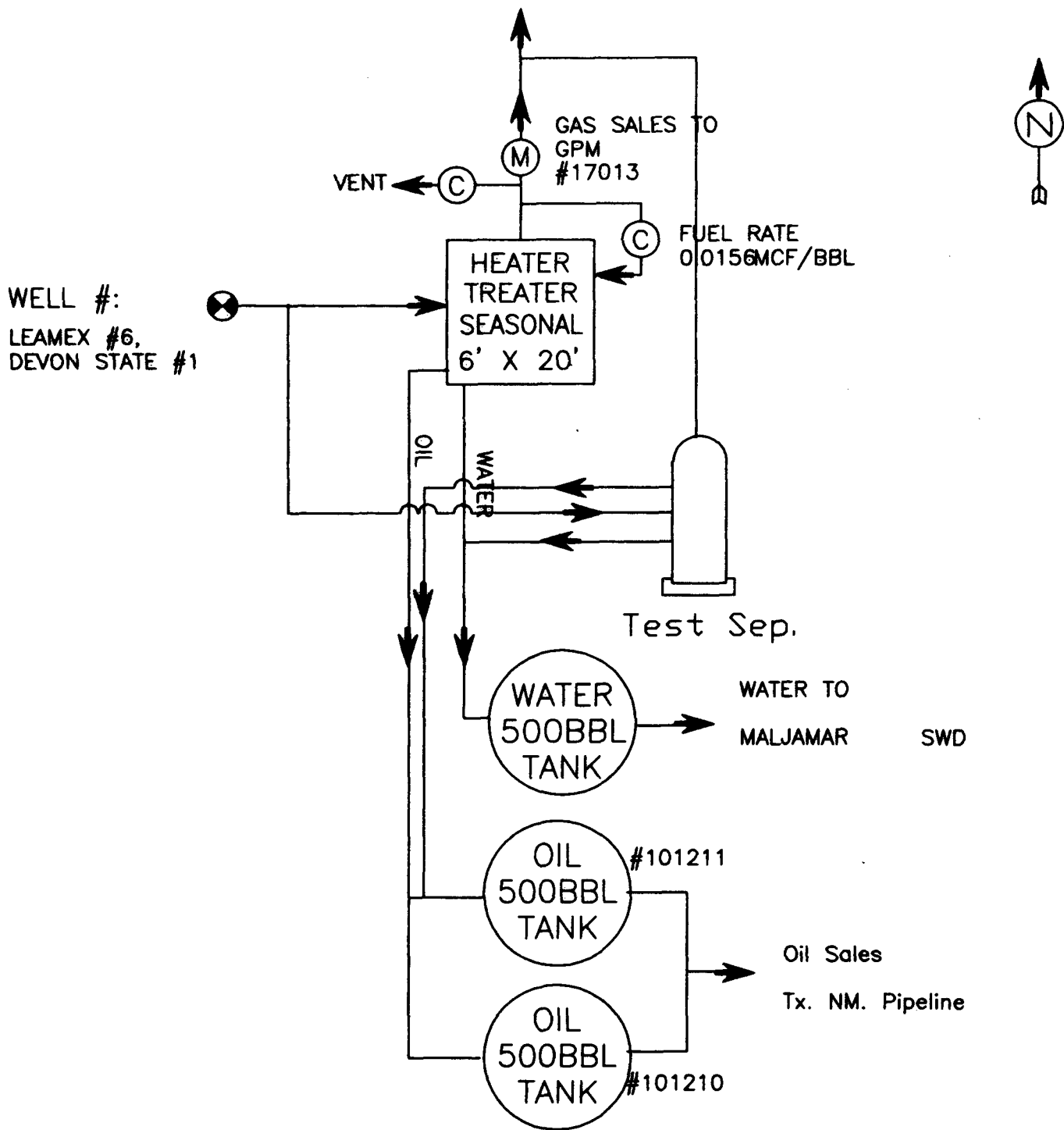
SULFUR IN CRUDE OIL



Metering & Testing Services Inc.
Attention: Mr. Tom Duncan
2807 West County Road
Hobbs, New Mexico 88240

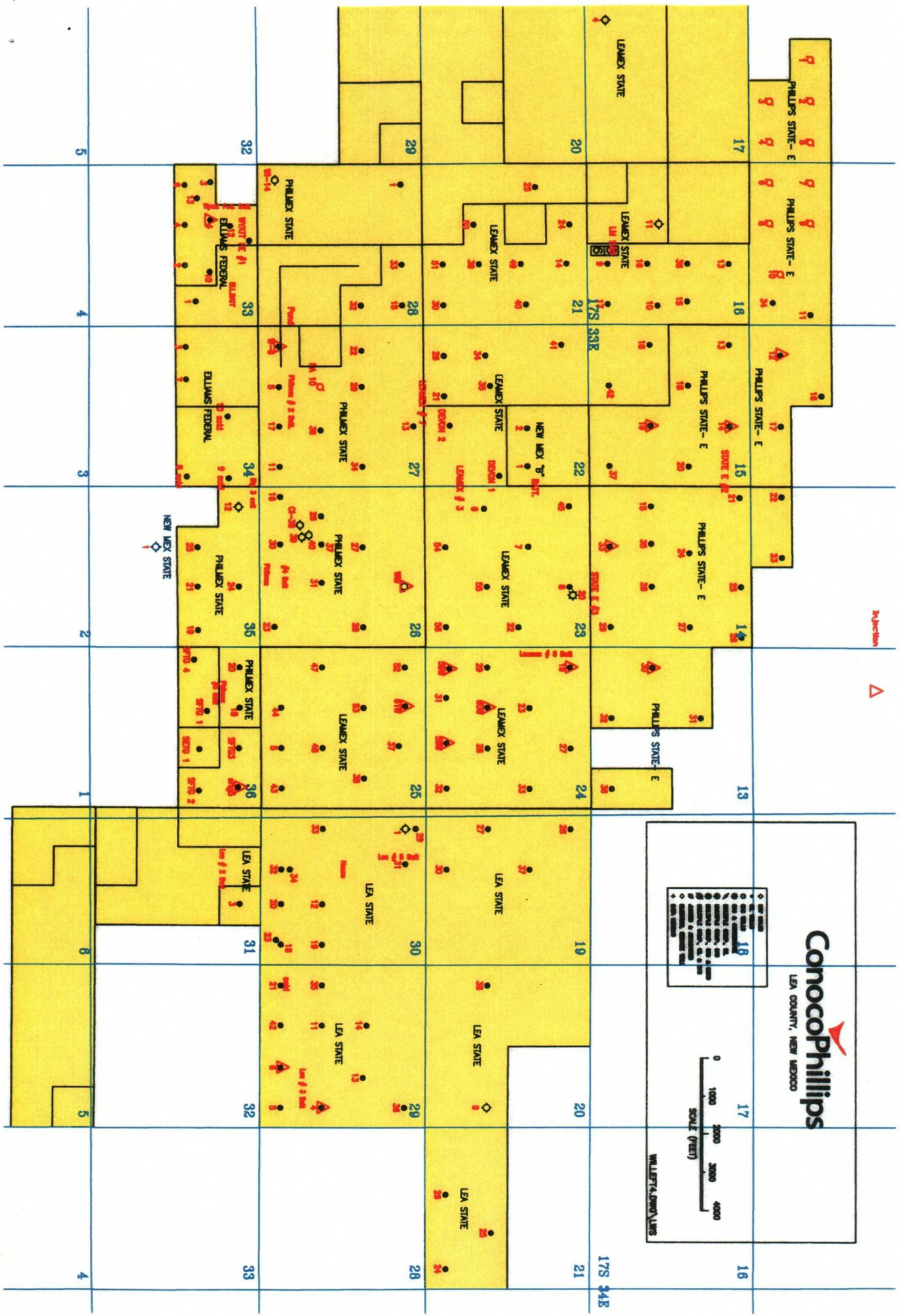
May 6, 2003


	Total Sulfur	API Gravity @ 60° F	Specific Gravity @ 60° F
ConocoPhillips Devon State #1	0.8595 wt. %	36.2	0.8438

Thank You,
Vickie Biggs




NO.		REVISION		UPDATED BY DGU	12/11/95	CHKD	APP'D
FOR BIDS		<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>PHILLIPS PETROLEUM COMPANY BARTLESVILLE, OKLAHOMA</p> </div> <div style="text-align: center;">  </div> </div>				JA NO.	FILE CODE
FOR APPR						AFE NO.	SCALE
FOR CONST						NO	
DRAWN 5/11/91 LWS		LEASE NAME: LEAMEX 3 BATTERY LEASE CODE: 600018 NETWORK: 507 Unit Letter L, Sec. 23, T-17-S, R-33-E, Lea County, NM				FILE NAME: LEAMEX3.DWG	
CHECKED						DWG NO. 1.0	
APP'D							






LEA COUNTY, NEW MEXICO



18



SCALE (FEET)

WILBERT & DAVIS LINS

30 feet

17S 34E

22

NEW MEX "B"

2

1

1

DEVON STATE
B-2516

2

45

20
8

23

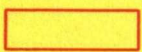
7

LEAMEX STATE

B-2148

22

6



LEAMEX #3 Batt.

55

54

56

