

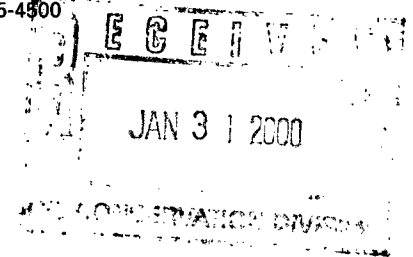


Mid-Continent Region  
Exploration/Production

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

January 27, 2000

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



RE: Application for Non-Standard Proration Unit & Unorthodox location  
Eumont, Yates, Seven Rivers, Queen (Pro Gas) 76480

SEMU Eumont #144 – New Drill  
API # Not Available  
Section 24, T-20-S, R-37-E, A  
1310' FNL & 1310' FEL  
Lea County, NM

SEMU Permian #24 – Recomplete  
API # 30-025-06249  
Section 24, T-20-S, R-37-E, P  
660' FSL & 660' FEL  
Lea County, NM

Dear Mr. Stogner,

Conoco, Inc. respectfully requests your approval of the administrative application for a Non-standard proration order for the above listed wells, and an unorthodox location order. Upon completion the name of the SEMU Permian #24 well will be changed to the SEMU Eumont # 24.

Conoco is planning to drill the SEMU Eumont # 144 at the above listed location in April 2000. This well will be completed in the Eumont, Yates, Seven Rivers, Queen (Pro Gas) 76480 pool. Based on the Eumont pool rules requiring 330' from the interior quarter quarter lines the staked location of this well is non-standard. The location is non-standard based on the fact that this well is going to be drilled to the Penrose Grayburg. If a completion in the Eumont is unsuccessful, the well will become a 20 acre standard location infill well in the SEMU waterflood. No completion in the shallower objectives is anticipated. The well is non-standard to the interior of the Conoco operated Southeast Monument unit. We request that the outlined 560 acres shown on the attached C-102 be dedicated to this well. Conoco also plans to recomplete the SEMU Permian #24 to the Eumont, Yates, Seven Rivers, Queen gas pool. We would like to simultaneously dedicate this well to the outlined 560 acres shown on the attached plat. The 640 acre Eumont gas pool rules state that a well with 560 acres dedicated to it must be at least 990' from the section lines. The SEMU Permian #24 well is only 660' FSL & 660' FEL thereby making its location non-standard within the 560 acre Eumont proration unit. The SEMU Eumont wells # 116 & 117 were drilled as Eumont gas wells and a non-standard proration order and non-standard location order was granted, Order #R-6272 (see attached). The wells are now oil wells with only 40 acres dedicated to them. The SEMU

Eumont # 67 had an NSP Order # R-1979 (see attached) however the well was recompleted to the Skaggs Grayburg in 1997. The SEMU Eumont #69 well was plugged and abandoned. There are no other Eumont gas wells within Section 24.

Conoco is the only offset operator that can be affected by this non-standard proration Unit and non-standard location order application.

In order to prevent waste and to exercise Conoco's correlative rights in Section 24 we respectfully request that a non-standard proration unit of 560 acres be dedicated to the SEMU Eumont # 144 with simultaneous dedication for the SEMU Permian #24. We also request that a unorthodox location order be granted for the SEMU # 144 and the SEMU Permian #24 for the Eumont pool.

If you have any further questions regarding this application please contact me at (915) 686-5798.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kay Maddox", is written over the typed name.

Kay Maddox

Regulatory Agent – Conoco, Inc.

Cc: NM Oil Conservation Division - Hobbs

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<br>N/A     | 2 Pool Code<br>76480  | 3 Pool Name<br>Eumont, Yates, Seven Rivers, Queen (Pro Gas) |
| 4 Property Code       | 5 Property Name<br>SEMU Eumont  | 6 Well Number<br># 144                                      |
| 7 OGRID No.<br>005073 | 8 Operator Name<br>Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500 | 9 Elevation<br>3544'  |

10 Surface Location

|                    |               |                 |              |         |                        |                           |                        |                        |               |
|--------------------|---------------|-----------------|--------------|---------|------------------------|---------------------------|------------------------|------------------------|---------------|
| UL or lot no.<br>A | Section<br>24 | Township<br>20S | Range<br>37E | Lot Idn | Feet from the<br>1310' | North/South line<br>North | Feet from the<br>1310' | East/West line<br>East | County<br>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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|

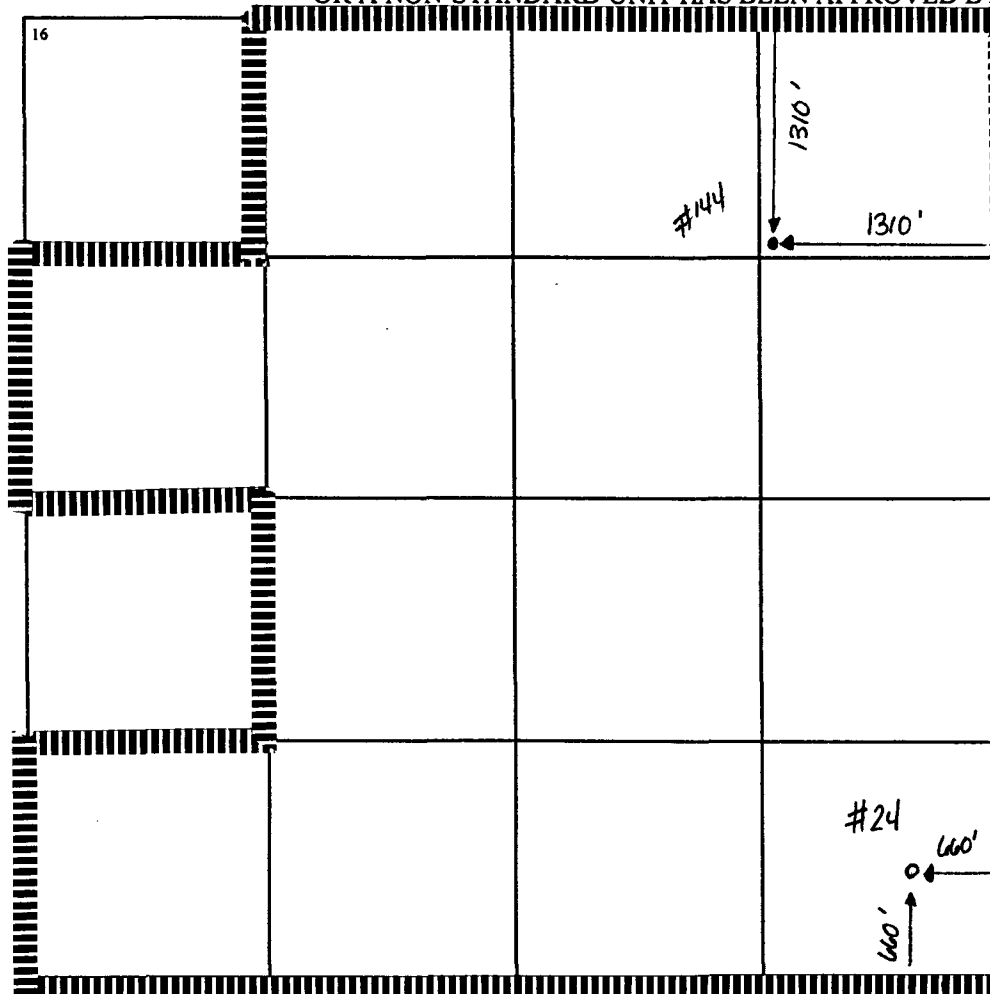
12 Dedicated Acres  
5.0

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

|                    |  |   |  |  |  |  |
|--------------------|--|---|--|--|--|--|
| 16                 |  |   |  |  | 17 OPERATOR CERTIFICATION  |  |
|                    |  |   |  |  | I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief |  |
|                    |  |   |  |  | Signature<br>Kay Maddox  |  |
|                    |  |   |  |  | Printed Name<br>Regulatory Agent   |  |
| Title<br>1/13/2000 |  | Date  |  |  |  |  |
| 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 the best of my belief. |  |  |  |  |
|                    |  | Date of Survey  |  |  |  |  |
|                    |  | Signature and Seal of Professional Surveyor:  |  |  |  |  |
|                    |  | Certificate Number  |  |  |  |  |

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<br>30-025-06249 |  | 2 Pool Code<br>76480  |  | 3 Pool Name<br>Eumont, Yates, Seven Rivers, Queen (Pro Gas) |                       |
| 4 Property Code<br>003083  |  | 5 Property Name<br>SEMU Eumont  |  |   | 6 Well Number<br># 24 |
| 7 OGRID No.<br>005073      |  | 8 Operator Name<br>Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500 |  |   | 9 Elevation           |

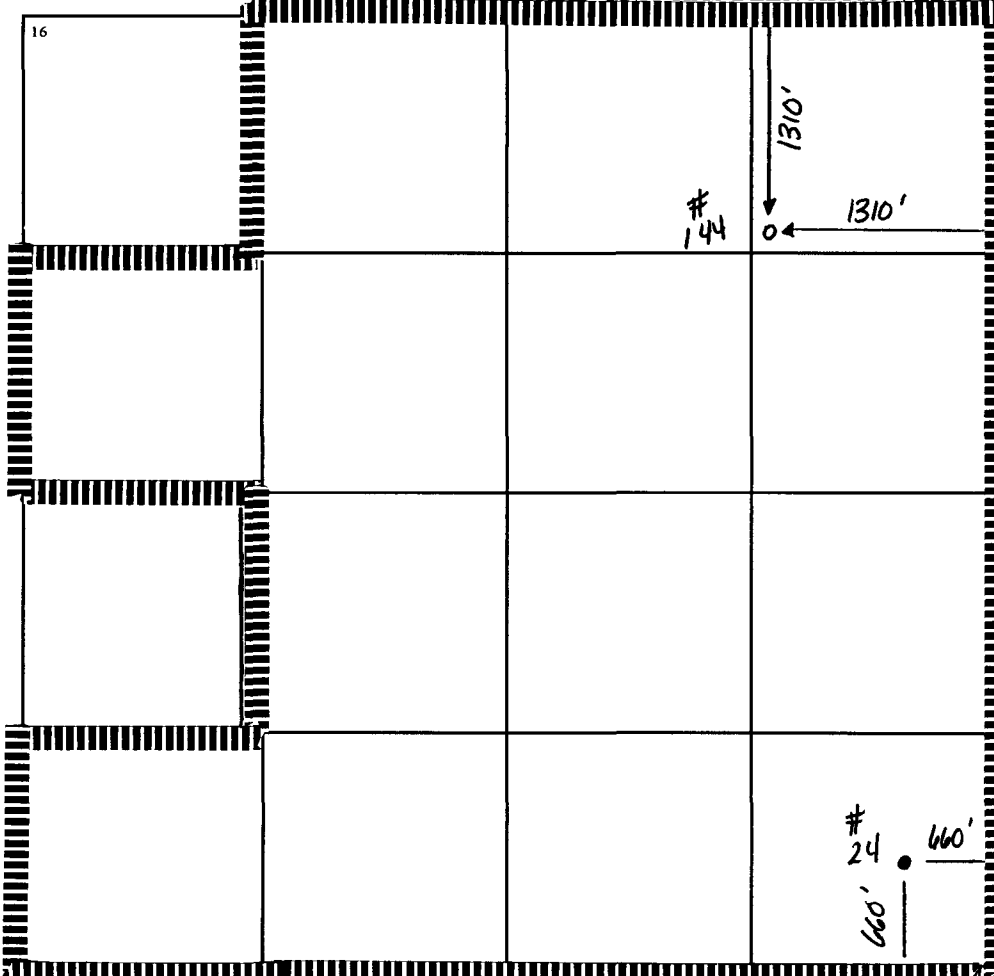
#### 10 Surface Location

|                    |               |                 |              |         |                       |                           |                       |                        |               |
|--------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|---------------|
| UL or lot no.<br>P | Section<br>24 | Township<br>20S | Range<br>37E | Lot Idn | Feet from the<br>660' | North/South line<br>South | Feet from the<br>660' | East/West line<br>East | County<br>Lea |
|--------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|---------------|

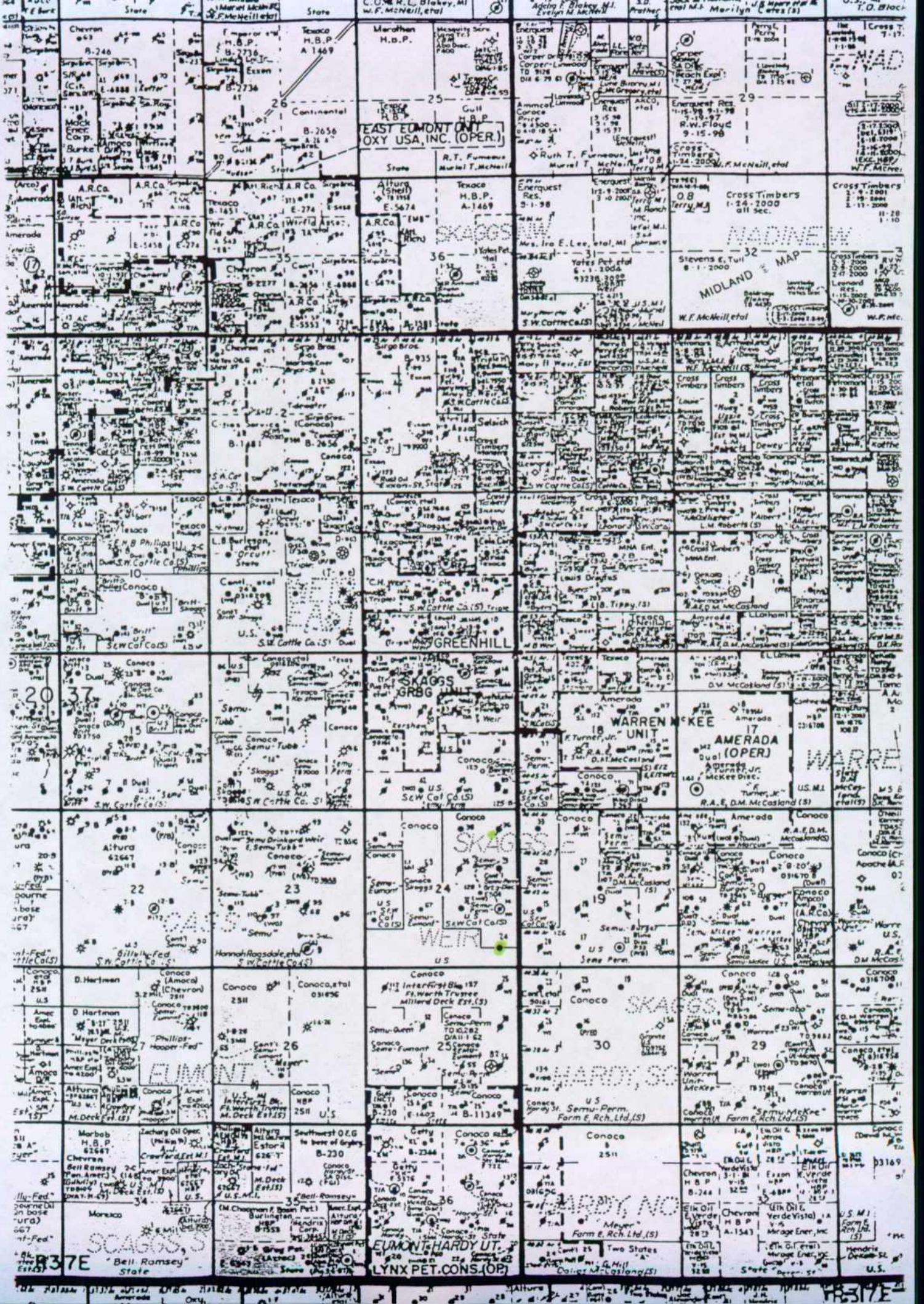
#### 11 Bottom Hole Location If Different From Surface

|                           |         |                    |       |                       |               |                  |               |                |        |
|---------------------------|---------|--------------------|-------|-----------------------|---------------|------------------|---------------|----------------|--------|
| 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<br>560 |         | 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

|  |   |  |
|--|---|--|
| <div>16</div>  | <div>17 OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Kay Maddox</i></p> <p>Signature Kay Maddox</p> <p>Printed Name Regulatory Agent</p> <p>Title</p> <p>Date 1/13/2000</p>   |  |
|  | <div>18 SURVEYOR CERTIFICATION</div> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> |  |
|  | <p>#24 660'</p>   |  |
|  | <p>Certificate Number</p>   |  |







BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 2261  
Order No. R-1979

APPLICATION OF CONTINENTAL OIL  
COMPANY FOR TWO NON-STANDARD GAS  
PRORATION UNITS IN THE EUMONT GAS  
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 4, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 17th day of May, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Continental Oil Company, seeks the establishment of a 480-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the S/2 and the NE/4 of Section 24, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, said unit to be dedicated to the SEMU Eumont Well No. 67, located 1980 feet from the South line and 1980 feet from the West line of said Section 24.

(3) That the applicant further seeks the establishment of a 480-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the NW/4 of Section 24 and the SE/4, the SW/4 NE/4, the S/2 SW/4 and the NW/4 SW/4 of Section 13, all in Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, said unit to be dedicated to the SEMU Eumont Well No. 69, located 1980 feet from the North line and 1980 feet from the West line of said Section 24.

(4) That the acreage included in both of the above-described non-standard gas proration units is presumed to be productive of gas from the Eumont Gas Pool.

(5) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 480-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the S/2 and the NE/4 of Section 24, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established. Said unit shall be dedicated to the SEMU Eumont Well No. 67, located 1980 feet from the South line and 1980 feet from the West line of said Section 24.

(2) That a 480-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the NW/4 of Section 24 and the SE/4, SW/4 NE/4, the S/2 SW/4 and the NW/4 SW/4 of Section 13, all in Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established. Said unit shall be dedicated to the SEMU Eumont Well No. 69, located 1980 feet from the North line and 1980 feet from the West line of said Section 24.

(3) That the allowable assigned to each of the above-described non-standard gas proration units shall bear the same ratio to a standard allowable in the Eumont Gas Pool as the acreage in said unit bears to the acreage in a standard gas proration unit in the Eumont Gas Pool.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/

# NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-102  
Supersedes O-124  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

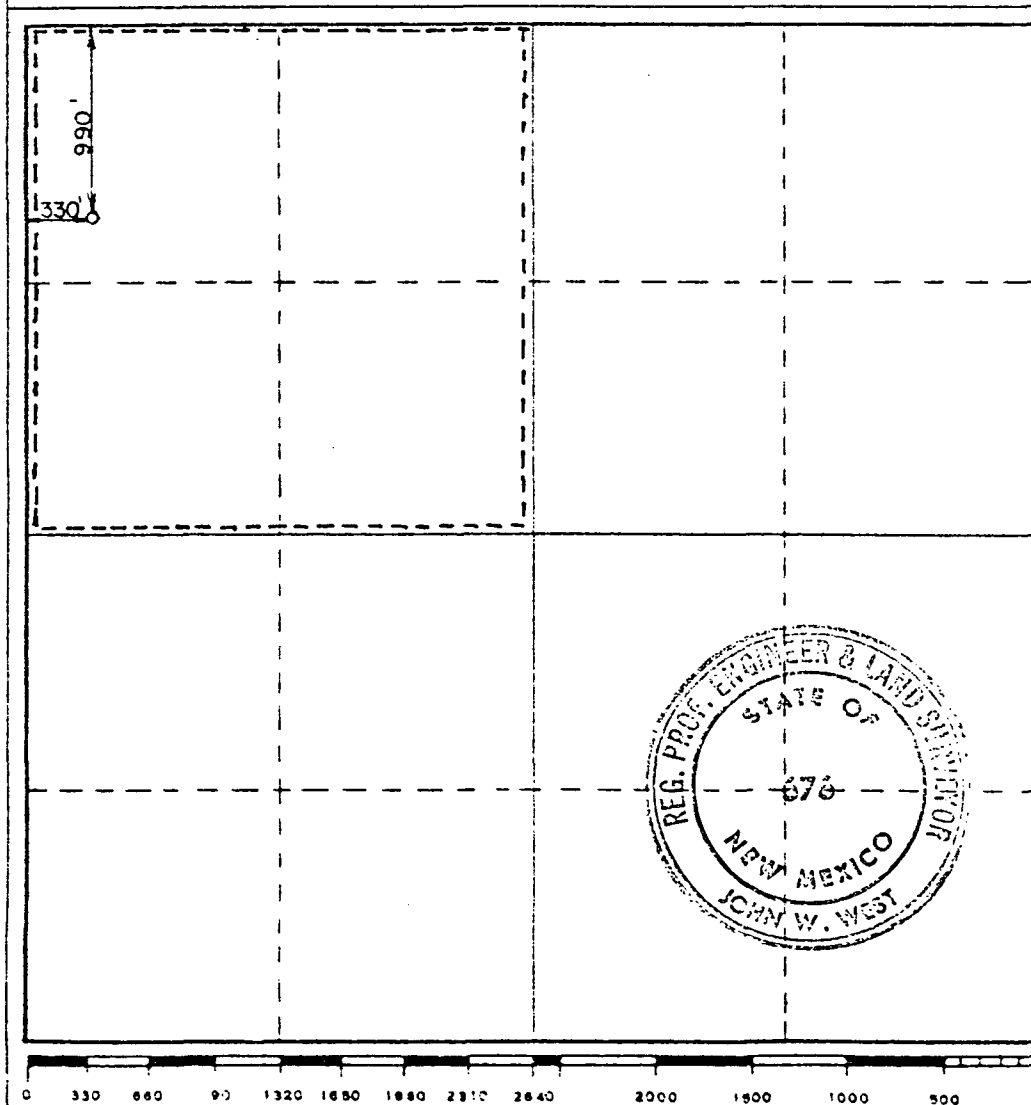
|                                     |                      |                                     |                                 |                                 |  |                                       |  |  |
|-------------------------------------|----------------------|-------------------------------------|---------------------------------|---------------------------------|--|---------------------------------------|--|--|
| Operator<br><b>CONOCO, INC.</b>     |                      |                                     | Lessee<br><b>SEMU Eumont</b>    |                                 |  | Well No.<br><b>116</b>                |  |  |
| Section<br><b>D</b>                 | Section<br><b>24</b> | Township<br><b>20 South</b>         | Range<br><b>37 East</b>         | County<br><b>Lea</b>            |  |                                       |  |  |
| Actual Well Location of Well        |                      |                                     |                                 |                                 |  |                                       |  |  |
| 990 feet from the North             |                      |                                     | line and 330 feet from the West |                                 |  |                                       |  |  |
| Ground Level Elev.<br><b>3525.4</b> |                      | Producing Formation<br><b>Queen</b> |                                 | Pool<br><b>Eumont Queen Gas</b> |  | Estimated Acreage<br><b>160 Acres</b> |  |  |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



## CERTIFICATION

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

Name Wm. A. Butterfield  
Position Administrative Supervisor  
Company Conoco Inc.  
Date 12/20/79

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 knowledge and belief.

Date Surveyed December 1, 1979  
Registered Professional Engineer and/or Land Surveyor  
John W. West  
Certificate No. John W. West 676  
Ronald J. Eidson 3239



NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form 1-7-72  
Supersedes 1-7-72  
Effective 1-7-72

All distances must be from the outer boundaries of the Section

|   |                            |                                      |                            |                                 |
|---|----------------------------|--------------------------------------|----------------------------|---------------------------------|
| Operator<br><b>CONOCO, INC.</b>   |                            | Lease<br><b>SEAU Eumont</b>          |                            | Well No.<br><b>117</b>          |
| Tract Name<br><b>L</b>  | Section<br><b>24</b>       | Range<br><b>20 South</b>             | Township<br><b>37 East</b> | County<br><b>Lea</b>            |
| Actual Well Location of Well<br><b>1650</b> feet from the <b>South</b> line and <b>330</b> feet from the <b>West</b> line |                            |                                      |                            |                                 |
| Ground Elev.<br><b>3526.7</b>   | Production<br><b>Queen</b> | Well Name<br><b>Eumont Queen Gas</b> |                            | Dedicated Acreage<br><b>120</b> |

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty)
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actual interests in the well (use reverse side of this form if necessary) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

**RECEIVED**  
**FEB 4 1980**

**U.S. GEOLOGICAL SURVEY**  
**HOBBS, NEW MEXICO**

CERTIFICATION

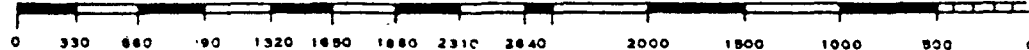
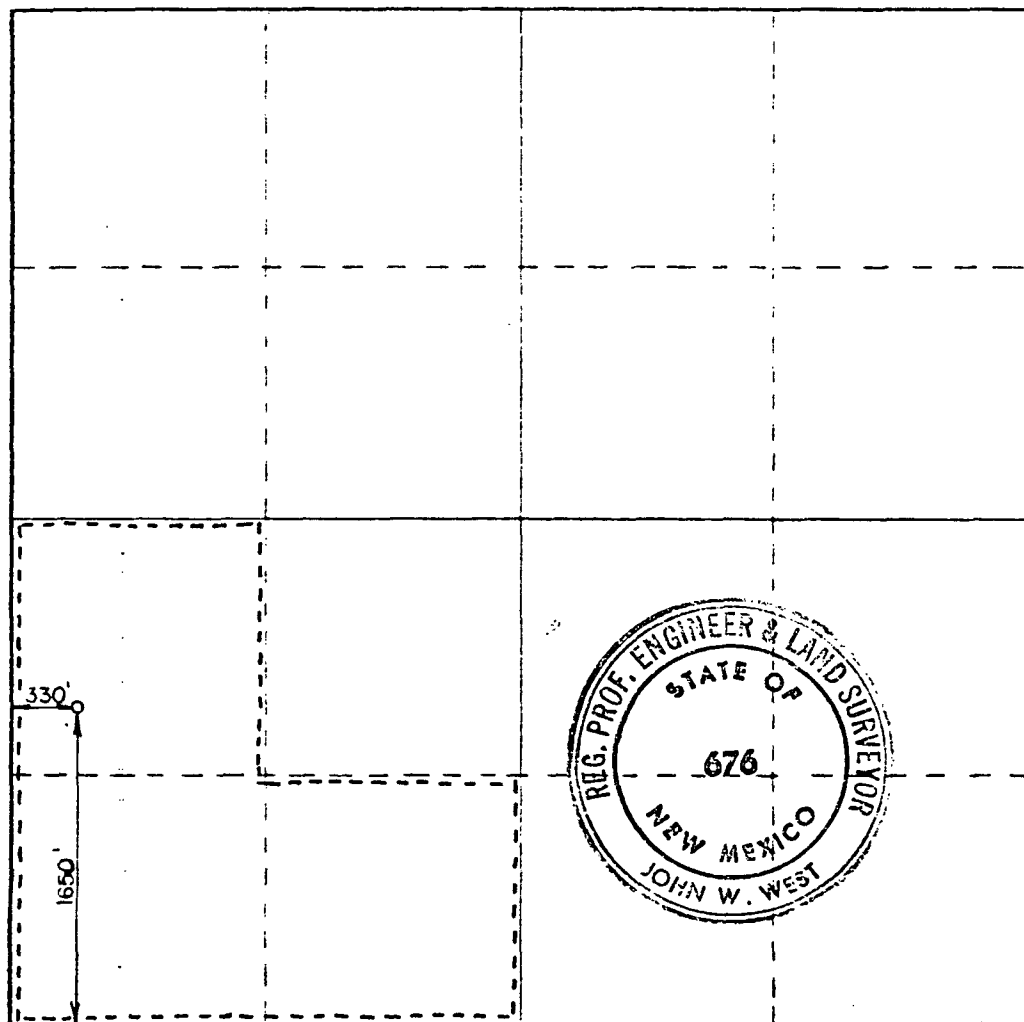
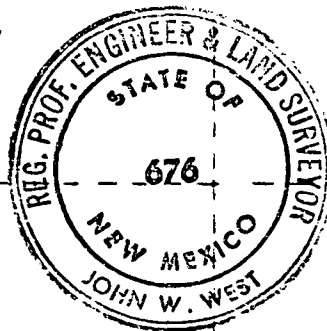
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Date  
**Wm A. Butlerfield**  
**Administrative Supervisor**  
Company  
**Conoco Inc.**  
Date  
**1-31-80**

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 knowledge and belief.

Date Surveyed  
**November 30, 1979**  
Registered Professional Engineer and/or Land Surveyor

**John W. West**  
Certificate No. **John W. West 676**  
**Ronald J. Eidson 3239**



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6808  
Order No. R-6272

APPLICATION OF CONOCO INC. FOR TWO  
NON-STANDARD PRORATION UNITS AND  
TWO UNORTHODOX WELL LOCATIONS, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 13, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of February, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Conoco Inc., seeks approval of a 160-acre non-standard gas proration unit comprising the NW/4 of Section 24, Township 20 South, Range 37 East, NMPM, Eumont Gas Pool, and also a 120-acre non-standard gas proration unit comprising the W/2 SW/4 and SE/4 SW/4 of said Section 24, each of said units to be dedicated to a well to be drilled at an unorthodox location thereon, the first being 990 feet from the North line and 330 feet from the West line of the section and the second being 1650 feet from the South line and 330 feet from the East line.

SEMU 116

SEMU 117

(3) That in each case, the entire non-standard proration unit may reasonably be presumed productive of gas from the Eumont Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid well.

(4) That each of the aforesaid unorthodox locations will enable the applicant to more efficiently drain the lands dedicated to the well.

(5) That no offset operator objected to the unorthodox locations.

(6) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Eumont Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Conoco Inc. is hereby approved for a 160-acre non-standard gas proration unit in the Eumont Gas Pool comprising the NW/4 of Section 24, Township 20 South, Range 37 East, NMPM, and also a 120-acre non-standard gas proration unit comprising the W/2 SW/4 and SE/4 SW/4 of said Section 24, and each of said units is dedicated to a well to be drilled at an unorthodox location, hereby approved, the first being 990 feet from the North line and 330 feet from the West line of the section, and the second being 1650 feet from the South line and 330 feet from the East line, Lea County, New Mexico.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RAMEY  
Director

S E A L

fd/

## NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.

Date May 29th, 1961

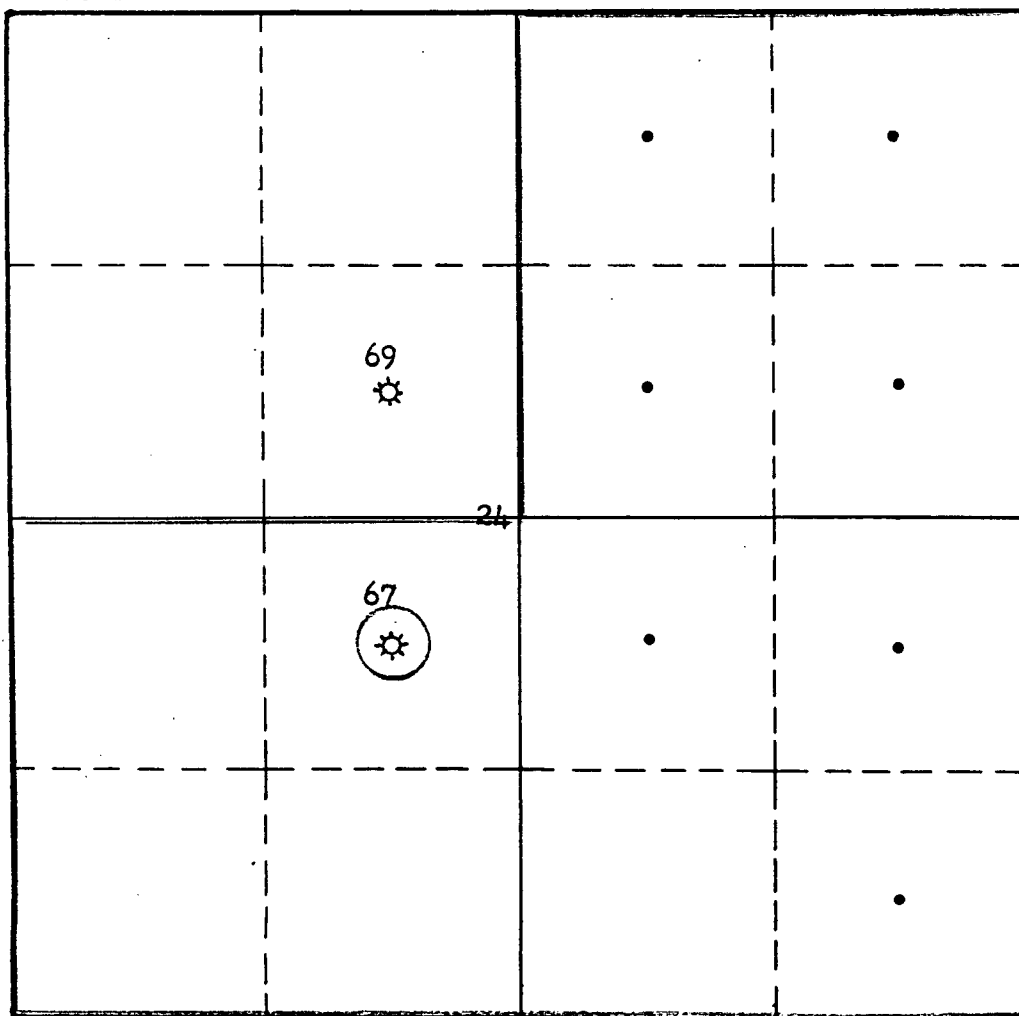
Operator Continental Oil Co. Lease SEMU-Eumont  
 Well No. 67 Unit Letter K Section 24 Township 20-S Range 37-E NMP.  
 Located 1980 Feet From South Line, 1980 Feet From West Lin  
 County Lea G. L. Elevation 3534' Dedicated Acreage 480 Acre  
 Name of Producing Formation Queen Pool Eumont

1. Is the Operator the only owner\* in the dedicated acreage outlined on the plat below?  
Yes x No     .
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes      No     . If answer is "yes," Type of Consolidation
3. If the answer to question two is "no," list all the owners and their respective interests below:

OwnerLand Description

Section B

R-37-E



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Continental Oil Co.  
(Operator)

Signed: V. G. McALISTER  
(Representative)

Box 427 Hobbs, N. M.  
Address

This is to certify that the well location shown on the plat in Section B 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 knowledge and belief.

Date Surveyed     

Registered Professional  
Engineer and/or Land Surveyor

Certificate No.



OPERATOR'S COPY

Form 3160-4  
November 1983)  
(formerly 9-330)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE\*

Form approved.  
Budget Bureau No. 1004-0137  
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.  
LC 031602A 031620A

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

1a. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐

1b. TYPE OF COMPLETION: NEW WELL ☐ WORK OVER ☐ DEEP-EN ☒ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER ☐  
Within casing

2. NAME OF OPERATOR  
CONOCO INC.

3. ADDRESS OF OPERATOR  
10 Desta Dr., Suite 100, Midland, TX 79705 (915) 684-6381  
(915) 686-5424

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 1980 FSL & 1980 FWL  
At top prod. interval reported below  
At total depth

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA  
Sec 24, T20S, R37E

12. COUNTY OR PARISH  
LEA

13. STATE  
NM

14. PERMIT NO. DATE ISSUED  
4-4-97

15. Date Spudded 16. Date T.D. Reached 17. DATE COMPL (Ready to prod.) \*5-1-97 18. ELEVATIONS (DF, RKB, RT, GR, ETC.) 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 3876' 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY\* 23. INTERVALS DRILLED BY 24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD & TVD)\* 4762-3842' - Grayburg 25. WAS DIRECTIONAL SURVEY MADE NO 26. TYPE ELECTRIC AND OTHER LOGS RUN CBL/CCL/GR 27. WAS WELL CORED no

| 28. CASING RECORD (Report all strings set in well) |                 |                |           |                  |               |
|--|-----------------|----------------|-----------|------------------|---------------|
| CASING SIZE  | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | CEMENTING RECORD | Amount Pulled |
| 8 5/8"   | 23#             |                | 12 1/4"   |                  | NONE          |
| 5 1/2"   | 15.5#           | 3900'          | 7 7/8"    |                  | NONE          |

| 29. LINER RECORD |          |             |               | 30. TUBING RECORD |                |                 |
|------------------|----------|-------------|---------------|-------------------|----------------|-----------------|
| Size             | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SIZE              | DEPTH SET (MD) | PACKER SET (MD) |
|                  |          |             |               | 2 3/8"            | 3710'          |                 |

| 31. PERFORATION RECORD (Interval, size and number) |  | 32. ACID, SHOT, FRAC., CEMENT SQUEEZE, Etc. |  |
|--|--|---|--|
| 2 SPF 3762-3842' Grayburg                          |  | DEPTH INTERVAL (MD)                         | AMT. AND KIND OF MATERIAL USED           |
|  |  | 3752-3842'                                  | 800 gals 7 1/2% HCL/1600 gals 7 1/2% HCL |
|  |  |   | 21,500 gals Spectra G 3500               |
|  |  |   | 86,000# 16/30 & 16,000# 16/30 RCS        |

| 33. PRODUCTION        |                 |  |                         |            |              |                                      |               |
|-----------------------|-----------------|--|-------------------------|------------|--------------|--------------------------------------|---------------|
| DATE FIRST PRODUCTION |                 | PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) |                         |            |              | WELL STATUS (Producing or PRODUCING) |               |
| 5-1-97                |                 | pumping  |                         |            |              | PRODUCING                            |               |
| DATE OF TEST          | HOURS TESTED    | CHOKE SIZE   | PROD'N. FOR TEST PERIOD | OIL - BBL. | GAS - MCF.   | WATER - BBL.                         | GAS-OIL RATIO |
| 5-24-97               | 24              |  |                         | 23         | 11           | 48                                   | 616           |
| FLOW. TUBING PRESS.   | CASING PRESSURE | CALCULATED 24-HOUR RATE  | OIL - BBL.              | GAS - MCF. | WATER - BBL. | OIL GRAVITY-API (CORR.)              |               |
| 37                    | 37              |  |                         |            |              |                                      |               |

| 34. DISPOSITION OF GAS SALES (Sold, used for fuel, vented, etc.) | TEST WITNESSED BY |
|--|-------------------|
|  |                   |

35. LIST OF ATTACHMENTS

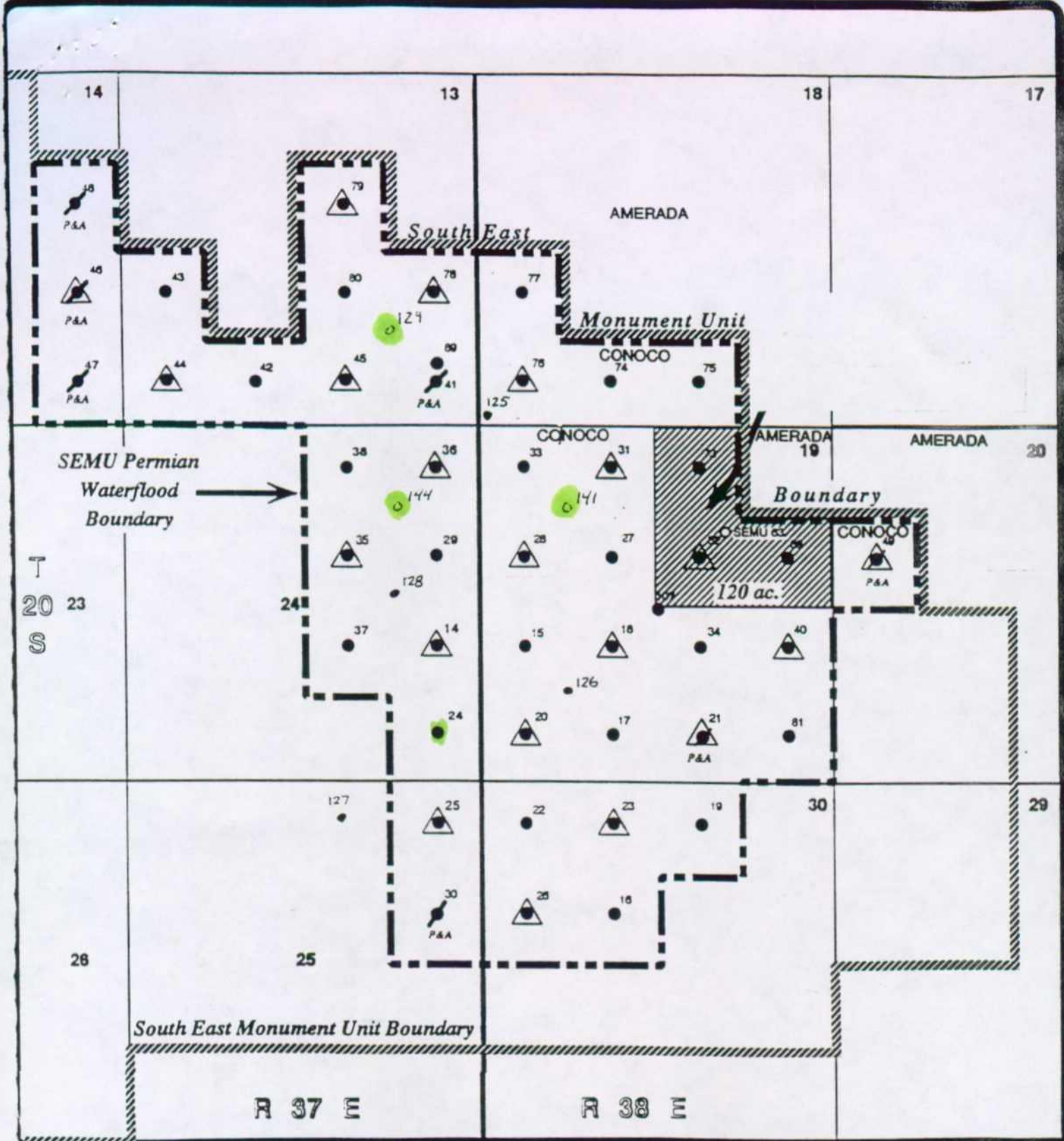
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records  
Ann E. Ritchie,  
SIGNED TITLE REGULATORY AGENT DATE 7-5-97

ACCEPTED FOR RECORD  
JUL 10 1997

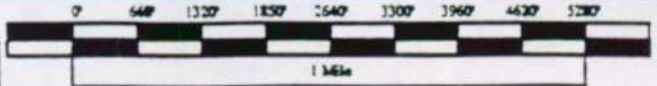
\*(See Instructions and Spaces for Additional Data on Reverse Side)

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.

DISTR: BLM(6) NMOC(1)



| Well Legend |                     |
|-------------|---------------------|
| ●           | Producing           |
| ▲           | Injection           |
| ⦿           | Plugged & Abandoned |



LEA COUNTY, NEW MEXICO



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

January 19, 2000

Conoco, Inc.  
10 Desta Drive - 100W  
Midland, Texas 79705-4500

Attention: Kay Maddox

Re: *Administrative application of Conoco, Inc. dated January 13, 2000 to establish a 560-acre non-standard gas spacing and proration unit within the Eumont Gas Pool comprising the E/2, NE/4 NW/4, S/2 NW/4, NE/4 SW/4, and S/2 SW/4 of Section 24, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, to be dedicated to the existing SEMU Well No. 24 (API No. 30-025-06249), located at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of Section 24 and the proposed SEMU Well No. 144 to be drilled at an unorthodox gas well location for this GPU 1310 feet from the North and East line s(Unit A) of Section 24..*

Dear Ms. Maddox:

The proposed location for the SEMU Well No. 144 is unorthodox with respect to the internal quarter-quarter section or subdivision boundary line, see Rule 2 (b) 1 of the "Special Rules and Regulations for the Eumont Gas Pool", as promulgated by Division Order No. R-8170, as amended. Please justify this location or move it to a standard location. Please be aware that a location 10 feet off of a quarter-quarter section line in a deeper interval will probably be condemned as an Eumont oil well or in the shallower oil producing zones.

Thank you.

Sincerely

Michael E. Stogner  
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs  
W. Thomas Kellahin, Legal Counsel for Conoco, Inc. - Santa Fe