

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**Carlsbad Field Office**  
**OCD Hobbs**

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**HOBBS OCD**

5. Lease Serial No.  
NMNM27508

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
WILDER 28 FEDERAL 1H

9. API Well No.  
30-025-40261-00-S1

10. Field and Pool, or Exploratory  
JENNINGS

11. County or Parish, and State  
LEA COUNTY, NM

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

MAY 23 2016

RECEIVED

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
CONOCOPHILLIPS COMPANY  
Contact: ASHLEY BERGEN  
E-Mail: ashley.bergen@conocophillips.com

3a. Address  
MIDLAND, TX 79710

3b. Phone No. (include area code)  
Ph: 432-688-6938

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 28 T26S R32E NENE 610FNL 835FEL

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

- Wilder Federal 28 1H Sect. 28, NENE, T26S, R32E 30-025-40261
- Wilder Federal 28 2H Sect. 28, NWNE, T26S, R32E 30-025-40329
- Wilder Federal 29 1H Sect. 29, NENE, T26S, R32E 30-025-40790
- Wilder Federal AC 29 2H Sect. 29, NWNE, T26S, R32E 30-025-41511
- Wilder Federal 29 5H Sect. 29, NENE, T26S, R32E 30-025-41509
- Wilder 28 AC Federal COM 3H Sect. 28, NENW, T26S, R32E 30-02-40501
- Wilder 28 AC Federal COM 4H Sect. 28, NWNW, T26S, R32E 30-025-40502
- Wilder 28 AC Federal COM 8H Sect. 28, NWNW, T26S, R32E 30-025-41692

See attached detailed commingling information, diagram and map(s).

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

**Electronic Submission #336818 verified by the BLM Well Information System  
For CONOCOPHILLIPS COMPANY, sent to the Hobbs  
Committed to AFMSS for processing by PRISCILLA PEREZ on 04/21/2016 (16PP0577SE)**

Name (Printed/Typed) ASHLEY BERGEN Title REGULATORY SPECIALIST

Signature (Electronic Submission) Date 04/18/2016

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By J.D. Whitlock Title LPET Date 5/17/16

Conditions of approval, if any, are attached. Approval of this notice 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.

Office CFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

APPLICATION FOR, COMMINGLING AT A COMMON CENTRAL TANK BATTERY

Proposal for Wilder 28 Federal 1H, Wilder 28 Federal 2H, Wilder 29 Federal 1H, Wilder Federal AC 29 2H, Wilder 29 Federal AC 5H, Wilder Federal 28 3H, Wilder Federal AC 28 4H, and Wilder Federal AC COM 28 8H.

**Federal Lease NM27508 which is 12.5% Royalty Rate**

Well Name	Location	API#	Pool 97838	Oil BOPD	Gravities	MCFPD	BTU/d
Wilder 28 Federal 1H	SEC 28, NENE T26S R32E	30-025-40261	Jennings, Upper Bone Spring Shale	14	48.5	60	1167
Wilder 28 Federal 2H	SEC 28, NENE T26S R32E	30-025-40329	Jennings, Upper Bone Spring Shale	15	47	69	1321
Wilder 29 Federal 1H	SEC 29, NENE T26S R32E	30-025-40790	Jennings, Upper Bone Spring Shale	68	47.5	118	1186
Wilder Federal AC 29 2H	SEC 29,NWNE T26S R32E	30-025-41511	Jennings, Upper Bone Spring Shale	345*	46*	1000*	1400*
Wilder 29 Federal AC 5H	SEC 29, T26S 32E NENE	30-025-41509	Jennings, Upper Bone Spring Shale	345*	48.7*	1000*	1300*

**Federal Lease NM27508 & Federal Lease NM130738 is 12.5% Royalty Rate- CA# NM134716**

Wilder Federal 28 3H	SEC 28, NENE T26S 32E	30-025-40501	Jennings, Upper Bone Spring Shale	480*	48.7*	1400*	1300*
Wilder Federal AC 28 4H	SEC 28, NENE T26S R32E	30-025-40502	Jennings, Upper Bone Spring Shale	480*	48.7*	1400*	1300*
Wilder Federal AC COM 28 8H	SEC 28, NENE T26S R32E	30-025-41692	Jennings, Upper Bone Spring Shale	480*	48.7*	1000*	1300*

\*These are proposed totals for these wells; once these wells are producing the production information will be amended. I will submit BOPD & MCFPD for the Wilder Wells upon receipt.

Attached map shows the federal leases and well locations in Section 28, 29 & 33 T26S 32E.

Lease NM27508 royalty rate at 12.5% and lease NM130738 royalty rate 12.5%.  
Communitization agreement NM134716 includes acreage from both of these leases.

**Location:**

The central tank battery is located on Sec 29, NENE, T26S, R32E on federal lease NM27508 in Lea County, NM. Wells served are the wells listed above.

**Overview:**

The flow of production is shown in the facility lay out which is enclosed. The enclosed map shows the Facility boundary, location of wells, and gas sales meter. The commingling of this production will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce the surface facility footprint and overall emissions. Conoco Phillips understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

**Process and Flow Descriptions:**

The facility will be as follows. The production for each well will flow to a dedicated 3 phase Production Separator for gas, water, and oil to be metered. Oil is metered through a Coriolis meter\* and the gas is metered through an EFM gas allocation meter\*. The water is metered through a turbine meter. The oil production for the Wilder Central Facility has (8) 500 bbl oil tanks at the tank battery that all wells can utilize. Oil will be sold through a common LACT meter\*. The volume of all tanks is determined by both Guided Wave Radar and Differential Pressure Level.

The gas off of the HP separators is sent to the High Pressure Scrubber and goes to sales or to the LP scrubber as gas make-up to Compression. Excess gas is sold at the sales gas meter\*. Deductions are made for the Gas Lift Meter\* Nuevo's Buy Back Meter\* and the fuel gas meter\*.

Produced water flows from the Production Separator and Heater Treater to one of two on-site 1000 bbl gun barrels. Water and any lighter hydrocarbon is separated in these two units and the hydrocarbon is decanted to a 500 bbl Slop tank, the water is transferred to any of (8) 500 bbl water tanks. Hydrocarbon from the slop tank is sent back one of the designated Heater Treaters for reprocessing. The water is transferred to the Wilder SWD injection well, to another facility, or via truck.

\*Meter information for each well and sales meter is attached below, see metering section.

**Metering:**

Wilder 28 Federal 1H production is measured at a three phase separator which includes Micro Motion meter allocation #119-21-070. Gas is measure through allocation Meter #119-33-004 and lift meter # 119-09-024 is located at the wellhead. Water is measured through a turbine meter.

Wilder 28 Federal 2H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-071. Gas is measure through allocation Meter# 119-33-005 and lift meter #119-09-022 is located at the wellhead. Water is measured through a turbine meter.

Wilder 29 Federal 1H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-076. Gas is measure through allocation meter #119-33-010 and lift meter # 119-09-026 is located at the wellhead. Water is measured through a turbine meter.

Wilder Federal AC 29 2H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-077. Gas is measure through allocation meter # 119-33-011 and lift meter # 119-09-028 is located at the wellhead. Water is measured through a turbine meter.

Wilder 29 Federal AC 5H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-075. Gas is measure through allocation meter #119-33-009 and lift meter #119-09-025 is located at the wellhead. Water is measured through a turbine meter.

Wilder Federal 28 3H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-072. Gas is measure through allocation Meter# 119-33-006 and lift meter #119-09-021 is located at the wellhead. Water is measured through a turbine meter.

Wilder Federal AC 28 4H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-074. Gas is measure through allocation Meter #119-33-008 and lift meter #119-09-027 is located at the wellhead. Water is measured through a turbine meter.

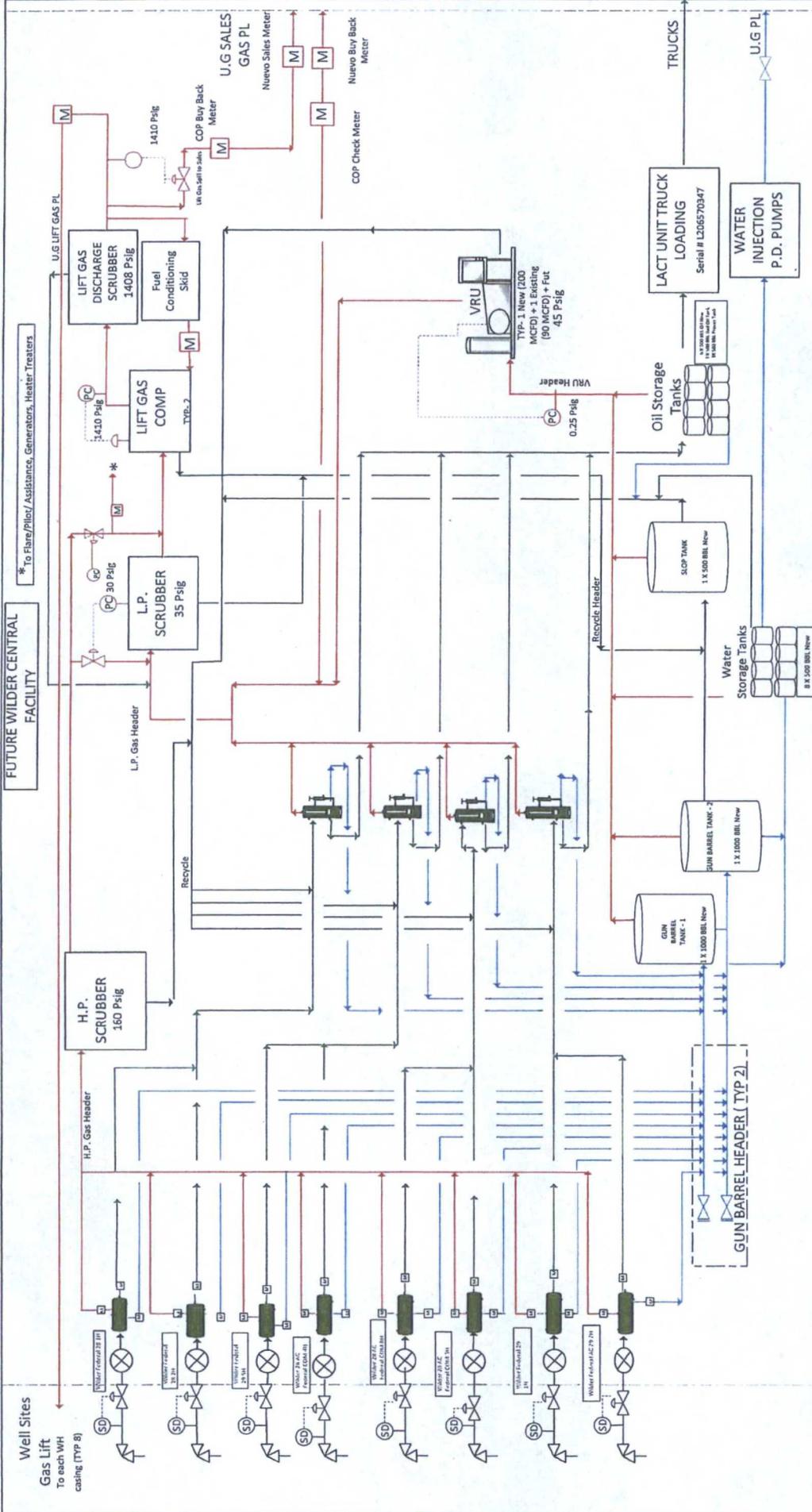
Wilder Federal AC COM 28 8H production is measured at a three phase separator which includes Micro Motion Coriolis meter allocation #119-21-073. Gas is measure through allocation Meter # 119-33007 and lift meter #119-09-023 is located at the wellhead. Water is measured through a turbine meter.

The gas obtained from heater treater and VRU will be allocated back to each well based off oil production.

The facility has a common gas offtake to Nuevo Midstream which is located on the West side of the facility. Flow is metered using Nuevo's sales meter #119-87-004, this flow is checked using COP's meter #119-87-005 to validate the flow. A Nuevo buy back meter #01612043 and checked against a COP buy back meter #119-05-001 monitors the gas used on lease. The fuel gas meter # 1119-06-007 will measure the gas used for the flare assist, flare pilot, generators and heater treaters. The meter off of the Fuel Conditioning Skid measures the compression engine consumption and is meter #11906010. The Gas Lift meter # 1410771DC monitors the gas used for gas lift.

The transfer of oil from the battery to sales will be a LACT unit (Serial #-L206570347 equipped with a Smith Meter unit to either truck or to pipeline to Western Refining.

The oil meters will be proven, as per API, NMOCD, and BLM specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then quarterly thereafter, the factor obtained will be used to allocate the production volumes.



Well Sites  
Gas Lift  
To each WHI casing (TYP 8)

\* To Flare/Plot/Assistance, Generators, Heater Treaters

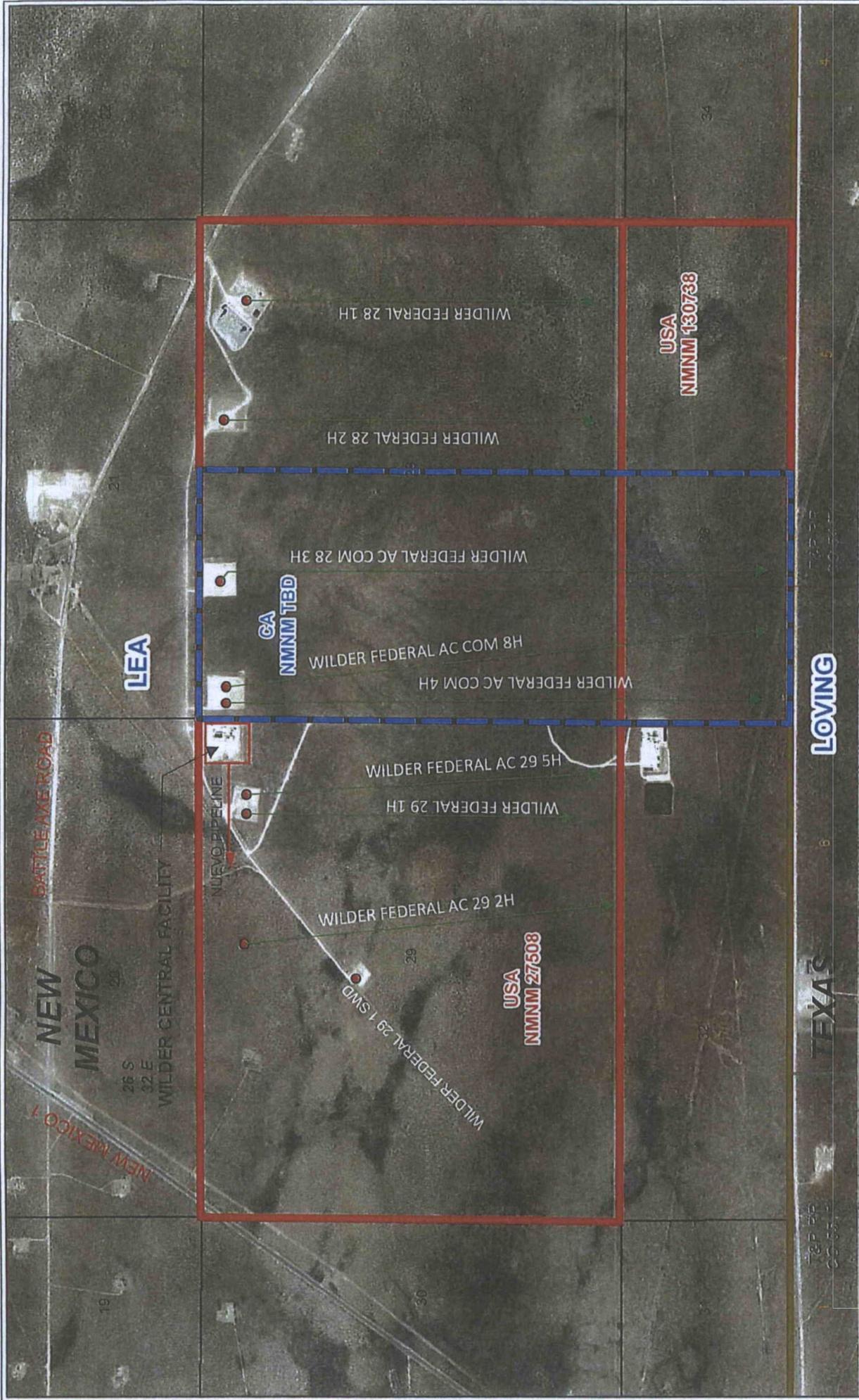
**NOTES :**  
 "H.P." Denotes High Pressure, "L.P." Denotes Low Pressure, "I.P." Denotes Intermediate Pressure  
 "Fut" Denotes Future, "U.G." Denotes Under Ground, "PL" Denotes Pipeline, "M" Denotes Meter

**GAS** (Red line)  
**WATER** (Blue line)  
**OIL** (Green line)  
**MULTIPHASE** (Grey line)

**FUTURE WILDER CENTRAL FACILITY**

**Off Site**

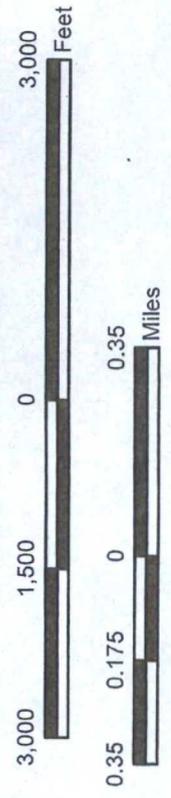
**ConocoPhillips**  
 Block Flow Diagram  
 WILDER CENTRAL FACILITY

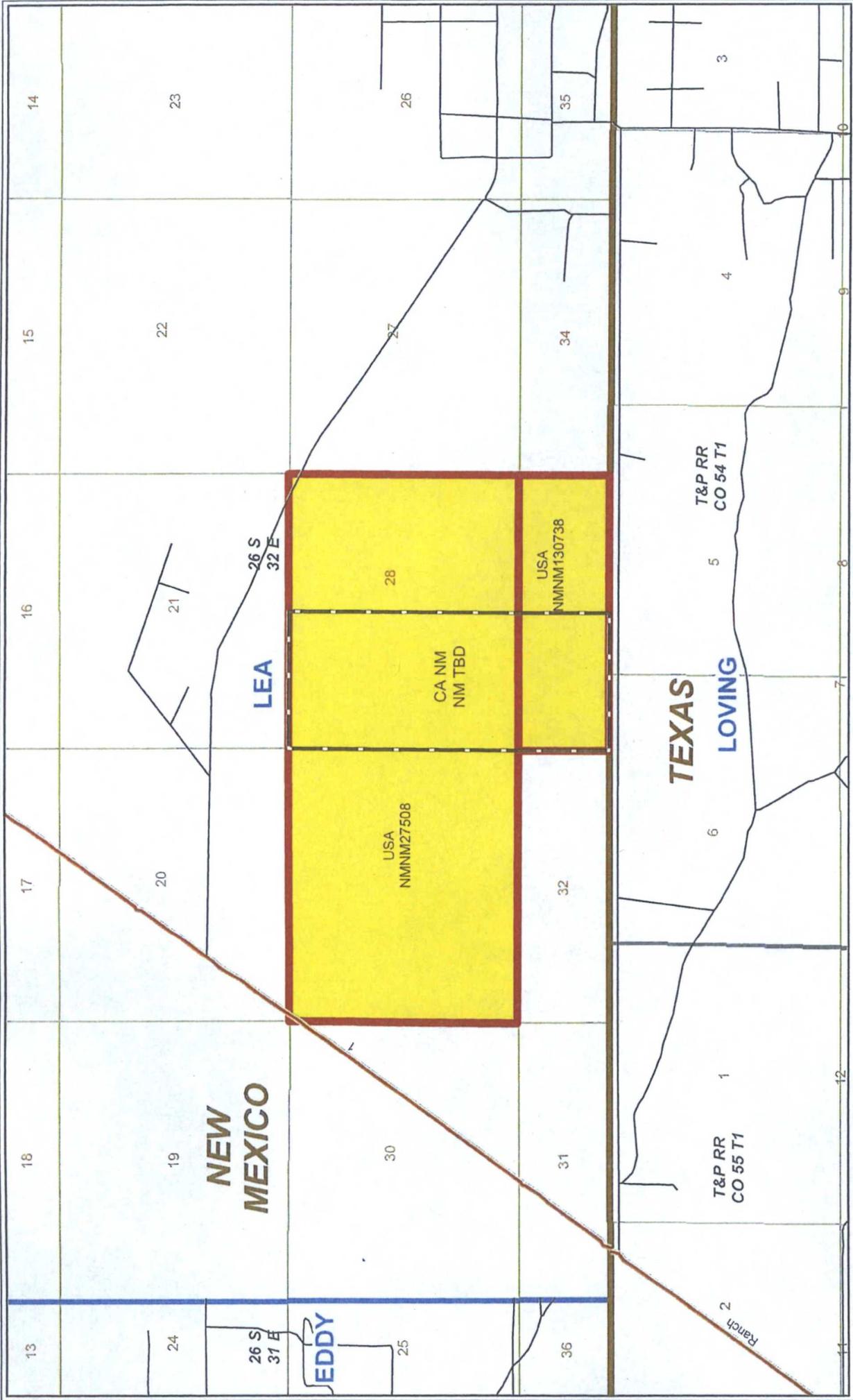


**ConocoPhillips**

CA NM NM TBD  
Lea County, New Mexico

Author	C. Travels	Date	2/12/2015
Compiled for	NMGRH	Scale	1" = 1.653'
Project File			

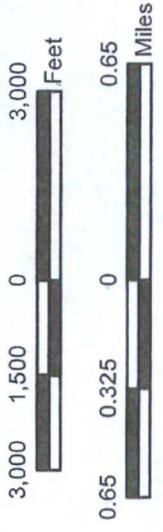




**ConocoPhillips**

CA NM NM TBD  
Lea County, New Mexico

Author	C. Tomatis	Date	9/25/2014
Compiled by	Hubert	Scale	1" = 3,000'
Project No.			



NMNM 0275  
022

027

NMNM 0275

034

021

NMNM 107393

028

033

NMNM 130738

020

NMLC 0068281B

029

NMNM 027508

032

019

NMLC 0068281A

030

NMLC 0068281B

031

NMNM 120910

019

**NMLC 0068281A**

**NMLC 0068281B**

020

NMNM 131001

**NMNM 107393**

NMNM 128298 021

NMNM 132956

NMNM 126877

**NMNM 0275**

022

**NMNM 126105**

030

**NMLC 0068281B**

**NMNM 027508**

029

**NMNM 134716**

028

**NMNM 0275**

031

**NMNM 120910**

032

**NMNM 130738**

033

034

**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page**

Run Time: 11:10 AM

Page 1 of 1

Run Date: 11/03/2014

01 12-22-1987;101STAT1330;30USC181 ET SE  
Case Type 312021: O&G LSE COMP PD -1987  
Commodity 459: OIL & GAS L  
Case Disposition: AUTHORIZED

Total Acres 258.920  
Serial Number NMNM-- - 130738

Name & Address			Serial Number: NMNM-- - 130738	Int Rel	% Interest
CONOCOPHILLIPS	PO BOX 2197	HOUSTON TX 772522197		LESSEE	100.00000000

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0260S	0320E	033	ALIQ	N2N2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0320E	033	LOTS	1,2,3,4;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Act Date	Code	Action	Action Remark	Pending Office
10/16/2001	387	CASE ESTABLISHED		
12/01/2001	496	FUND CODE	05;145003;	
12/01/2001	530	RLTY RATE - 12 1/2%		
12/01/2001	868	EFFECTIVE DATE		
12/01/2012	553	CASE CREATED BY ASGN	OUT OF NMNM 107393;	
06/25/2013	235	EXTENDED	THRU 12/01/14;	
06/25/2013	974	AUTOMATED RECORD VERIF	JA;	
12/01/2014	763	EXPIRES		

Line Nr	Remarks

**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page**

Run Time: 02:30 PM

Page 1 of 2

Run Date: 09/23/2014

01 02-25-1920;041STAT0437;30USC226

Total Acres  
1,440.000

Serial Number  
**NMNM-- - 027508**

Case Type 311111: O&G LSE NONCOMP PUB LAND  
Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 027508

Name & Address			Int Rel	% Interest
ACME LAND CO	PO BOX 10280	MIDLAND TX 79702	OPERATING RIGHTS	0.00000000
CHILDRESS ROYALTY CO	PO BOX 66	JOPLIN MO 64802	OPERATING RIGHTS	0.00000000
CONOCOPHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 740057500	LESSEE	100.00000000
HIGHLAND PROD CO	PO BOX 6326	ODESSA TX 79762	OPERATING RIGHTS	0.00000000

Serial Number: NMNM-- - 027508

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0260S	0320E	026	ALIQ	NWNE,N2NW,SWNW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0320E	028	ALL	ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0320E	029	ALL	ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 027508

Act Date	Code	Action	Action Remark	Pending Office
06/30/1951	387	CASE ESTABLISHED		
07/01/1951	496	FUND CODE	05;145003	
07/01/1951	530	RLTY RATE - 12 1/2%		
07/01/1951	868	EFFECTIVE DATE		
11/01/1973	209	CASE CREATED BY SEGR	OUT OF NMLC069515;	
11/01/1973	648	EXT BY PROD ON ASSOC LSE	NMLC069515;	
10/24/1979	940	NAME CHANGE RECOGNIZED	CONTL OIL/CONOCO INC	
06/06/1984	111	RENTAL RECEIVED	\$0;84-85	
06/10/1985	111	RENTAL RECEIVED	\$0;85-86	
06/06/1986	111	RENTAL RECEIVED	\$0;86-87	
05/02/1987	974	AUTOMATED RECORD VERIF		JAM
06/05/1987	963	CASE MICROFILMED	CNUM 100,539	DS
06/09/1987	111	RENTAL RECEIVED	\$1440.00;1YR/87-88	
06/05/1988	111	RENTAL RECEIVED	\$1440.00;1YR/89-90	
06/06/1988	111	RENTAL RECEIVED	\$1440.00;1YR/88-89	
06/04/1990	111	RENTAL RECEIVED	\$1440.00;21/1103249	
06/06/1991	111	RENTAL RECEIVED	\$1440.00;21/1108912	
06/05/1992	974	AUTOMATED RECORD VERIF		AR/KRP
07/09/1992	575	APD FILED	TOPAT OIL CORP	CE
07/29/1992	576	APD APPROVED	CONOCO FED NO 1-89	
06/17/1993	111	RENTAL RECEIVED	\$1440.00;21/1126215	
09/21/1993	932	TRF OPER RGTS FILED	CONOCO/HIGHLAND PROD	
11/17/1993	933	TRF OPER RGTS APPROVED	EFF 10/01/93;	
11/17/1993	974	AUTOMATED RECORD VERIF		JLV/KRP
06/16/1994	111	RENTAL RECEIVED	\$1440.00;21/1132000	
08/15/1994	932	TRF OPER RGTS FILED	(1) CONOCO/CHILDRESS	
08/15/1994	932	TRF OPER RGTS FILED	(2) CONOCO/CHILDRESS	
08/15/1994	932	TRF OPER RGTS FILED	(3) CONOCO/CHILDRESS	
01/10/1995	933	TRF OPER RGTS APPROVED	(1) EFF 09/01/94;	
01/10/1995	933	TRF OPER RGTS APPROVED	(2) EFF 09/01/94;	
01/10/1995	933	TRF OPER RGTS APPROVED	(3) EFF 09/01/94;	
01/10/1995	974	AUTOMATED RECORD VERIF	MV/MV	
06/19/1995	084	RENTAL RECEIVED BY ONRR	\$1440.00;21/000001137	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

**BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 05/17/16 07:32 AM

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**01 02-25-1920;041STAT0437;30USC181**

**Total Acres**

**Serial Number**

**Case Type 318310: O&G COMMUNITIZATION AGRMT**

**449.380**

**NMNM-- - 134716**

**Commodity 459: OIL & GAS**

**Case Disposition: AUTHORIZED**

**Case File Juris: CARLSBAD FIELD OFFICE**

Serial Number: NMNM-- - 134716

Name & Address			Int Rel	%Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220	OFFICE OF RECORD	0.00000000
CONOCO INC	600 N DAIRY ASHFORD	HOUSTON TX 77079	OPERATOR	100.00000000

Serial Number: NMNM-- - 134716

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0260S	0320E	028	ALIQ	W2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0320E	033	ALIQ	N2NW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0320E	033	LOTS	3,4;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 134716

Act Date	Code	Action	Action Remarks	Pending Office
01/01/2014	387	CASE ESTABLISHED		
01/01/2014	516	FORMATION	BONE SPRING	
01/01/2014	525	ACRES-NONFEDERAL	0	
01/01/2014	526	ACRES-FED INT 100%	449.38 100%	
01/01/2014	868	EFFECTIVE DATE	/1/ 3002540501	
12/22/2014	654	AGRMT PRODUCING	/1/	
12/22/2014	658	MEMO OF 1ST PROD-ACTUAL	/1/ MEMO 6/26/2015	
06/26/2015	643	PRODUCTION DETERMINATION	/1/	

**Line Nr**      **Remarks**

Serial Number: NMNM-- - 134716

0001	RECAPITULATION EFFECTIVE 1/1/14			
0002	TR#	LEASE#	AC COMM	%INT
0003	1	NM27508	320.00	71.209
0004	2	NM130738	129.38	28.791
0005	TOTAL		449.38	100.00

NO WARRANTY IS MADE BY BLM  
FOR USE OF THE DATA FOR  
PURPOSES NOT INTENDED BY BLM



Ashley Bergen  
Regulatory Specialist  
Phone: (432) 688-6938

ConocoPhillips Company  
P.O. Box 51810  
Midland, TX 79710-1810

October 15, 2014

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Interest Owners

Re: Request for Surface Commingle  
Sec. 28, 29 & 33 T26S-R32E  
Lea County, New Mexico

Gentlemen:

This is to advise you that ConocoPhillips Company is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval for a Central Tank Battery & Off-Lease Oil & Gas Measurement, Sales, & Storage for the following wells:

Well Name	Location	API#
Wilder Federal 28 1H	SEC 28, NENE T26S R32E	30-025-40261
Wilder Federal 28 2H	SEC 28, NENE T26S R32E	30-025-40329
Wilder Federal 29 5H	SEC 29, T26S 32E NENE	30-025-41509
Wilder 28 AC Federal COM 4H	SEC 28, NWNW T26S R32E	30-025-40502
Wilder 28 AC Federal COM 8H	SEC 28, NWNW T26S R32E	30-025-41692
Wilder Federal 29 1H	SEC 29, NENE T26S R32E	30-025-40790
Wilder Federal AC 29 2H	SEC 29, NENE T26S R32E	30-025-41511
Wilder 28 AC Federal COM 3H	SEC 28, NENW T26S 32E	30-025-40501

A copy of our application submitted to the Division is attached.

Any objections or requests that a hearing should be held regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe office within 20 days from the date of this letter.

Please contact the undersigned at (432) 688-6938 should you have any questions or need anything further.

Sincerely,

Ashley Bergen  
Regulatory Specialist



Cody S. Travers, RPL  
MCBU – West Permian

600 N. Dairy Ashford  
BKC-04-4011B  
Houston, TX 77079

Phone: 281-206-5072  
Cody.S.Travers@ConocoPhillips.com

September 25, 2014

Bureau of Land Management  
Attn: Duncan Whitlock  
620 E. Greene Street  
Carlsbad, NM 88220

RE: Surface Commingle  
Township 26 South, Range 32 East  
Sections 28, 29 & 33  
Lea County, NM

Dear Mr. Whitlock,

Please find enclosed a map portraying the boundaries of the leases and agreements associated with the subject lands and a summary of the interest owners. ConocoPhillips Company has verified the interest owners by procuring title opinions covering the subject lands.

Should you have any questions, please do not hesitate to contact the undersigned at (281) 206-5072.

Sincerely,

A handwritten signature in black ink, appearing to read "Cody S. Travers". The signature is fluid and cursive, extending across the width of the text area.

Cody S. Travers, RPL  
Senior Landman

Enclosures

Surface Commingle Application  
Wilder CTB

Please see the information below regarding the interest owners and wells covering Sections 28, 29 and 33 of T26S-R32E, Lea County, NM.

The following wells are currently producing and all have the same interest owners: Wilder Federal 28 1H, Wilder Federal 28 2H, Wilder Federal 29 1H, Wilder Federal AC 29 2H and Wilder Federal AC 29 5H (see ownership breakdown below).

<u>Interest Owners</u>	<u>WI</u>	<u>NRI</u>
ConocoPhillips Company	100%	84.5%
Office of Natural Resource Revenue	0%	12.5%
Good Earth Minerals LLC	0%	1.75%
Matlock Minerals LTD	0%	1.25%
Total	100%	100%

The following wells are currently in the process of completion and all have the same interest owners: Wilder 28 AC Federal COM 3H, Wilder 28 AC Federal COM 4H and Wilder 28 AC Federal COM 8H (see ownership breakdown below).

<u>Interest Owners</u>	<u>WI</u>	<u>NRI</u>
ConocoPhillips Company	100%	81.765%
Office of Natural Resource Revenue	0%	12.5%
Good Earth Minerals LLC	0%	1.246%
Matlock Minerals LTD	0%	.890%
The Blanco Company	0%	1.512%
RSC Resources, L.P.	0%	1.080%
Peregrine Production, LLC	0%	.720%
Runaway Enterprises, LLC	0%	.288%
Total	100%	100%

**Wells and Leases:** Wilder Federal 28 1H (NMNM27508), Wilder Federal 28 2H (NMNM27508), Wilder 29 Federal AC 5H (NMNM27508), Wilder Federal AC 28 4H (NMNM27508), Wilder Federal AC COM 28 8H (NMNM103738), Wilder Federal 29 1H (NMNM27508), Wilder Federal AC 29 2H (NMNM27508), Wilder Federal AC 28 3H (NMNM27508)

**Respondent Name/Address:**

**Certified Mailing Number**

Office of Natural Resource Revenue  
Room A 614  
Building 85, Denver Federal Center (6<sup>th</sup> Kipling)  
Denver, CO 80225

7013 3020 0001 2047 4970

Good Earth Minerals LLC  
849 Broken Arrow  
Roswell, NM 88201

7013 3020 0001 2047 4918

Matlock Minerals LTD  
849 Broken Arrow  
Roswell, NM 88201

7013 3020 0001 2047 4925

The Blanco Company  
110 2<sup>nd</sup> Street NW  
Albuquerque, NM 87102

7013 3020 0001 2047 4932

RSC Resources, L.P.  
6824 Island Circle  
Midland, Texas 79707

7013 3020 0001 2047 4949

Peregrine Production, LLC  
3201 N Pecos Street  
Midland, Texas 79710

7013 3020 0001 2047 4956

Runaway Enterprises, LLC  
20255 Willow Glade Cir.  
Pilot Point, Texas 76258

7013 3020 0001 2047 4963

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR

- [D] Other: Specify \_\_\_\_\_

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or  Does Not Apply

- [A]  Working, Royalty or Overriding Royalty Interest Owners  
 [B]  Offset Operators, Leaseholders or Surface Owner  
 [C]  Application is One Which Requires Published Legal Notice  
 [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Ashley Bergen

Print or Type Name

*Ashley Bergen*  
 Signature

Signature

Regulatory Specialist

Title

10/15/2014

Date

Ashley.bergen@conocophillips.com  
 e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: ConocoPhillips Company  
OPERATOR ADDRESS: P.O. Box 51810 Midland, TX 79710  
APPLICATION TYPE:

Pool Commingling  Lease Commingling  Pool and Lease Commingling  Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE:  Fee  State  Federal

Is this an Amendment to existing Order?  Yes  No If "Yes", please include the appropriate Order No. \_\_\_\_\_  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
 Yes  No

**(A) POOL COMMINGLING**  
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No.  
(4) Measurement type:  Metering  Other (Specify)  
(5) Will commingling decrease the value of production?  Yes  No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Pool Name and Code.  
(2) Is all production from same source of supply?  Yes  No  
(3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No  
(4) Measurement type:  Metering  Other (Specify)

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

(1) Is all production from same source of supply?  Yes  No  
(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**  
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.  
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Ashley Bergen TITLE: Regulatory Specialist DATE: 10/15/2014  
TYPE OR PRINT NAME Ashley Bergen TELEPHONE NO.: (432)688-6938  
E-MAIL ADDRESS: ashley.bergen@cop.com

**Bureau of Land Management  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972**

**Wilder 28 Federal 1H-3002540261, Wilder 28 Federal 2H-3002540329, Wilder 29 Federal 1H-3002540790,  
Wilder Federal AC 29 2H-3002541511, Wilder 29 Federal AC 5H-3002541509, Wilder Federal 28 3H-3002540501,  
Wilder Federal AC 28 4H-3002540502, Wilder Federal AC Com 28 8H-3002541692  
Leases: NM27508, NM130738, CA: NM134716**

**ConocoPhillips Company  
May 17, 2016**

**Condition of Approval**

**Commingling of lease and CA production, variance to use Coriolis meter for oil measurement,  
and off CA storage, measurement and sales**

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
11. Variance to Onshore Order #4 oil measurement to use Coriolis meters is approved with this approval.