

**BURLINGTON
RESOURCES**

MID-CONTINENT DIVISION

November 21, 1996

Mr. David Catanach
Oil Conservation Division
2040 S. Pacheco Street
Santa Fe, New Mexico 87504

RE: Application to Amend Commingling Order PLC-121
 Add the Proposed Sapphire '3' Federal Lease (NM0371175)
 Section 3, T24S, R32E
 Lea County, New Mexico

Mr. Catanach:

Burlington Resources Oil & Gas Company respectfully requests to amend Commingling Order PLC-121 by adding the Sapphire '3' Federal Lease (NM0371175) located in Section 3, T24S, R32E, Lea County, Texas. Presently the Diamondtail '34' Federal Lease (NM94616) and the Diamond '34' Federal Lease (NM62225) are covered under this existing order. Production from the Sapphire lease will be from the Triste Draw Delaware and Wildcat Bone Spring pools. It is the intention of this operator to eventually downhole commingle these two pools depending on the production and decline rates. This request is for Commingling of Hydrocarbon Products, Off-Lease Storage, and Commingling of Two Separate Pools (Surface Only).

DIAMONDTAIL '34' FEDERAL LEASE (NM 94616)

Well No. 2	34	23S	32E	Delaware	NM94616	Prod.
Well No. 3	34	23S	32E	Delaware	NM94616	Prod.
Well No. 4	34	23S	32E	Delaware	NM94616	TA'd

DIAMOND '34' FEDERAL LEASE (NM 62225)

Well No. 2	34	23S	32E	Delaware	NM62225	Prod.
Well No. 3	34	23S	32E	Delaware	NM62225	Prod.

SAPPHIRE '3' FEDERAL LEASE (NM0371175)

Well No. 1 (Pro)	03	24S	32E	Delaware/Bone Spring		To be Drld
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PRODUCTION FROM LEASES

<u>Well Number</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>WATER</u>	<u>FORMATION</u>
Diamond 34 Fed. # 2	13	15	16	Delaware
Diamond 34 Fed. # 3	11	10	155	Delaware
Diamondtail 34 Fed. # 1	75	80	69	Delaware
Diamondtail 34 Fed. # 2	116	100	100	Delaware
Diamondtail 34 Fed. # 3*	229	130	281	Delaware/B. Spring
Diamondtail 34 Fed. # 4				TA'd
Sapphire '3' Fed. # 1 (Pro)	200	75	100	Est. Volumes

* Well is downhole commingled

All the production is stored in the Diamondtail 34 Federal # 1 battery located 1980' FSL & 2310' FEL, of Sec. 34, T23S, R32E, Lea County, New Mexico. Production from the Diamond lease is metered prior to being commingled. The oil production from the Sapphire '3' Federal lease will be sent through a 3 phase system including a 4 x 20 metered heater treater (1 bbl dump pot) prior to being commingled into the battery. The casinghead gas will be metered (test sales) prior to being purchased at the sales meter.

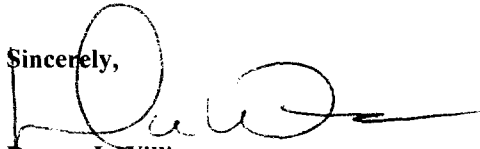
Burlington is 100% working interest in the Sapphire '3' Federal lease.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production. The proposed commingling is necessary to continue operations for the above referenced leases.

The Bureau of Land Management was notified by certified mail on November 21, 1996.

Should you have any questions, or need additional information, please do not hesitate to contact me at 915-688-6943.

Sincerely,



Donna J. Williams
Regulatory Compliance

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

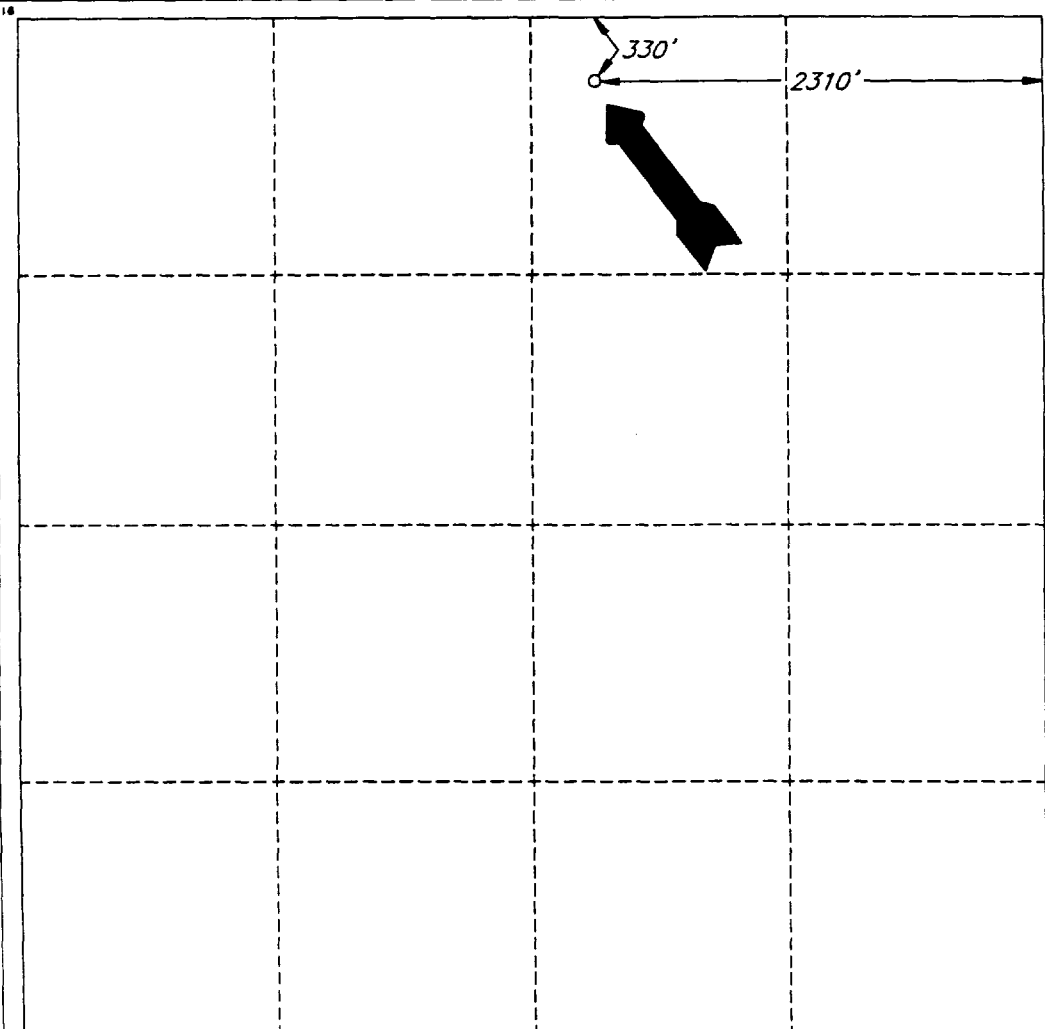
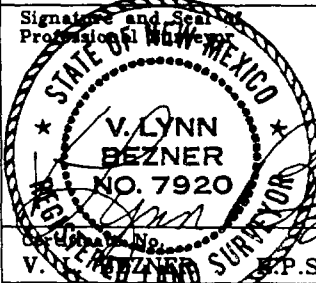
Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 59930/96603		3 Pool Name Triste Draw Delaware, Wildcat Bone Spring					
4 Property Code		5 Property Name SAPPHIRE '3' FEDERAL				6 Well Number 1			
7 OGRID No. 26485		8 Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY				9 Elevation 3633'			
10 SURFACE LOCATION									
UL or lot no. B	Section 3	Township 24 SOUTH	Range 32 EAST, N.M.P.M.	Lot Ida	Feet from the 330'	North/South line NORTH	Feet from the 2310'	East/West line EAST	County EDDY
11 "BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			
NO ALLOWABLE WELL 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 that the information contained herein is true and complete to the best of my knowledge and belief. Signature Donna Williams Printed Name Regulatory Compliance Title 11/21/96 Date			
						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. Date of Survey OCTOBER 9, 1996 Signature and Seal of Professional Surveyor  V. LYNN BEZNER NO. 7920 P.S. #7920 JOB #46181-47 SW / V.H.B.			

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
P.O. Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 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

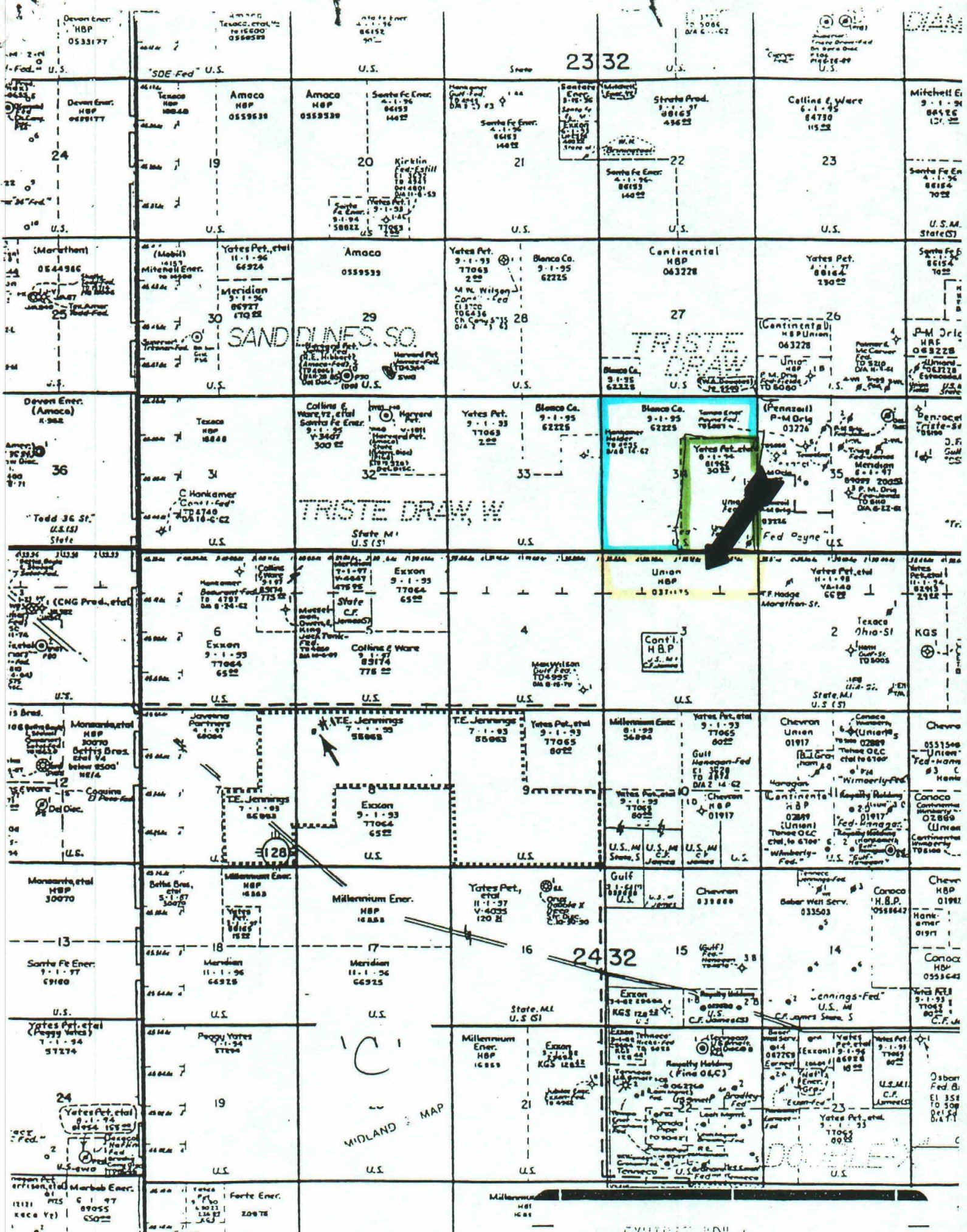
¹ API Number		² Pool Code		³ Pool Name Triste Draw Delaware & Bone Spring	
⁴ Property Code		⁵ Property Name Diamond '34' Federal/Diamondtail '34' Federal			⁶ Well Number
⁷ OGRID No. 26485		⁸ Operator Name Meridian Oil Inc.			⁹ Elevation

¹⁰ Surface Location									
UL or lot no.	Section 34	Township 23S	Range 32E	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County 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
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

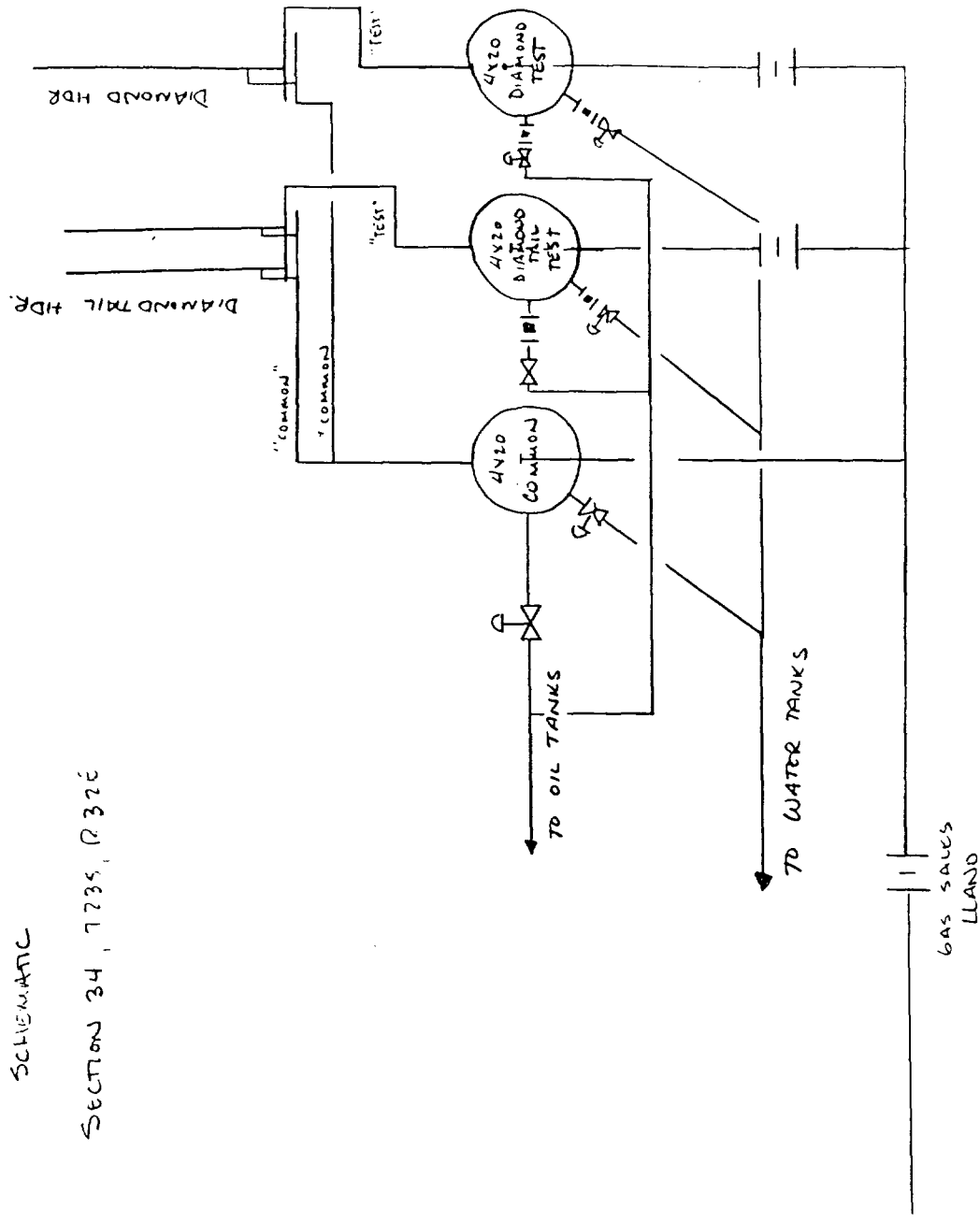
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p># 2</p> <p>NM 62225</p> <p>SEC. 34</p> <p># 1 Central Battery NM 94616</p> <p># 3</p> <p># 4 Dry Hole</p> <p># 3</p>				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature Donna Williams Printed Name Regulatory Compliance Title 3/26/96 Date	
				¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number	

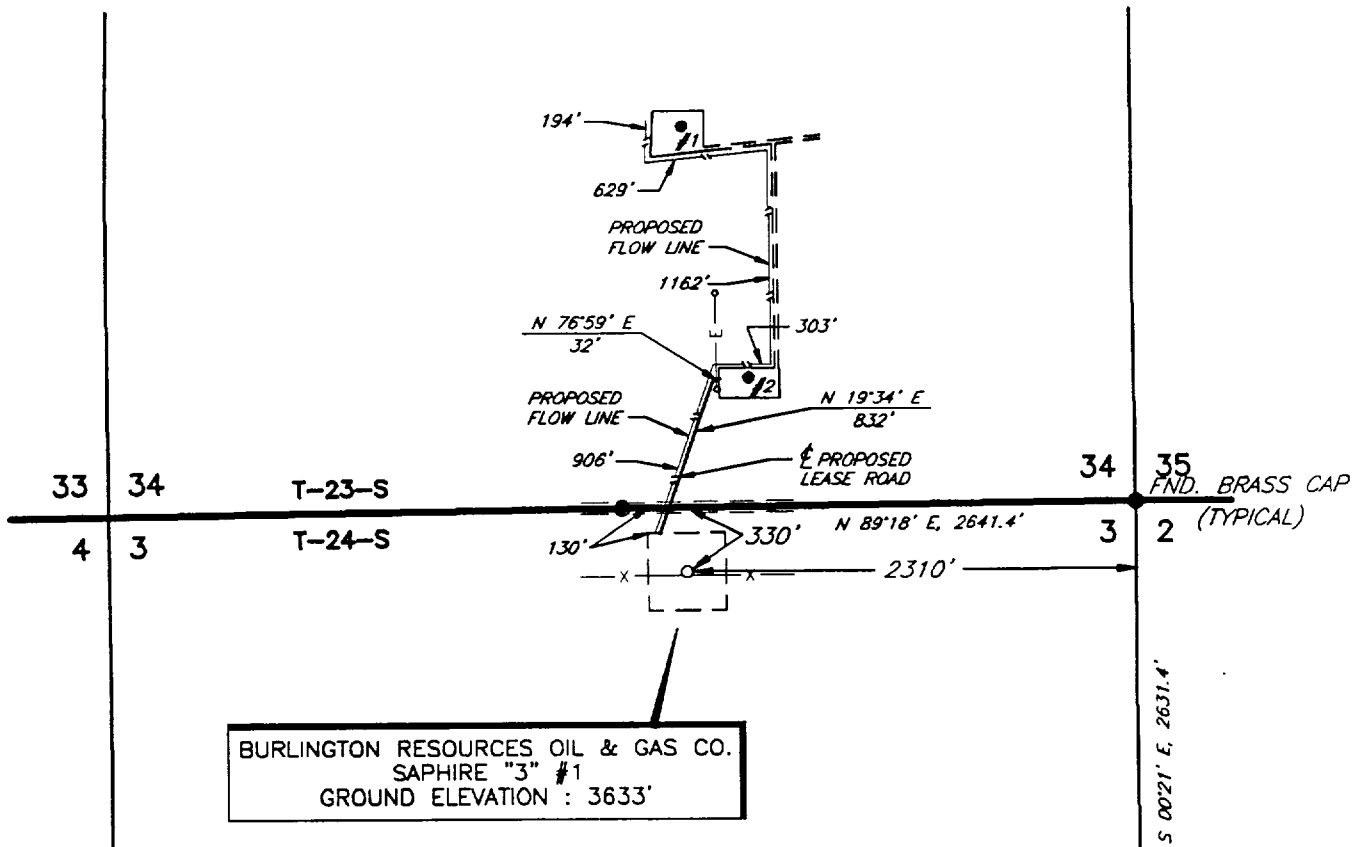


SCHENK

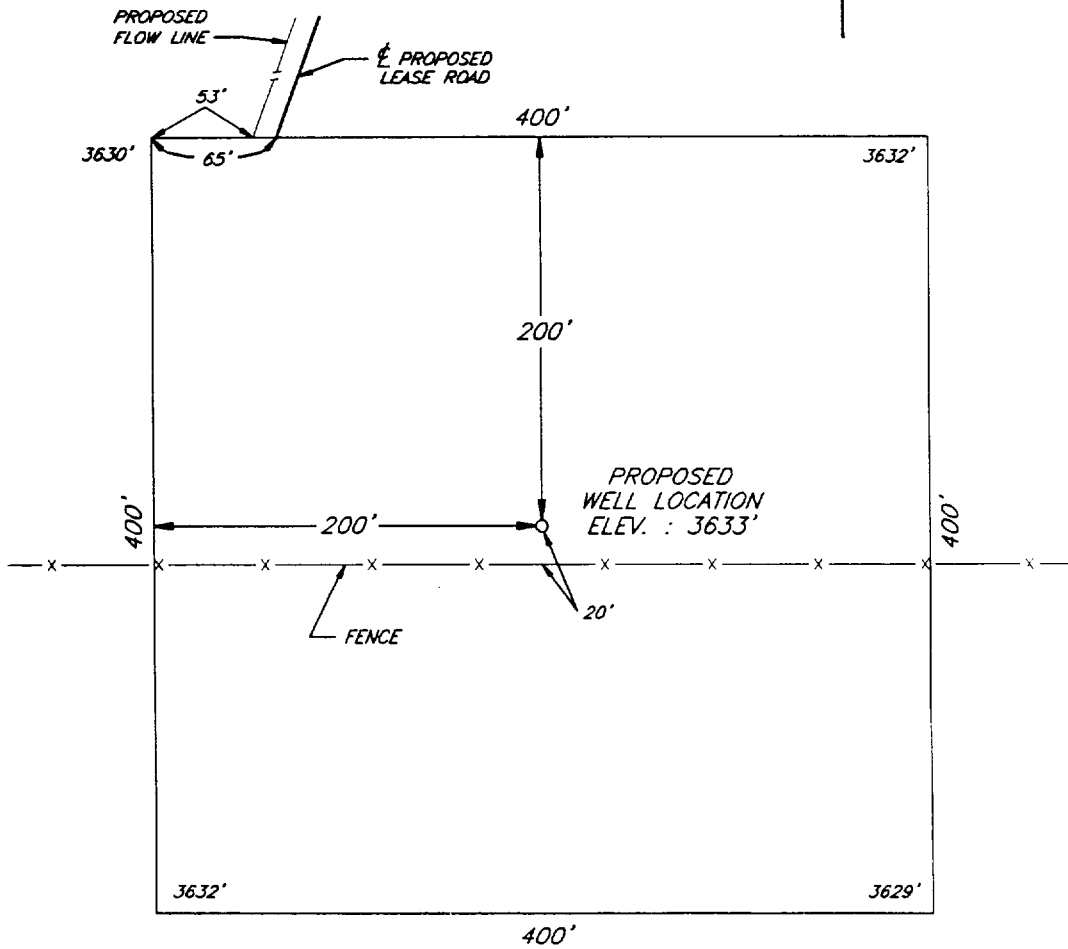
Diamond Trail 019456100
WT: 100%
NLS: 81570



PLAT SHOWING PROPOSED
WELL LOCATION AND LEASE ROAD IN
SECTION 3, T-24-S, R-32-E, N.M.P.M.
LEA COUNTY, NEW MEXICO



PLAN VIEW
1" = 1000'



DETAIL VIEW
1" = 100'

NO.	REVISION	DATE	BY

BURLINGTON RESOURCES OIL & GAS CO.

SURVEYING AND MAPPING BY
TOPOGRAPHIC LAND SURVEYORS
MIDLAND, TEXAS

SCALE:	AS SHOWN
DATE:	OCTOBER 9, 1996
JOB NO.:	48181-F
	47 SW
SHEET :	1 OF 1

**DIAMOND '34' FEDERAL LEASE, DIAMONDTAIL '34' FEDERAL LEASE, & SAPPHIRE '3'
FEDERAL LEASE**

<u>WELL NAME</u>	<u>API NUMBER</u>
Diamond '34' Federal # 2	30-025-33112
Diamond '34' Federal # 3	30-025-33351
Diamonddtail '34' Federal # 1	30-025-32879
Diamonddtail '34' Federal # 2	30-025-32998
Diamonddtail '34' Federal # 3	30-025-33020
Diamonddtail '34' Federal # 4	30-025-33261
Sapphire '3' Federal # 1 (Proposed)	Not Assigned Yet

GRAVITIES FOR SELECTED FIELDS

<u>FIELD NAME</u>	<u>GRAVITY</u>
Triste Draw Delaware	40.123
Wildcat Bone Spring	41