

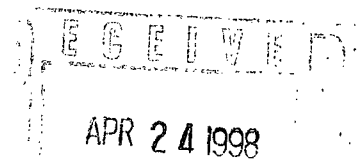


NSL 5/14/98

Mid-Continent Region
Exploration/Production
April 22, 1998

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 Pacheo
Santa Fe, New Mexico 87504



RE: Application for Unorthodox Location
Lockhart A 27 #16
API # 30-025-34312
Section 27, T-21-S, R-37-E
Lea County, New Mexico

Dear Mr. Stogner,

Conoco drilled the above referenced well as a Tubb Oil & Gas well, however it was completed in the Blinbry Oil & Gas Pool, Pro Gas (72480). Production reports (0 BOPD, 12 BWPD, 540 MCFD) indicate that the GOR will be above 50,000 and this needs to be classified as a gas well. As such, we need to add this well to the existing proration unit in NE/4 Section 27, T-21-S, R-37-E. The Lockhart A-27 #5 is located in this proration unit and completed in the Blinbry. The Lockhart A #11 located in this 1/4 section is temporarily abandoned. The location of the Lockhart A 27 #16 well is 660' from the North and 2200' from the East which is non-standard.

The offset operator plat shows that Apache, Texaco, Marathon, Exxon and J. Hendrix are the offset operators that could be affected by this unorthodox location. Please find enclosed evidence that they have been notified of this application.

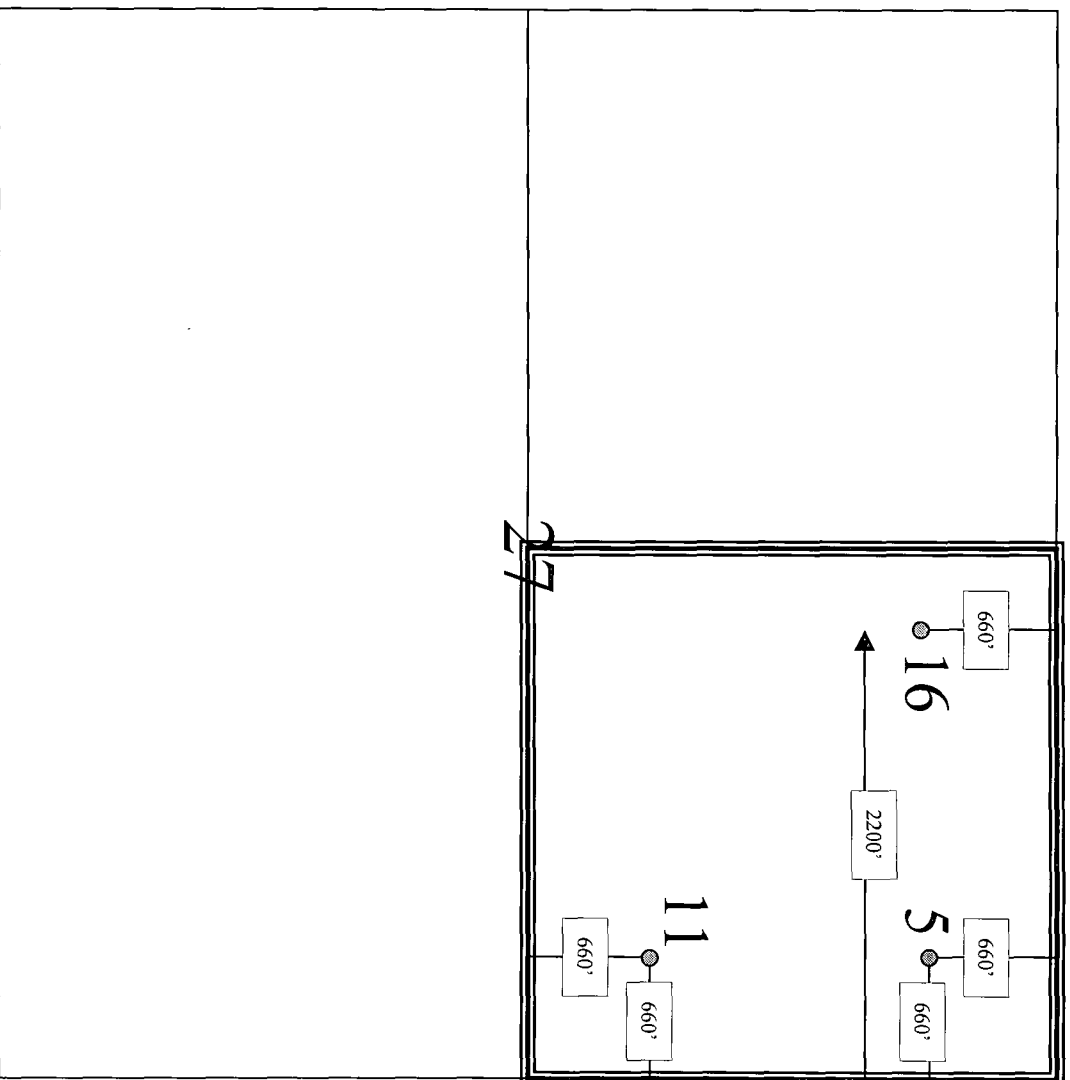
Conoco respectfully requests that an unorthodox location order be issued based on the reasons given in the preceding paragraphs. If there are any further questions concerning this application please call me at (915) 686-5798.

Sincerely,

Kay Maddox
Regulatory Agent

Cc: Oil Conservation Division - Aztec
Bureau Land Management - Farmington

Lockhart A27 No. 16 : NSL



OFFSET OPERATORS Lockhart A27 No. 16 NSL

22		23	
Apache		Apache	
Conoco	<div> <div>● 16</div> <div>Conoco</div> </div>	Texaco	
27		26	
Marathon	Exxon	J.Hendrix	

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

February 19, 1992



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Conoco Inc.
10 Desta Drive West
Midland, TX 79705-4514

Attention: Jerry W. Hoover

Administrative Order SD-92-1

Dear Mr. Hoover:

Reference is made to your letter dated January 16, 1992, notifying the OCD of Conoco's intent to reestablish a standard 160-acre gas spacing and proration unit in the Blinebry Gas Pool to comprise the NE/4 of Section 27, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. It is our understanding that said unit is to be simultaneously dedicated to Conoco's Lockhart A-27 Well No. 5 located at a standard gas well location 660 feet from the North and East lines in Unit A and Well No. 11 also located at a standard gas well location 1980 feet from the North line and 660 feet from the East line in Unit H.

You are hereby permitted to produce the allowable assigned said 160-acre unit from both wells in any proportion.

Also, Division Administrative Order NSP-722, dated November 3, 1965, which established a 120-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the N/2 NE/4 and SW/4 NE/4 of said Section 27 and had dedicated thereon the Lockhart A-27 Well No. 5, is hereby placed in abeyance until further notice.

Sincerely,

A handwritten signature in dark ink, appearing to read "William J. LeMay".

William J. LeMay
Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs
File: NSP-722

District IV
PO Box 2088, Santa Fe. NM 87504-2088

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Fee Lease - 3 Copies

☒ AMENDED REPORT

Certificate Number

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

LC032096A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Name of lease & well

Lockhart A-27
Well #16

9. API#

30 025 34312

10. Field and Pool, or Exploratory Area

Tubb Oil & Gas

11. County or Parish, State

Lea, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ INJECTION
Other

2. Name of Operator

CONOCO, INC.

3. Address and telephone no.

10 Desta Dr., Suite 100W, Midland, Texas 79705-4500, 915 686-5424 915 684-6381

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface: 660' FNL & 2200' FEL
TD: Sec 27, T2S, R37E

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Casing & TD
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

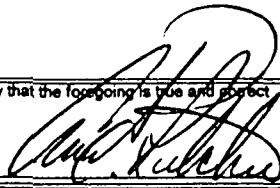
(Note: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

3-23-98: Ran 6700' of 5 1/2", 17#, K-55 and cemented with lead slurry of 580 sx CI C + 16% Bentonite + .4% CD-32 + .2% sodium metasilicate + .005 lbs/sk static free + .005 gps FP-62 & .005 lbs/sk FP-6L, tailed with 750 sx CI C + 1.1% FL-62 + 1% BA-58 + 3% sodium chloride + .3% CD-32 + .2% sodium metasilicate + .005 lbs/sk static free. Good cement returns, WOC, release rig on 3-23-98.

14. I hereby certify that the foregoing is true and correct

Signed



Title

Ann E. Ritchie
REGULATORY AGENT

Date 4-13-98

(This space for Federal or State office use)

Approved by

Conditions of approval, if any

Title

Date

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

APPROVED
Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

LC032096A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. V
Lockhart A 27, Well # 16

9. API#

30 025 34312

10. Field and Pool, or Exploratory Area

Tubb Oil & Gas

11. County or Parish, State

Lea, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ INJECTION Other

2. Name of Operator

CONOCO, INC.

3. Address and telephone no.

10 Desta Dr., Suite 100W, Midland, Texas 79705-4500, 915 686-5424 915 684-6381

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface: 660' FNL & 2200' FEL
TD: Sec 27, T21S, R37E

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Spud & surface casing

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

3-5-98: Move in and rig up Capstar rig #8. Spud 12 1/4" hole.

3-8-98: Ran 1210' of 8 5/8", 23#, M-50 casing, cemented with lead slurry of 300 sx 65:35:6, CI C + 2% CaCl2 + 1/4#/sx celloflake, tailed with 200 sx CI C + 2% CaCl2. Top of cement @ 45', contacted BLM - okayed ready mix. WOC. Tested to 500 psi - held.

ACCEPTED FOR RECORD

APR 02 1998

BLM

14. I hereby certify that the foregoing is true and correct.

Signed

Ann E. Ritchie
Title REGULATORY AGENT

Date 3-26-98

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

OPERATOR 5

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

CONOCO INC.

3. Address and Telephone No.

10 DESTA DR. STE. 430E, MIDLAND, TX. 79705-4500

4. Location of Well (Footage, Sec., T. R. M. or Survey Description)

Section 27, T-21-S, R-37-E
660' FNL & 2200' FEL

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

LC032096A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Lockhart A 27

8. Well Name and No.

16

9. API Well No.

30-025-34312

10. Field and Pool, or Exploratory Area

Tubb Oil & Gas

11. County or Parish, State

Lea County, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent
☐ Subsequent Repon
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Move location

☐ Change of Plans
☒ New Construction
☐ Non-Routine Fracrunng
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Repon results of multiple completion on Wdl Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Due to existing buried pipeline, it is necessary for Conoco to move the location 120' to the west; the new location being 660' FNL & 2200' FEL, Section 27, T-21-S, R-37-E which remains within the 400' x 400' site with previous archeological clearance Desert West Report No. 98-16J.

The attached plats reflect the changes.

14. I hereby certify that the foregoing is true and correct

Signed

Jo Ann Johnson

Jo Ann Johnson

Title Property Analyst

Date

2/26/98

(This space for Federal or State office use)

Approved by *JOHN SGL. MARY GOURLEY*

Title

PETROLEUM ENGINEER

Date

MAR 03 1998

Conditions of approval if any:

BLM(6), SHEAR, PONCA, COST ASST, FILE ROOM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
		60240	Tubb Oil and Gas
Property Code	Property Name		Well Number
003039	LOCKHART A-27		16
GRID No.	Operator Name		Elevation
005073	CONOCO INC.		3404'

¹⁰ Surface Location

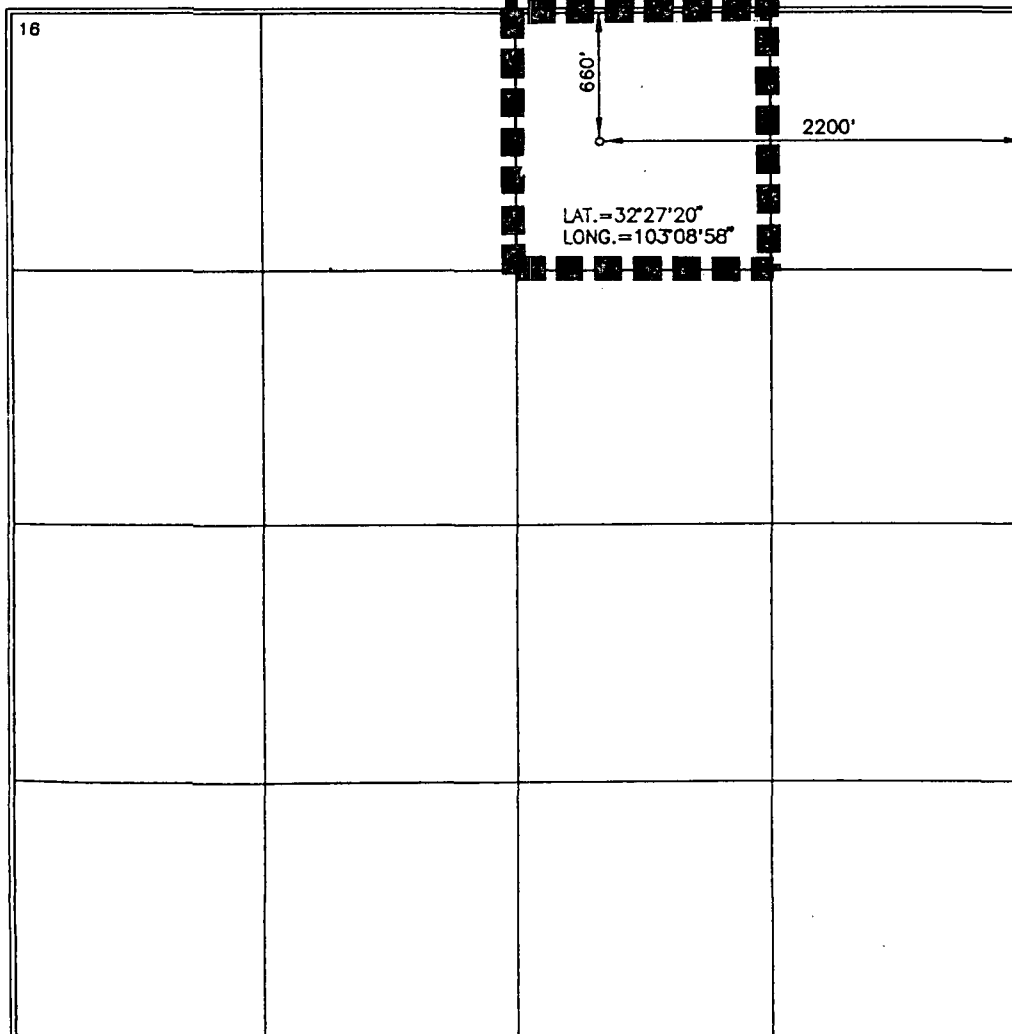
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	27	21-S	37-E		660	NORTH	2200	EAST	LEA

¹¹ 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



¹⁷ OPERATOR CERTIFICATION

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

Jo Ann Johnson
Signature

Jo Ann Johnson
Printed Name
Property Analyst

Title
2/26/98

Date

¹⁸ 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 best of my belief.

FEBRUARY 26, 1998

Date of Survey

Signature and Seal of Professional Surveyor:

Earl F. Foe...
Certificate Number
8278

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTH. M. (Other instr. (8-2-88)
(Reverse side)

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒GAS WELL ☐

OTHER

SINGLE ZONE ☒MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Conoco Inc.

a. ADDRESS AND TELEPHONE NO

10 Desta Dr. Ste 430E, Midland, Tx. 79705-4500

915-686-5794

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *)

At surface

660' FNL & 2080' FEL

At proposed prod. zone

660' FNL & 2080' FEL

Unit B

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

5. LEASE DESIGNATION AND SERIAL NO

LC 032096A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME WELL NO

Lockhart A 27 #16

9. API WELL NO

10. FIELD AND POOL, OR WILDCAT

Tubb Oil & Gas

11. SEC. T., R., M., OR BLK.
AND SURVEY OR AREA

Sec. 27, T21S, R37E

12. COUNTY OR PARISH

Lea

13. STATE

NM

5. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

8. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

6600'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3404' GR

22. APPROX. DATE WORK WILL START*

2/7/98

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	M-50, 8-5/8"	23#	1200'	500 sxs, circ.
7-7/8"	K-55, 5-1/2"	17#	6600'	1460 sxs, circ.

It is proposed to drill a vertical wellbore as a Tubb oil & gas producer according to the plan submitted in the following attachments:

1. Well Location and Acreage Dedication Plat (C-102)

2. Proposed Well Plan Outline

3. Surface Use Plan

4. EXHIBIT A: Vicinity Map

5. EXHIBIT B: Location Verification Map

6. EXHIBIT C: Flowline Plat

7. EXHIBIT D: Trailer Mounted Rig Layout Drawing

8. BOP & Choke Manifold

9. H2S Drilling Operations Plan

10. Surface owner communications on settlement attempt

11. An archaeological survey is being conducted by Desert West Archaeological Services and will be provided upon completion.

OPER. GRID NO. 5073

PROPERTY NO. 3038

POOL CODE 60240

EFF. DATE 3/2/98

API NO 30-025-34312

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, as described above and as covered by BLM Bond File No. ES-0085.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Mike L. Mankin TITLE Right-of-Way Agent DATE 1/2/1998

(This space for Federal or State office use)

PERMIT NO

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY (ORIG. SGD.) ARMANDO A. LOPEZ

TITLE

Active

ADM, MINERALS

DATE

2-20-98

*See Instructions On Reverse Side

P 497 374 051

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to John H. Hendrix	
Street & Number 110 N. Marienfeld STE 400	
Post Office, State, & ZIP Code Midland, TX 79702-3040	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	

95

Return Receipt Showing to

P 497 374 064

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to Exxon	
Street & Number PO Box 4778	
Post Office, State, & ZIP Code Houston, TX 77210-4778	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	

Return Receipt Showing to Whom & Date Delivered

Return Receipt Showing to Whom, Date, & Addressee's Address

TOTAL Postage & Fees

Postmark or Date

PS Form 3800, April 1995

P 497 374 035

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to Texaco	
Street & Number 4601 DTC Blvd	
Post Office, State, & ZIP Code Denver, CO 80237-2549	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

P 497 374 034

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to Marathon	
Street & Number 5555 Sam Felipe	
Post Office, State, & ZIP Code Houston, TX 77253-3128	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	

P 497 374 063

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to APACHE	
Street & Number 2000 Post Oak Blvd STE 100	
Post Office, State, & ZIP Code Houston, TX 77056-4400	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	

Return Receipt Showing to

10m,

\$