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March 9, 2011

Bureau of Land Management
Carlsbad Field Office
620 E. Greene St.
Carlsbad, New Mexico 88220-6292

State of New Mexico
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

RE: Grayburg Deep Unit
14-08-001-1602, Serial No. NMNM-070954X
2011 Plan of Development
Lea County, New Mexico
ConocoPhillips Contract 052412

ConocoPhillips Company (COPC), as Unit Operator of the Grayburg Deep Unit, hereby submits for your approval, our 2011 Plan of Development.

Items are included as follows: Planned 2011 operations; previous year operations; current status of all wells within the unit; production graphs for each productive reservoir. Also attached are three current maps, each showing respectively the units: structural and geologic interpretations; participating area boundaries; wells, flow-lines, and roads.

It is understood that approval of this plan does not approve the work covered by the plan. Individual approval is still required for such items as APDs/ROWs/etc.

Any modifications or additions to this Plan of Development will be filed as supplements to the plan.

Sincerely,

A handwritten signature in cursive script that reads "Thomas J. Scarbrough".

Thomas J. Scarbrough, CPL
Staff Landman

2011 Planned Operations:

Drilling

At this time, COPC does not plan any new drill wells in the GDU.

Completions

At this time, COPC does not plan any new drill wells in the GDU.

Plug Back

At this time, COPC does not plan any plug backs in the GDU.

Conversion

At this time, COPC does not plan any conversions in the GDU.

Abandonment

COPC does not plan to plug and abandon any wells in 2011.

Other surface disturbing operations

None

Previous Year Operations (2010):

Drilling

COPC did not drill any new wells in the GDU in 2010.

Completions

COPC did not complete any wells in the GDU in 2010.

Plug Back

COPC did not plug back and wells in the GDU in 2010.

Conversion

COPC did not complete any conversions in the GDU in 2010.

Abandonment

WELL NAME	WELL NO.	API	TWN	RNG	SEC	UL	FORMATION NAME
GRAYBURG DEEP UNIT	10	300152579600	17S	30E	19	C	PENN

Other surface disturbing operations

None

Status of all Wells within the Unit:

WELL NAME & NUMBER	API NUMBER	COMP DATE	ZONE	STATUS
GRAYBURG DEEP UNIT 1	300150418700	7/13/1954	PENN	FLOWING
GRAYBURG DEEP 30 FEDERAL 1	300153195800	11/5/2001	MORROW	PERM ABAN
GRAYBURG DEEP 30 FEDERAL 1	300153195800	11/15/2005	ATOKA	PERM ABAN
GRAYBURG DEEP 25 FEDERAL 5	300150308300	4/25/1985	ABO /SH/	PUMPING
GRAYBURG DEEP UNIT 10	300152579600	12/18/1987	PENN	PERM ABAN
GRAYBURG DEEP UNIT 14	300152976600	4/30/2008	WOLFCAMP	PUMPING
GRAYBURG DEEP UNIT 14	300152976600	10/14/1997	MORROW	PERM ABAN
GRAYBURG DEEP UNIT 15	300153030000	9/27/1998	MORROW	PERM ABAN

GRAYBURG DEEP UNIT 16	300153414100	6/30/2006	PENN	PERM ABAN
GRAYBURG DEEP UNIT 17	300153421400	10/25/2002	PENN	FLOWING
GRAYBURG DEEP UNIT 18	300153490500	8/15/2006	ABO /SH/	PERM ABAN
GRAYBURG DEEP UNIT 22	300153559800	8/20/2007	WOLFCAMP	PUMPING

Production Graphs:

See Attachments

Map of structural and geologic interpretations:

See Attachments

Map of Participating area boundaries:

See Attachments

Map of Wells, flow-lines, and roads:

See Attachments

The GDU is comprised of one distinct participating area, as set forth in the table below. A map of the participating area, along with a reservoir performance graph for the participating area is attached hereto.

Grayburg Deep	Lower Penn 3rd PA Expansion	11/1/1998	NMNM-07095A	AFS-8910016020
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The working interest owners have been provided a copy of this 2011 Plan of Development. ConocoPhillips Company and the working interest owners believe that all current Grayburg Deep Unit obligations have been satisfied.

In accordance with Article 10 of the Grayburg Deep Unit Agreement, please signify your approval of the 2011 Plan of Development by executing in the signature block below. Please return one approved copy to the undersigned.

Should you have any questions or comments in this regard, please contact me at 832-486-2338.

Bureau of Land Management

Date



3/16/2011

New Mexico Oil Conservation Division

Date

The foregoing approvals are for the 2011 Plan of Development for the Grayburg Deep Unit, 14-08-001-1602, Eddy County, New Mexico.

Cc: Mr. Doug Hurlbut
EOG Resources Inc.
4000 N. Big Spring
Midland, TX 79705

Ms. Debbie Singleton
Davoil, Inc.
6300 Ridglea Place, Suite 1208
Fort Worth, TX 76116

Mr. Carter Muir
Great Western Drilling Company
700 W. Louisiana
Midland, TX 79701

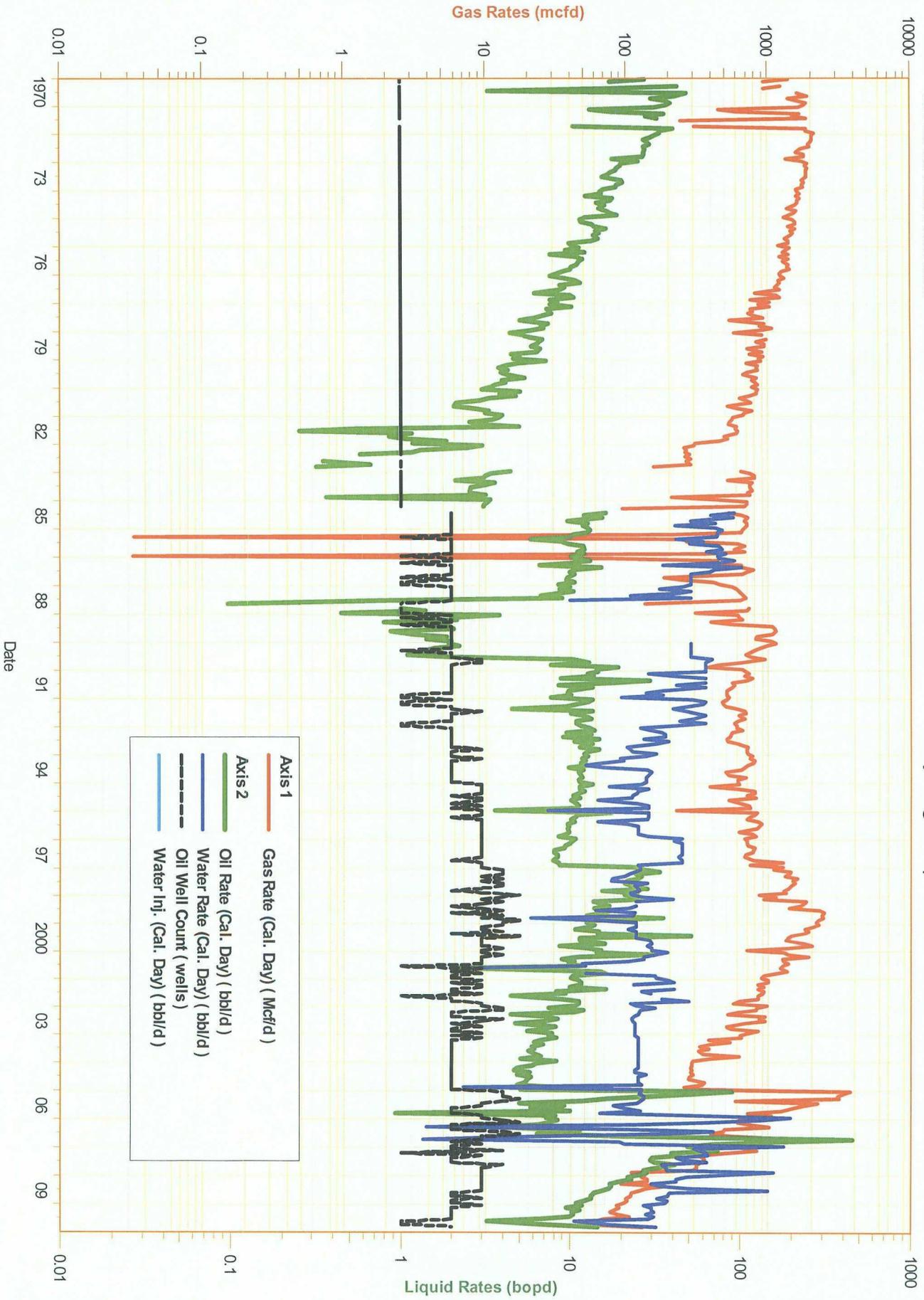
Mr. Jeff Gotcher
Cimarex Energy Co.
600 N. Marienfeld St., Suite 600
Midland, TX 79701

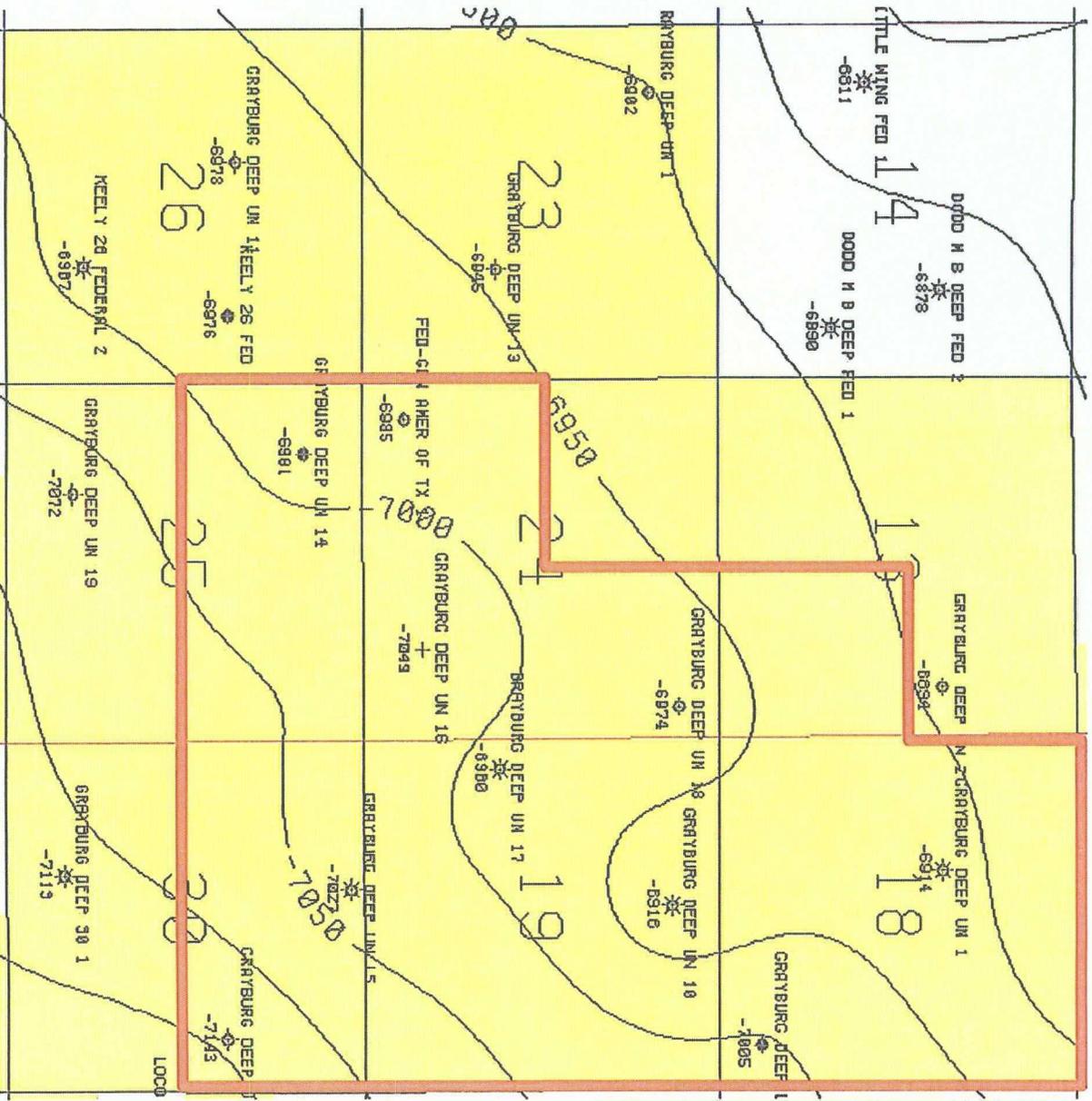
Current Oil Cum. : 411.3 Mbbl

Current Gas Cum. : 23049.8 MMcf

Grayburg Deep Unit

Current Water Cum. : 328.1 Mbbl



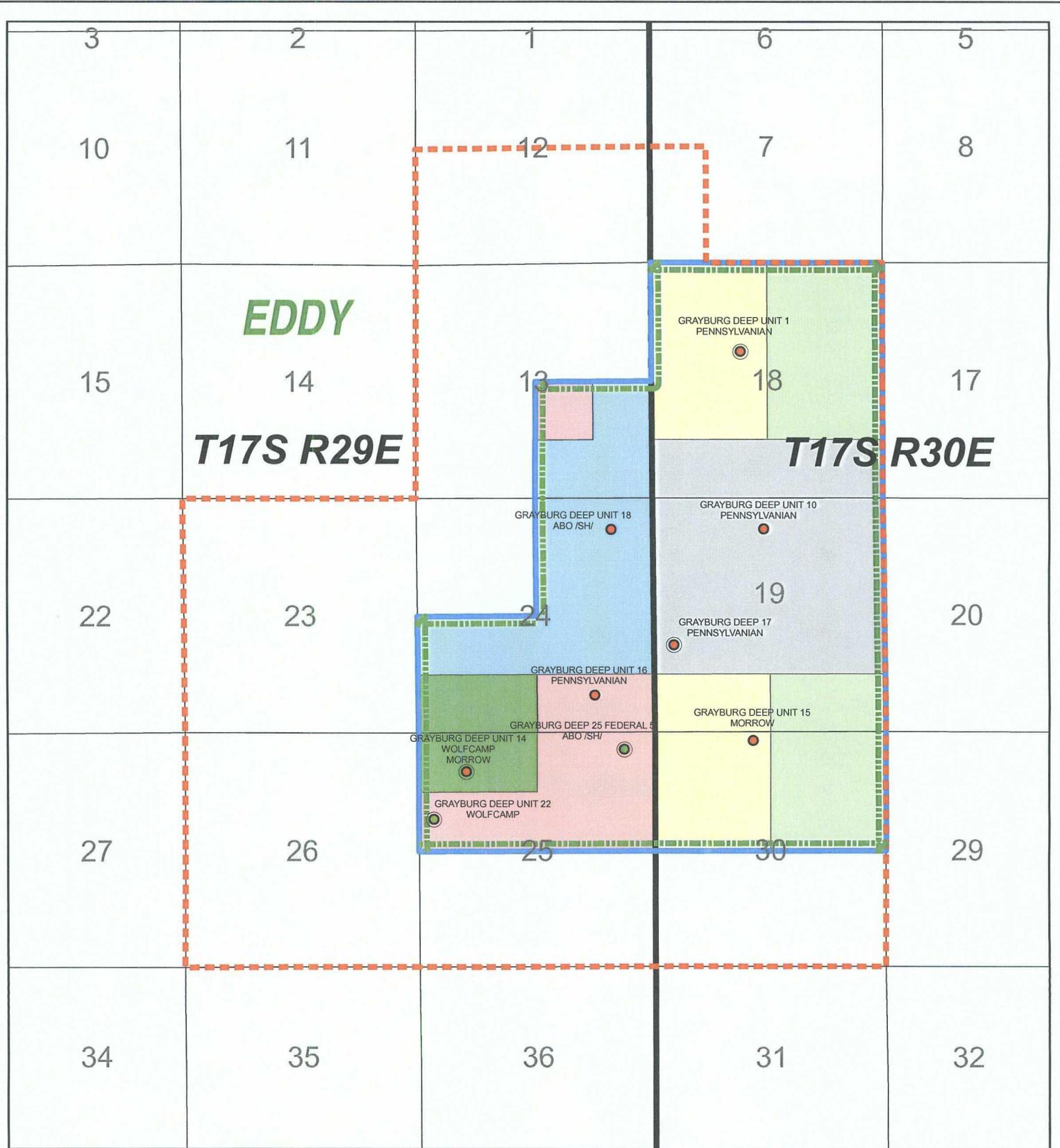


Grayburg Deep Unit

Geologic Structure on Top Morrow

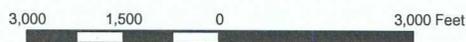
Contour Interval 50 feet

- ConocoPhillips Lands
- Operating Unit Boundary



Legend

	CRUDE OIL		Unit Tract No.
	GAS		1 - 028784(a)
	Active Wells		2 - 028784-93(b)
	Lower Penn PA		3 - 028784-93(b)
	Original Grayburg Deep Unit Boundary		4 - 028784(c)
	Contracted Grayburg Deep Unit Boundary		7 - 028793(a)
			8 - 028793(c)



ConocoPhillips

Mid-Continent Land

Southeast New Mexico

Grayburg Deep Unit

Author: Tom Scarbrough	Date: 2/28/2011
Compiled by: Angela Whitfield	Scale: 1"=3,000'
Project File: grayburg_unit_lower_penn_pa_pod.mxd	

