

AMEND PLC  
158

~~6/28/00~~  
7/5/00

June 6, 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, Well #136, Commingling Order PLC-158,  
SEMU Strawn Common Tank Battery, SW/4 NE/4, Section 25, T20S, R37E,  
Lea County, New Mexico

Dear Mark,

Concerning the above referenced well, Conoco anticipates a recompletion attempt in the South, Skaggs (Abo) pool. We had previously made application and received permission to add production from the Southeast Monument-Abo (Oil-96764) recompletion attempt, as attached. The Oil Conservation Division in Hobbs reviewed the recompletion and decided that Abo production from this well should be placed in the South, Skaggs (Abo) pool, rather than the Southeast Monument-Abo pool.

The justification and production methods will be the same in the event this recompletion to the South, Skaggs (Abo) pool is successful. We are requesting that the South, Skaggs (Abo) pool be added to Commingling Order PLC-158, as last approved on April 17, 2000 (copy attached).

Please let me know if you need any further information or documentation concerning this request. Thank you.

Yours truly,



Ann E. Ritchie, Regulatory Agent  
**Conoco, Inc.**  
10 Desta Dr., Suite 100W  
Midland, TX 79705  
1-800-432-2967, (915) 684-6381, (915) 682-1458-fax

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

November 12, 1999

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, Wells #134, 135, and 136, Administrative Order  
CTB-488, Sections 25 & 30, T20S, R37E, Lea County, New Mexico

Dear Mark,

Concerning the above referenced Surface Commingling Order, Conoco has encountered an unsuccessful recompletion in the SEMU, Well #136 in the South, Skaggs (Abo) pool. It is anticipated that a completion will be attempted in the North Hardy Tubb-Drinkard Pool in this well.

The gravity of the Strawn completion currently going into the "SEMU Strawn" tank battery is 37, sweet crude. The anticipated Tubb-Drinkard production should have a gravity of 37.6, sweet crude. The anticipated commingled production will be stored and measured at the "SEMU Strawn" common tank battery facility located in the SW/4 NE/4 (Unit G) of Section 25, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico. Each well will have its own three phase separator, where the oil, water and gas will be separated. The gas will be measured with an orifice meter, the oil will be measured with a positive displacement meter, and the water will be measured with a turbine meter. Please see "Application to Surface Commingle: SEMU Strawn Central Battery Simplified Method of Operation" attached for complete details of oil and gas measurement procedures.

Ownership is as described in "Application to Surface Commingle; SEMU Strawn Central Battery" (attached). I have also enclosed copies of the "SEMU Strawn Proposed Commingling Simplified Plot Plan" and the tank battery diagram.

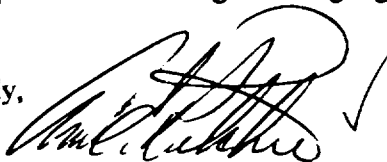
Copies of this application have been sent to the following interest owners:

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

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

Please let me know if you need any further information in order to add the North Hardy Tubb-Drinkard pool to this existing commingling permit. Thank you.

Yours truly,



Ann E. Ritchie, Regulatory Agent  
Conoco, Inc., 10 Desta Dr., Suite 100W, Midland, TX 79705-4500  
1-800-432-2967, (915) 682-1458-fax  
cc: Reesa Wilkes/Conoco-Midland; BLM-Roswell

September 30, 1999

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

Att: Mark Ashley, Engineering Unit

RE: Conoco, Inc., SEMU Well #134, SEMU Well #135, SEMU Well #136,  
Lea County, New Mexico, Amendment to Surface Commingling,  
Administrative Order CTB-488

Dear Mark,

Conoco, Inc. has received permission to commingle the above referenced wells, which were drilled during the past 60 days. In our application we anticipated that each of the wells would be completed in the North, Hardy Strawn pool. Wells #134 and #135 have been completed in the Strawn zone, Well #136 looks to be potentially productive in the Abo only. We anticipate completing and placing Well #136 in the Southeast, Monument -Abo pool.

Please see attached a copy of the distillation report (Exhibit A) for the Conoco, Inc., Hardy 36 State, Well #7 from an Abo completion. The gravity of the Strawn completions is 36.6, the gravity of the Abo completion was 39.3, both being sweet crude. The anticipated commingled production will be stored and measured at the "SEMU Strawn" common tank battery facility located in the SW/4 NE/4 (Unit G) of Section 25, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico. Each well will have its own three phase separator, where the oil, water and gas will be separated. The gas will be measured with an orifice meter, the oil will be measured with a positive displacement meter, and the water will be measured with a turbine meter. Please see "Application to Surface Commingle: SEMU Strawn Central Battery Simplified Method of Operation" attached, for complete details of oil and gas measurement procedures (Exhibit B).

Ownership is as described in "Application to Surface Commingle; SEMU Strawn Central Battery" (Exhibit C). I have also enclosed copies of the "SEMU Strawn Proposed Commingling Simplified Plot Plan" (Exhibit D) and the tank battery diagram (Exhibit E).

Please let me know if you need any further information in order to process this application.  
Thank you.

Yours truly,



Ann E. Ritchie, Regulatory Agent (1-800-432-2967), (915) 682-1458-fax  
Conoco, Inc.  
10 Desta Dr., Suite 100W  
Midland, TX 79705

Attachments/cc: Reesa Wilkes-Conoco/Midland;Bureau of Land Management-Roswell

June 8, 2000

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

12

Att: Mark Ashley, Engineering

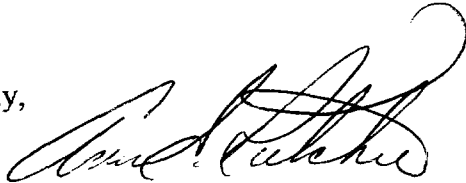
RE: Conoco, Inc., Lea County, New Mexico, Proposed Location Map

Dear Mark,

Please see attached the latest map which designates the proposed and current producing wells, particularly pertaining to the Southeast Monument- Strawn/Tubb wells which will be going into the SEMU Strawn battery and the state wells going into the Hardy 36 State battery. Hopefully this will be beneficial to you when we submit further surface commingling applications.

We are having a surface facility meeting next week to review the testing procedures and requirements. I will let you know how that goes. I hope you guys get some rain in Santa Fe -- I heard that it was really dry. It actually rained here in Midland last week. 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  
(915) 684-6381, (915) 682-1458-fax

AMEND PLC 7/5/00

158

June 12, 2000

New Mexico Oil Conservation Division  
Department of Energy & Minerals  
State of New Mexico  
2040 South Pacheco  
Santa Fe, NM 87505

Att: Mark Ashley, Engineering ✓

RE: Conoco, Inc., SEMU, Well #136, 1980' FSL & 1090' FWL, Sec 25, T20S, R37E,  
SEMU, Well #147, 1980' FSL & 660' FEL, Sec 26, T20S, R37E,  
Lea County, New Mexico; *Commingling Order PLC-158*

Dear Mark,

Due to recent developments in Conoco, Inc.'s drilling program it is anticipated that the SEMU, Well #147 will be completed in the Abo pool. We had previously requested that in the event Abo production was incurred that the Southeast Monument Abo pool be added to Commingling Order PLC 158. The Oil Conservation Division in Hobbs has determined that Abo production in this area should be placed in the South, Skaggs Abo pool, therefore we are requesting that this pool be added to the existing order. The production methods and ownership remain the same.

I have enclosed a copy of the latest order and our letter of September 30, 1999 concerning the Abo completion in the SEMU #136. Please let me know if you need further information or documentation. Thank you.

Yours truly,



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

Cc: Reesa Wilkes-Conoco/Midland, BLM-Roswell, OCD-Hobbs  
Chevron USA, Inc.; Arco Permian

September 30, 1999

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

Att: Mark Ashley, Engineering Unit

RE: Conoco, Inc., SEMU Well #134, SEMU Well #135, SEMU Well #136,  
Lea County, New Mexico, Amendment to Surface Commingling,  
Administrative Order CTB-488

Dear Mark,

Conoco, Inc. has received permission to commingle the above referenced wells, which were drilled during the past 60 days. In our application we anticipated that each of the wells would be completed in the North, Hardy Strawn pool. Wells #134 and #135 have been completed in the Strawn zone, Well #136 looks to be potentially productive in the Abo only. We anticipate completing and placing Well #136 in the Southeast, Monument -Abo pool.

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Ownership is as described in "Application to Surface Commingle; SEMU Strawn Central Battery" (Exhibit C). I have also enclosed copies of the "SEMU Strawn Proposed Commingling Simplified Plot Plan" (Exhibit D) and the tank battery diagram (Exhibit E).

Please let me know if you need any further information in order to process this application.  
Thank you.

Yours truly,



Ann E. Ritchie, Regulatory Agent (1-800-432-2967), (915) 682-1458-fax  
Conoco, Inc.  
10 Desta Dr., Suite 100W  
Midland, TX 79705

Attachments/cc: Reesa Wilkes-Conoco/Midland; Bureau of Land Management-Roswell

**Application to Surface Commingle  
SEMU Strawn Central Battery**

	<i>Strawn</i>	<i>Strawn</i>	<i>Abo/Tubb</i>
	Well Name		
<u>Working Interest Owners</u>	SEMU 134	SEMU 135	SEMU 136
Conoco Inc.	50%	50%	<del>37.50%</del> 50%
Chevron USA	25%	25%	<del>18.75%</del> 25%
Arco Permian	25%	25%	<del>18.75%</del> 25%

Royalty Interest Owners

SEMU 134	Lease Numbers
US Government Federal Lease	LC-031695A
SEMU 135	
State of New Mexico	Tract 2 B-11349
US Government Federal Lease	Tract 1 LC-031696A
SEMU 136	
State of New Mexico	<del>Tract 2 B-11349</del>
US Government Federal Lease	Tract 1 LC-031696A

*Royalty  
Abo's Interests*

Well Legal Description

SEMU 134  
455' FWL, 1650' FSL, Sec. 30, T-20S, R-38E, Lea County, NM *North; Hardy, Strawn*

SEMU 135  
1990' FEL, 1330' FSL, Sec. 25, T-20S, R-37E, Lea County, NM *North; Hardy, Strawn*

SEMU 136  
1090' FWL, 1980' FSL, Sec. 25, T-20S, R-37E, Lea County, NM *Setheast, Monument, Abo  
Tubb/Drinkard  
South, Skaggs Abo*

Post-it® Fax Note 7671		Date <i>7-29-99</i>	# of pages <i>2</i>
To <i>Ann Pichis</i>		From <i>Tim S.</i>	
Co./Dept.		Co.	
Phone # <i>6</i>		Phone # <i>686-6180</i>	
Fax # <i>682-1488</i>		Fax # <i>X-6586</i>	

~~CONFIDENTIAL~~

June 21, 2000

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

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Att: Mark Ashley, Engineering

RE: **Conoco, Inc.**, Participating Area "Tubb B", Southeast Monument Unit,  
Lea County, New Mexico

Dear Mark,

Please see enclosed the Bureau of Land Management approval for the Tubb B Participating Area as specified in the gray area on the maps attached. It is anticipated that this Participating Area is to be expanded and I will keep you updated. There will also be a Strawn Participating Area.

I have also enclosed the latest battery diagram for the SEMU Strawn battery in Section 25, T20S, R37E, (Unit G). I need to add the proposed wells #149 and #150 to the Commingling Order PLC-158 – I will get that filing together as soon as possible. Since the Participating Area royalty split/ownership is governed by the Participating Area order do you think it would be possible to add the Participating Area to PLC-158 instead of well by well? I know we need to have a filing to add, since it is a "Strawn" battery, but since ownership is identical for all wells in the PA I thought we might be able to look at adding by PA. The same would probably go for the Strawn Participating Area.

Please call me with any questions. Thank you.

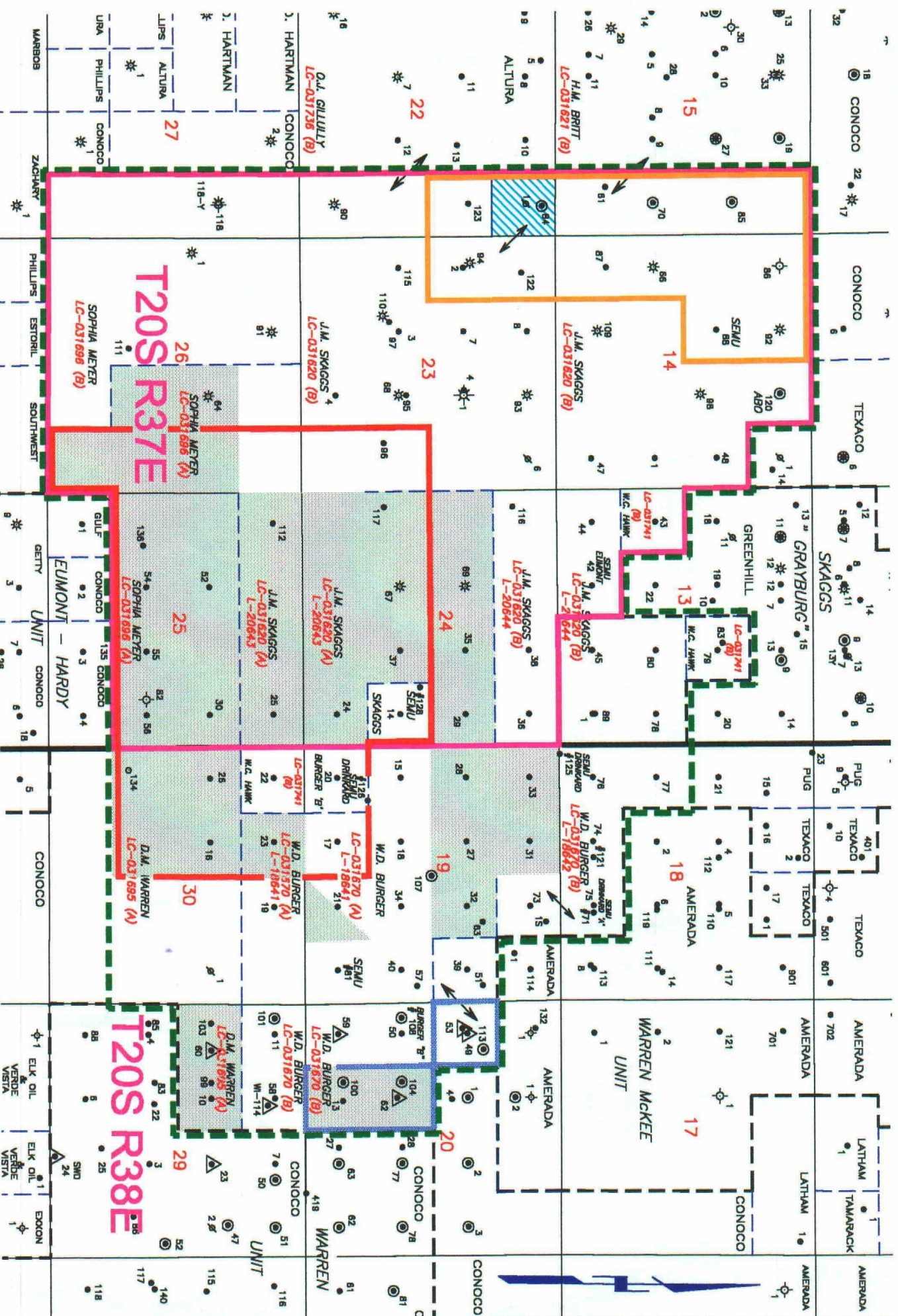
Yours truly,



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

cc: Reesa Wilkes-Conoco/Midland  
attachments







# SEMU UNIT BOUNDARY

DEVONIAN P/A	C-4224-07
TUBB 'A' P/A	C-4224-05
TUBB P/A	C-4224-10
DRINKARD P/A	C-4224-04
EUMONT P/A	C-4224-06
McKEE P/A	C-4224-03
BLINEBERRY 'A' P/A	
BLINEBERRY P/A	C-4224-08
PERMAN P/A	C-4224-09
GRAYBURG FORM.	
C-4224-01 (LOWER PERM.)	
C-4224-02 (UPPER PERM.)	
STRAWN P/A	

ARCO SALE C-49108 7.5% ORRI

DATE: 2/2/00

DRAWN BY: glg

CHECKED BY:

APPROVED BY:

SCALE: 1" = 2640'

STATE PLANE COORDINATES REFERRED TO NAD27 - NEW MEXICO EAST

STATE PLANE COORDINATES ZONE - 3001

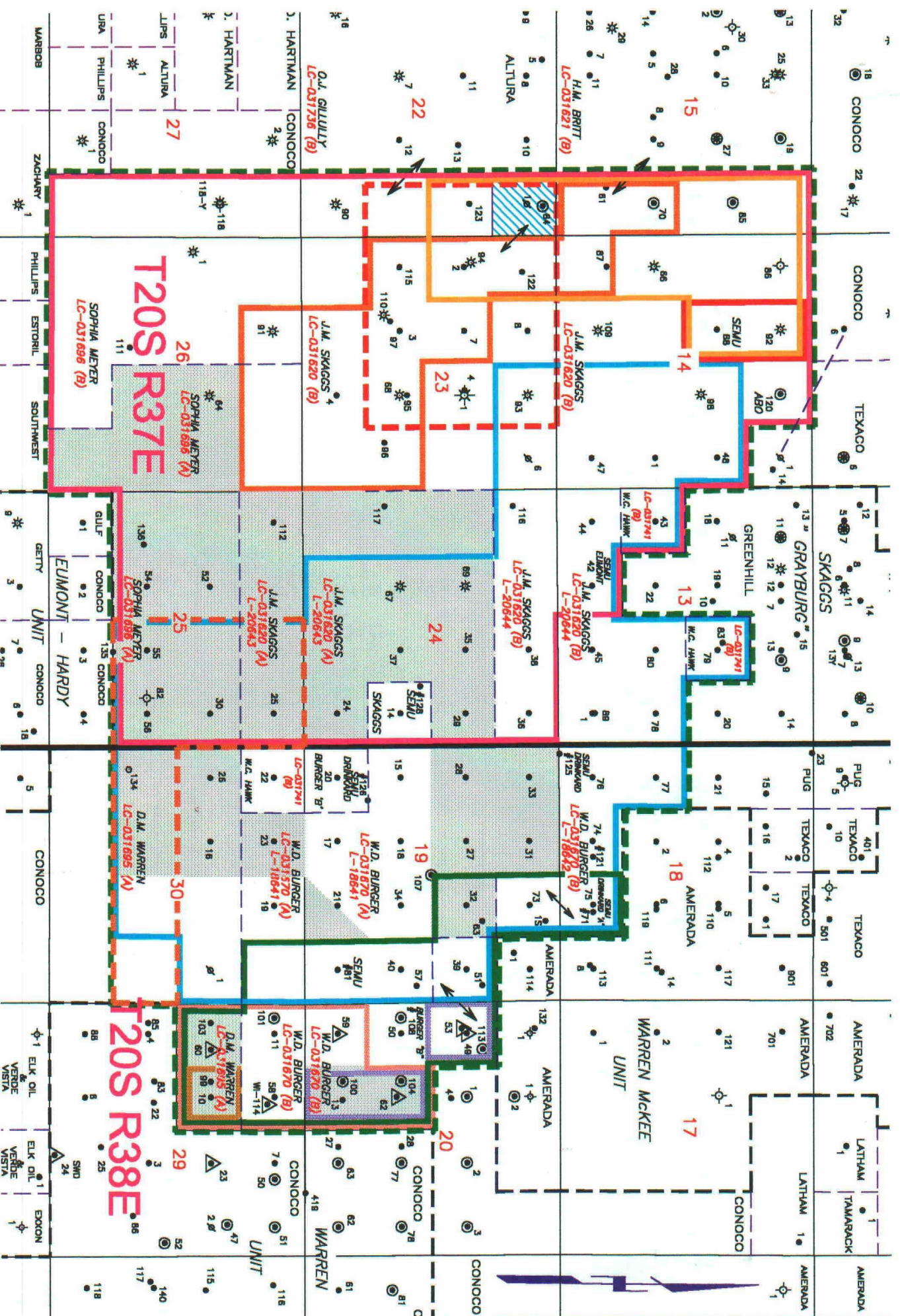
**CONOCO** EPNGNA MIDLAND DIVISION

SOUTHEAST MONUMENT UNIT AREA

LEA COUNTY NEW MEXICO

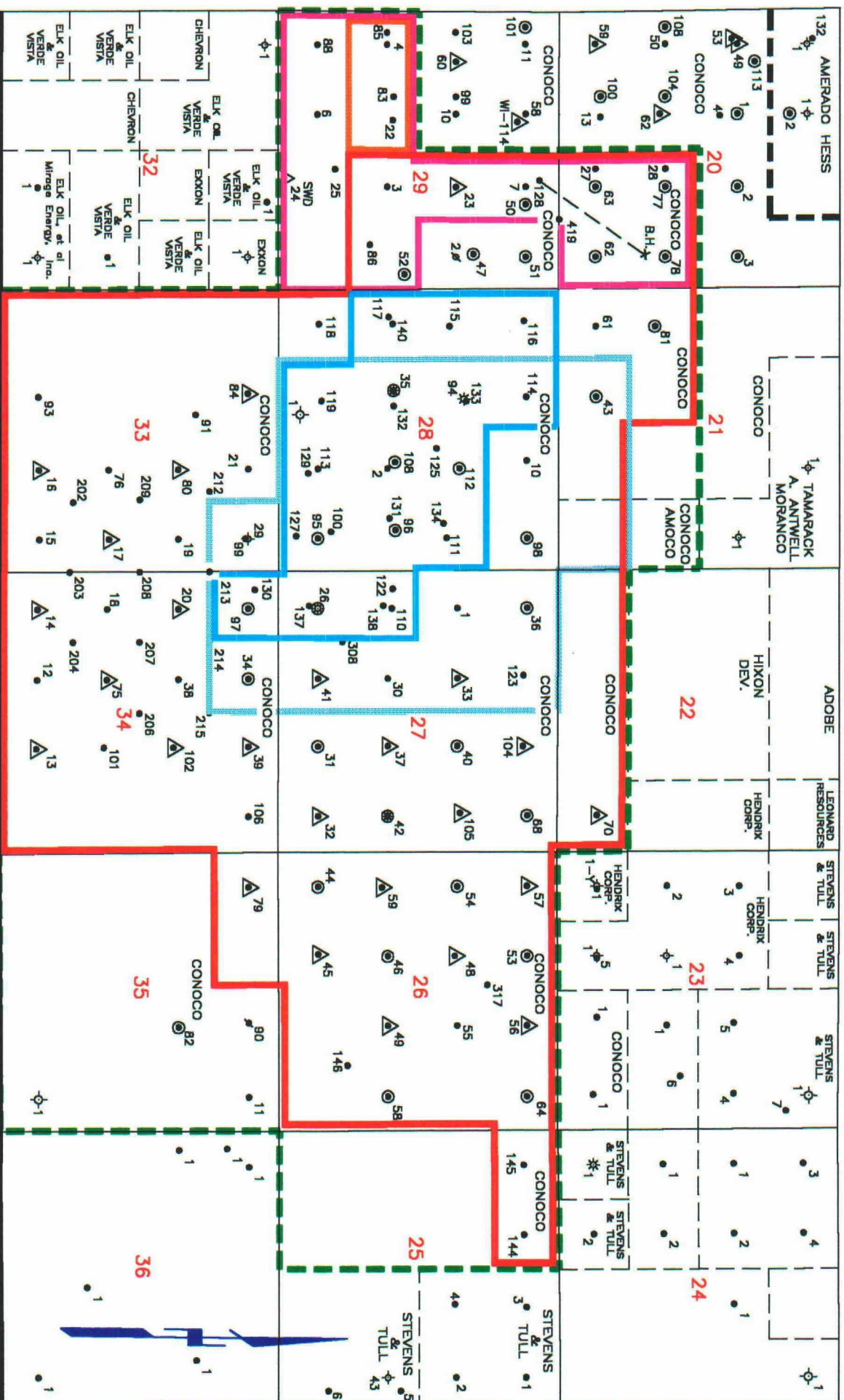
STATE	API	COUNTY	DRAWING
30	\	025	SEMU-UNIT

CONOCO INC. OFFICE  
10 DESTA DRIVE WEST  
MIDLAND, TEXAS 79705





# T20S R38E



WARREN UNIT BOUNDARY

BLINEBRY-TUBB PARTICIPATION AREA  
2nd AMENDMENT

LOWER YESO - LEONARD DRINKARD P/A  
3rd ENLARGEMENT

SIMPSON - MCKEE SAND ZONE P/A  
4th ENLARGEMENT

BLINEBRY PARTICIPATION AREA  
AFTER 24th AMENDMENT

GRAYBURG / SAN ANDRES P/A  
1st ENLARGEMENT

DATE: 5/2/00

DRAWN BY: glg

CHECKED BY:

APPROVED BY:

SCALE: 1" = 2640'

STATE PLANE COORDINATES REFERRED TO  
NAD27 - NEW MEXICO EAST

STATE PLANE COORDINATES  
ZONE - 3001

EPNGNA  
MIDLAND DIVISION

WARREN UNIT

LEA COUNTY  
NEW MEXICO

STATE	COUNTY	DRAWING
30	025	WARR-UNT

CONOCO INC. OFFICE  
10 DESTA DRIVE WEST  
MIDLAND, TEXAS 79705

# SEMU Strawn/Tubb Proposed Commingling and Associated Meters

**ALL TUBB P.A. WELLS**

