

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNMOCD
HobbsFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.

FEB 20 2017

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC068281B
2. Name of Operator CONOCOPHILLIPS COMPANY		6. If Indian, Allottee or Tribe Name
Contact: ASHLEY BERGEN E-Mail: ashley.bergen@conocophillips.com		7. If Unit or CA/Agreement, Name and/or No. NNNM131810
3a. Address MIDLAND, TX 79710	3b. Phone No. (include area code) Ph: 432-688-6938	8. Well Name and No. Multiple--See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		9. API Well No. Multiple--See Attached
		10. Field and Pool or Exploratory Area JENNINGS
		11. County or Parish, State LEA COUNTY, NM

12. CHECK THE 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"/> Hydraulic Fracturing	<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 Surface Commingling
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recomple 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

ConocoPhillips Company respectfully requests approval to Surface Commingle production for the following wells:

Well Name:	Location:	API#
Buck 17 Federal 1H ✓	Sect. 17, SESE, T26S, R32E ✓	30-025-40281
Buck 17 Federal 2H ✓	Sect. 17, SWSE, T26S, R32E	30-025-40401
Buck 17 Federal 5H ✓	Sect. 20, NENE, T26S, R32E	30-025-40840
Buck 17 Federal 6H ✓	Sect. 17, SWSE, T26S, R32E	30-025-40901
Buck 17 Federal COM 3H ✓	Sect. 20, NWNE, T26S, R32E	30-025-40900
Buck 20 Federal 1H ✓	Sect. 17, SESE, T26S, R32E	30-025-40431
Buck 20 Federal 2H ✓	Sect. 20, NWNE, T26S, R32E	30-025-40483
Buck 20 Federal 3H ✓	Sect. 20, NWNE, T26S, R32E	30-025-40503

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

Electronic Submission #339333 verified by the BLM Well Information System**For CONOCOPHILLIPS COMPANY, sent to the Hobbs****Committed to AFMSS for processing by PRISCILLA PEREZ on 06/01/2016 (16PP0651SE)**

Name (Printed/Typed) ASHLEY BERGEN

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 05/16/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

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

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #339333 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMLC068281B	NMLC068281B	BUCK 17 FEDERAL 1H	30-025-40281-00-S1	Sec 17 T26S R32E SESE 330FSL 400FEL
NMLC068281B	NMLC068281B	BUCK 17 FEDERAL 2H	30-025-40401-00-S1	Sec 17 T26S R32E SWSE 1105FSL 1650FEL
NMLC068281B	NMLC068281B	BUCK 17 FEDERAL 5H	30-025-40840-00-S1	Sec 20 T26S R32E NENE 843FNL 1102FEL
NMLC068281B	NMLC068281B	BUCK 17 FEDERAL 6H	30-025-40901-00-S1	Sec 17 T26S R32E SWSE 28FSL 2064FEL
NMLC068281B	NMLC068281B	BUCK 20 FEDERAL 1H	30-025-40431-00-S1	Sec 17 T26S R32E SESE 105FSL 397FEL
NMLC068281B	NMLC068281B	BUCK 20 FEDERAL 2H	30-025-40483-00-S1	Sec 20 T26S R32E NWNE 215FNL 1760FEL
NMLC068281B	NMLC068281B	BUCK 20 FEDERAL 3H	30-025-40503-00-S1	Sec 20 T26S R32E NENW 190FNL 2575FWL
NMNM131810	NMLC062749C	BUCK 17 FEDERAL COM 3H	30-025-40900-00-S1	Sec 20 T26S R32E NWNE 10FNL 2625FEL
NMLC068281B	NMLC068281B	BUCK 20 FEDERAL 5H	30-025-40539-00-S1	Sec 20 T26S R32E NENE 655FNL 980FEL
NMLC068281B	NMLC068281B	BUCK 20 FEDERAL 6H	30-025-40902-00-S1	Sec 20 T26S R32E NENW 55FNL 2659FEL

32. Additional remarks, continued

Buck 20 Federal 5H ✓	Sect. 20, NENE, T26S, R36E	30-025-40539
Buck 20 Federal 6H ✓	Sect. 20, NENW, T26S, R32E	30-025-40902

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

Revisions to Operator-Submitted EC Data for Sundry Notice #339333

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	SURCOM NOI	SURCOM NOI
Lease:	NMLC068281B	NMLC068281B
Agreement:		NMNM131810 (NMNM131810)
Operator:	CONOCOPHILLIPS P.O. BOX 51810 MIDLAND, TX 79710 Ph: 432-688-6938	CONOCOPHILLIPS COMPANY MIDLAND, TX 79710
Admin Contact:	ASHLEY BERGEN REGULATORY SPECIALIST E-Mail: ashley.bergen@conocophillips.com Ph: 432-688-6938	ASHLEY BERGEN REGULATORY SPECIALIST E-Mail: ashley.bergen@conocophillips.com Ph: 432-688-6938
Tech Contact:	ASHLEY BERGEN REGULATORY SPECIALIST E-Mail: ashley.bergen@conocophillips.com Ph: 432-688-6938	ASHLEY BERGEN REGULATORY SPECIALIST E-Mail: ashley.bergen@conocophillips.com Ph: 432-688-6938
Location:		
State:	NM	NM
County:	LEA	LEA
Field/Pool:	JENNINGS; UPPER BONE SPRI	JENNINGS
Well/Facility:	BUCK 17 FEDERAL 1H Sec 17 T26S R32E Mer NMP SESE 330FSL 400FEL	BUCK 17 FEDERAL 1H Sec 17 T26S R32E SESE 330FSL 400FEL BUCK 17 FEDERAL 2H Sec 17 T26S R32E SWSE 1105FSL 1650FEL BUCK 17 FEDERAL 5H Sec 20 T26S R32E NENE 843FNL 1102FEL BUCK 17 FEDERAL 6H Sec 17 T26S R32E SWSE 28FSL 2064FEL BUCK 20 FEDERAL 1H Sec 17 T26S R32E SESE 105FSL 397FEL BUCK 20 FEDERAL 2H Sec 20 T26S R32E NWNE 215FNL 1760FEL BUCK 20 FEDERAL 3H Sec 20 T26S R32E NENW 190FNL 2575FWL BUCK 17 FEDERAL COM 3H Sec 20 T26S R32E NWNE 10FNL 2625FEL BUCK 20 FEDERAL 5H Sec 20 T26S R32E NENE 655FNL 980FEL BUCK 20 FEDERAL 6H Sec 20 T26S R32E NENW 55FNL 2659FEL

APPLICATION FOR SURFACE COMMINGLING AT A COMMON CENTRAL TANK BATTERY

Proposal for Buck 17 Federal #001H, Buck 17 Federal #002H, Buck 17 Federal #005H, Buck 17 Federal #006H, Buck 17 Federal COM #003H, Buck 20 Federal #002H, Buck 20 Federal #003H, Buck 20 Federal #005H, Buck 20 Federal #006H

Federal Lease NM068281B is 12.5% Royalty Rate

Well Name	Location	API#	Pool 97838	Oil BOPD	Gravities	MCFPD	BTU/d
BUCK 17 FEDERAL #001H	SEC 17, SESE T26S R32E	30-025-40281	Jennings, Upper Bone Spring Shale	24	47.9	243	1140
BUCK 17 FEDERAL #002H	SEC 17, SWSE T26S R32E	30-025-40401	Jennings, Upper Bone Spring Shale	16	47.9	117	1140
BUCK 17 FEDERAL #005H	SEC 20, NENE T26S R32E	30-025-40840	Jennings, Upper Bone Spring Shale	27	50.0	176	1200
BUCK 17 FEDERAL #006H	SEC 17, SWSE T26S R32E	30-025-40901	Jennings, Upper Bone Spring Shale	116	50.0	1148	1200
BUCK 20 FEDERAL #001H	SEC 17, SESE T26S R32E	30-025-40431	Jennings, Upper Bone Spring Shale	27	47.9	265	1140
BUCK 20 FEDERAL #002H	SEC 20, NWNE T26S R32E	30-025-40483	Jennings, Upper Bone Spring Shale	26	47.9	230	1140
BUCK 20 FEDERAL #003H	SEC 20, NENW T26S R32E	30-025-40503	Jennings, Upper Bone Spring Shale	31	47.9	213	1140
BUCK 20 FEDERAL #005H	SEC 20, NENE T26S R32E	30-025-40539	Jennings, Upper Bone Spring Shale	27	50.0	495	1200
BUCK 20 FEDERAL #006H	SEC 20, NENW T26S R32E	30-025-40902	Jennings, Upper Bone Spring Shale	51	50.0	610	1200

Federal Lease NM062749C & Federal Lease NM068281B is 12.5% Royalty Rate CA# 211988

BUCK 17 FEDERAL COM #003H	SEC 20, NWNE T26S R32E	30-025-40900	Jennings, Upper Bone Spring Shale	133	47.9	685	1140
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Attached map shows the federal leases and well locations in Section 17, T26S 32E.

Lease NM068281B royalty rate at 12.5% and Lease NM062749C royalty rate at 12.5%. Communitization agreement ~~211988~~ includes acreage from both of these leases.

Location:

CA NM06-131810

The central tank battery is located on Sec 17, T26S, R32E on federal lease NM068281B 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. ConocoPhillips 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 Central facility is as follows: The production from each well flow's to a dedicated 3 phase production separator for gas, water, and oil separation. The gas is metered through an EFM allocation meter* and sent to the sales pipeline or to a compressor for gas lift. Oil production for the Buck Federal 17-3H, 17-6H and 20-6H is measured by a turbine meter* for allocation and a Coriolis meter* that is for ConocoPhillips use only out of the oil side of the separator. Oil production for the Buck Federal 17-5H, 17-2H, 20-2H, 20-3H, 20-1H, 20-5H and 17-1H is measured by turbine meter* out of the oil side of the separator. Oil is then sent through a common header to one of four Heater Treater for stabilization prior to tank storage. The Buck Federal Central Facility has 4 common 400 BBL oil tanks at the tank battery that all wells can utilize via a common header. The volume of all tanks is determined by both Tank gauging and Differential Pressure Level. Sales are measured by Positive Displacement meter (LACT*) prior to truck loading.

The gas off of the HP separators is sent to a two phase separator and the gas goes through the compressor to sales or the gas lift flow line and the liquid is sent to the H.T. Excess gas is sold at the sales gas meter*. Deductions are made for the Gas Lift Meter* COP's Check Meter* and the fuel gas meter*.

Produced water is measured by turbine meter and flows from the Production Separator and Heater Treater to 4 common 400 BBL water tanks at the tank battery. Water is then injected into the Buck Federal 17-1 SWD well, transferred through pipeline or via truck to the Wilder Central Facility for injection in the Wilder SWD well.

*Meter information for each well is attached below, see metering section.

Oil and Gas Metering:

Buck Federal 17-6H production is measured at it separator which includes a turbine meter #119-21-002 that is used as the allocation meter and a Coriolis meter #119-21-002 that is for ConocoPhillips use. Gas is measured through allocation meter #119-48-011 and lift meter #119-09-011 is located at the wellhead. Water is measured through a turbine meter.

Buck Federal 17-3H production is measured at it separator which includes a turbine meter # 119-21-001 that is used as the allocation meter and a Coriolis meter #119-21-001 that is for ConocoPhillips use. Gas is measured through allocation meter #119-48-010 and lift meter #119-09-012 is located at the wellhead. Water is measured through a turbine meter.

Buck Federal 20-6H production is measured at its separator which includes a turbine meter #119-21-003 that is used as the allocation meter and a Coriolis meter #119-21-003 that is for ConocoPhillips use. Gas is measured through allocation meter #119-48-012 and lift meter # 119-09-013 is located at the wellhead. Water is measured through a turbine meter.

Buck Federal 20-3H production is measured at its separator which includes turbine meter #119-21-063. Gas is measured through allocation meter #119-48-016 and lift meter #119-09-014 is located at the wellhead. Water is measured through a turbine meter.

Buck Federal 17-2H production is measured at its separator which includes turbine meter #119-21-061. Gas is measured through allocation meter #119-48-014 and lift meter # 119-09-010 is located at the wellhead. Water is measured through a turbine meter.

Buck Federal 17-1H production is measured at its separator which includes turbine meter #119-21-065. Gas is measured through allocation meter #119-33-068 and lift meter # 119-09-005 is located at the wellhead. Water is measured through a turbine meter.

Buck Federal 20-1H production is measured at its separator which includes turbine meter #119-21-064. Gas is measured through allocation meter #119-48-006 and lift meter # 119-09-006 is located at the wellhead. Water is measured through a turbine meter.

Buck Federal 20-5H production is measured at its separator which includes turbine meter #119-21-066. Gas is measured through allocation meter #119-48-008 and lift meter #119-09-007 is located at the wellhead. Water is measured through a turbine meter.

Buck Federal 17-5H production is measured at its separator which includes turbine meter #119-21-060. Gas is measured through allocation meter #119-48-013 and lift meter #119-09-008 is located at the wellhead. Water is measured through a turbine meter.

Buck Federal 20-2H production is measured at its separator which includes turbine meter #119-21-062. Gas is measured through allocation meter #119-48-015 and lift meter #119-09-009 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 sales meter # 1605214 to Nuevo Midstream which is located on the West side of the facility and the COP Check meter # is 119-87-002. The fuel gas tank meter # is 119-06-003.

The transfer of oil from the battery to sales will be through a LACT unit (Serial # 1407E10203 & Meter # 1300185961) equipped with a 3" 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.



COMMUNITIZATION AGREEMENTS



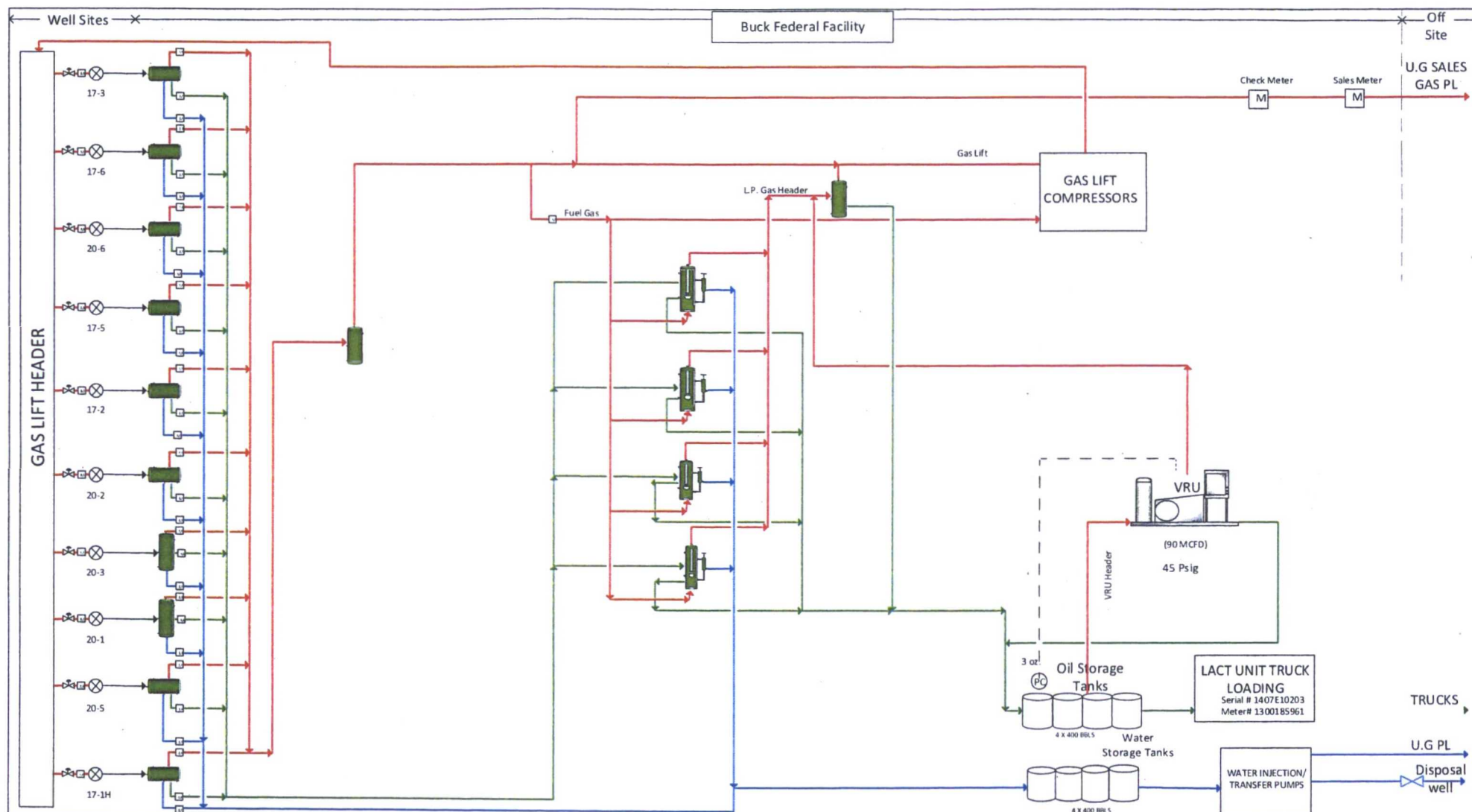
COPC LEASES



ConocoPhillips

Permian Land
Red Hills

Author	R. Works, C. Travers	Date	12/1/2014
Compiled by	huford	Scale	1" = 7,000'
Project File			



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 █ WATER
█ OIL █ MULTIPHASE

ConocoPhillips

Block Flow Diagram
 BUCK FEDERAL CENTRAL
 FACILITY

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

Run Time: 08:39 AM

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Run Date: 12/10/2014

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

Case Type 311111: O&G LSE NONCOMP PUB LAND

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Total Acres

722.000

Serial Number

NMLC-- 0 062749C

Serial Number: NMLC-- 0 062749C

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
EAGLE-K PROD CO	PO BOX 80451	MIDLAND TX 79708	OPERATING RIGHTS	0.00000000
GUYTON STEVE	PO BOX 3195	MIDLAND TX 79702	OPERATING RIGHTS	0.00000000
HPC ENERGY INC	810 N DIXIE BLVD 202	ODESSA TX 797612838	OPERATING RIGHTS	0.00000000
PANSAM TRUST	PO BOX 66	JOPLIN MO 64802	OPERATING RIGHTS	0.00000000
PEAK 9 PRODUCTION CO	PO BOX 10280	MIDLAND TX 79702	OPERATING RIGHTS	0.00000000
SHARP RAYMON NEWTON	BOX 66	JOPLIN MO 64802	OPERATING RIGHTS	0.00000000
SIMMONS DOROTHY G	1404 W MAIN	EL DORADO AR 71730	OPERATING RIGHTS	0.00000000
SWANCO RESOURCES	PO BOX 51470	MIDLAND TX 79710	OPERATING RIGHTS	0.00000000
WILBANKS FAMILY LTD	505 N BIG SPRING 500	MIDLAND TX 79701	OPERATING RIGHTS	0.00000000

Serial Number: NMLC-- 0 062749C

Mer Twp Rng Sec	SType	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0260S 0320E 017	ALIQ		N2NW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23 0260S 0320E 018	ALL		ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: NMLC-- 0 062749C

Act Date	Code	Action	Action Remark	Pending Office
06/01/1951	387	CASE ESTABLISHED		
06/01/1951	496	FUND CODE	05;145003	
06/01/1951	530	RLTY RATE - 12 1/2%		
06/01/1951	868	EFFECTIVE DATE		
08/01/1956	553	CASE CREATED BY ASGN	OUT OF NMLC062749-A;	
08/13/1957	650	HELD BY PROD - ACTUAL		
08/13/1957	658	MEMO OF 1ST PROD-ACTUAL		
11/08/1957	102	NOTICE SENT-PROD STATUS		
09/29/1969	500	GEOGRAPHIC NAME	NORTH MASON FLD;	
09/29/1969	510	KMA CLASSIFIED		
10/24/1979	940	NAME CHANGE RECOGNIZED	CONTL OIL/CONOCO INC	
05/08/1987	963	CASE MICROFILMED	CNUM 102,956 RW	
05/03/1990	575	APD FILED	HIGHLAND PRODUCTION C	
05/10/1990	576	APD APPROVED	CONOCO "D" FED NO 1	
06/21/1990	575	APD FILED	HIGHLAND PRODUCT	
07/12/1990	576	APD APPROVED	CONOCO "D" FED NO 2	
07/23/1990	575	APD FILED	HIGHLAND PRODUCTION C	
08/27/1990	576	APD APPROVED	CONOCO "D" FED NO 3	
09/07/1990	575	APD FILED	HIGHLAND PRODUCTION C	
09/19/1990	576	APD APPROVED	CONOCO "D" FED NO 4	
07/27/1992	932	TRF OPER RGTS FILED	(1)CONOCO/S GUYTON	
07/27/1992	932	TRF OPER RGTS FILED	(2)CONOCO/S GUYTON	
07/27/1992	932	TRF OPER RGTS FILED	(3)CONOCO/S GUYTON	
07/27/1992	932	TRF OPER RGTS FILED	(4)CONOCO/S GUYTON	
09/24/1992	932	TRF OPER RGTS FILED	GUYTON/HPC ENE	
10/01/1992	621	RLTY RED-STRIPPER WELL	10.1%; /1/	
10/01/1992	621	RLTY RED-STRIPPER WELL	5.3%; /1/	

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

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

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Run Date: 12/10/2014

10/20/1992	933	TRF OPER RGTS APPROVED	(1)EFF 08/01/92;
10/20/1992	933	TRF OPER RGTS APPROVED	(2)EFF 08/01/92;
10/20/1992	933	TRF OPER RGTS APPROVED	(3)EFF 08/01/92;
10/20/1992	933	TRF OPER RGTS APPROVED	(4)EFF 08/01/92;
01/14/1993	933	TRF OPER RGTS APPROVED	EFF 10/01/92;
02/01/1993	899	TRF OF ORR FILED	
07/01/1993	625	RLTY REDUCTION APPV	/1/
07/28/1993	625	RLTY REDUCTION APPV	/1/
09/03/1993	932	TRF OPER RGTS FILED	WILBANKS/WILBANKS
11/08/1993	932	TRF OPER RGTS FILED	RAY/SIMMONS
11/24/1993	933	TRF OPER RGTS APPROVED	EFF 10/01/93;
01/20/1994	933	TRF OPER RGTS APPROVED	EFF 12/01/93;
08/15/1994	899	TRF OF ORR FILED	
08/15/1994	932	TRF OPER RGTS FILED	(1)CONOCO/CHILDRESS
08/15/1994	932	TRF OPER RGTS FILED	(2)CONOCO/CHILDRESS
11/16/1994	909	BOND ACCEPTED	EFF 11/07/94;NM2352
11/22/1994	933	TRF OPER RGTS APPROVED	(1)EFF 09/01/94;
11/22/1994	933	TRF OPER RGTS APPROVED	(2)EFF 09/01/94;
03/13/1995	932	TRF OPER RGTS FILED	(1)CHILDRESS/ACME
03/13/1995	932	TRF OPER RGTS FILED	(2)CHILDRESS/ACME
06/08/1995	933	TRF OPER RGTS APPROVED	(1)EFF 04/01/95;
06/08/1995	933	TRF OPER RGTS APPROVED	(2)EFF 04/01/95;
06/08/1995	974	AUTOMATED RECORD VERIF	MV/MV
07/19/1995	932	TRF OPER RGTS FILED	(1)CHILDRESS/PEAK 9
07/19/1995	932	TRF OPER RGTS FILED	(2)CHILDRESS/PEAK 9
09/27/1995	933	TRF OPER RGTS APPROVED	(1) EFF 08/01/95;
09/27/1995	933	TRF OPER RGTS APPROVED	(2) EFF 08/01/95;
09/27/1995	974	AUTOMATED RECORD VERIF	LR
06/03/1996	932	TRF OPER RGTS FILED	(2) CALHOUN/SWANCO
06/03/1996	933	TRF OPER RGTS APPROVED	(1) ELLISON/SWANCO
07/05/1996	932	TRF OPER RGTS FILED	HPC ENE/ACME LAND CO
07/05/1996	932	TRF OPER RGTS FILED	SMITH ETAL/HPC ENE
09/23/1996	933	TRF OPER RGTS APPROVED	(1)EFF 07/10/96;
09/23/1996	933	TRF OPER RGTS APPROVED	(2)EFF 07/10/96;
09/23/1996	974	AUTOMATED RECORD VERIF	ANN
09/24/1996	932	TRF OPER RGTS FILED	(1)PEAK 9/ACME LAND
09/24/1996	932	TRF OPER RGTS FILED	(2)PEAK 9/ACME LAND
09/24/1996	932	TRF OPER RGTS FILED	WILBANKS/CHILDRESS
10/25/1996	933	TRF OPER RGTS APPROVED	(1)EFF 08/01/96;
10/25/1996	933	TRF OPER RGTS APPROVED	(2)EFF 08/01/96;
10/25/1996	974	AUTOMATED RECORD VERIF	LR
11/13/1996	933	TRF OPER RGTS APPROVED	(1)EFF 10/01/96;
11/13/1996	933	TRF OPER RGTS APPROVED	(2)EFF 10/01/96;
11/13/1996	933	TRF OPER RGTS APPROVED	EFF 10/01/96;
11/13/1996	974	AUTOMATED RECORD VERIF	ANN
09/01/1997	621	RLTY RED-STRIPPER WELL	4.5%/2/
11/24/1998	817	MERGER RECOGNIZED	HIGHLAND/QUAY VALLEY
01/16/2003	817	MERGER RECOGNIZED	CONOCO/CONOCOPHILLIPS
09/30/2008	625	RLTY REDUCTION APPV	/2/
10/26/2012	246	LEASE COMMITTED TO CA	CA NM131810

Serial Number: NMLC-- 0 062749C

Line Nr	Remarks
0002	BONDED OPERATOR
0003	10/25/1996 - SAHARA OPERATING CO - NM2352 - S/W;

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

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

Run Time: 08:37 AM

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Run Date: 12/10/2014

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

Case Type 311111: O&G LSE NONCOMP PUB LAND

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Total Acres

1,841.480

Serial Number

NMLC-- 0 068281B

			Serial Number: NMLC-- 0 068281B		
Name & Address			Int Rel	% Interest	
ACME LAND CO	PO BOX 10280	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000	
CHILDRESS ROYALTY CO	PO BOX 66	JOPLIN MO 64802	OPERATING RIGHTS	0.000000000	
CONOCOPHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 740057500	LESSEE	100.000000000	
GRAUTEN JOHN S	1329 RIDGERUN DR	ROSEVILLE CA 95678	OPERATING RIGHTS	0.000000000	
GUYTON STEVE	PO BOX 3195	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000	
HPC ENE INC	810 N DIXIE BLVD	ODESSA TX 79761	OPERATING RIGHTS	0.000000000	
HPC ENERGY INC	810 N DIXIE BLVD 202	ODESSA TX 797612838	OPERATING RIGHTS	0.000000000	
PEAK 9 PRODUCTION CO	PO BOX 10280	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000	
PIONEER NATURAL RES USA INC	1401 17TH ST #1200	DENVER CO 80202	OPERATING RIGHTS	0.000000000	
QUAY VALLEY INC	1608 N BIG SPRING	MIDLAND TX 79701	OPERATING RIGHTS	0.000000000	
QUAY VALLEY INC	PO BOX 51470	MIDLAND TX 79710	OPERATING RIGHTS	0.000000000	
R R HERRELL PROP LTD	PO BOX 1688	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000	
REES W N	810 N DIXIE BLVD #202	ODESSA TX 797612838	OPERATING RIGHTS	0.000000000	
SHELTON ELIZABETH	810 N DIXIE BLVD 202	ODESSA TX 79761	OPERATING RIGHTS	0.000000000	
SMITH MARVIN L	BOX 217	MIDKIFF TX 79755	OPERATING RIGHTS	0.000000000	

							Serial Number: NMLC-- 0 068281B		
Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency	
23	0260S	0320E	017	ALIQ	NE,S2NW,S2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT	
23	0260S	0320E	020	ALL	ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT	
23	0260S	0320E	030	ALIQ	E2,E2W2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT	
23	0260S	0320E	030	LOTS	1-4;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT	

Serial Number: NMLC-- 0 068281B					
Act Date	Code	Action	Action Remark	Pending Office	
03/30/1951	387	CASE ESTABLISHED			
04/01/1951	496	FUND CODE	05;145003		
04/01/1951	530	RLTY RATE - 12 1/2%			
04/01/1951	868	EFFECTIVE DATE			
08/01/1956	553	CASE CREATED BY ASGN	OUT OF NMMLC068281;		
12/04/1960	500	GEOGRAPHIC NAME	NORTH MASON FLD;		
12/04/1960	510	KMA CLASSIFIED			
12/04/1960	650	HELD BY PROD - ACTUAL			
12/04/1960	658	MEMO OF 1ST PROD-ACTUAL			
11/21/1962	102	NOTICE SENT-PROD STATUS			
04/17/1966	512	KMA EXPANDED			
10/24/1968	512	KMA EXPANDED			
09/29/1969	512	KMA EXPANDED			
10/24/1979	940	NAME CHANGE RECOGNIZED	CONTL OIL/CONOCO INC		
05/02/1985	932	TRF OPER RGTS FILED			
10/29/1985	933	TRF OPER RGTS APPROVED	EFF 06/01/85;		
02/21/1986	963	CASE MICROFILMED	CNUM 104,663	AC	
04/27/1987	932	TRF OPER RGTS FILED			
06/17/1987	933	TRF OPER RGTS APPROVED	EFF 05/01/87;		
04/20/1988	932	TRF OPER RGTS FILED	(1)		
05/11/1988	933	TRF OPER RGTS APPROVED	EFF 05/01/88;		
05/23/1988	909	BOND ACCEPTED	EFF 05/07/88;NM1368		
03/06/1989	932	TRF OPER RGTS FILED			

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

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

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Run Date: 12/10/2014

09/30/2008	625	RLTY REDUCTION APPV	/3/
01/09/2012	899	TRF OF ORR FILED	1
01/09/2012	899	TRF OF ORR FILED	2
10/26/2012	246	LEASE COMMITTED TO CA	CA NM131810
02/13/2013	899	TRF OF ORR FILED	1
02/15/2013	899	TRF OF ORR FILED	1
02/15/2013	899	TRF OF ORR FILED	2
02/15/2013	899	TRF OF ORR FILED	3
04/03/2013	899	TRF OF ORR FILED	1

Serial Number: NMLC-- 0 068281B

Line Nr	Remarks
0002	BONDED OPERATOR -
0003	10/07/1996 -SAHARA OPER CO NM2352 S/W
0004	07/29/03-TRANSFEREE-QUAY VALLEY INC NM2678 SW/NM
0005	BONDED OPERATOR - PER AFMSS
0006	09/23/2003 - QUAY VALLEY INC - NM2678 - S/W;
0007	BONDED OPERATOR - PER AFMSS
0008	10/27/2003 - QUAY VALLEY INC - NM2678 - S/W;
0009	OPERATOR BONDED - 12/06/2007
0010	SAHARA OPERATING CO - NM2352 - S/W;



Renaldo Works
MCBU – West Permian

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

Phone: 281-206-5350
Renaldo.D.Works@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 17 & 20
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) 206-5350.

Sincerely,

A handwritten signature in black ink, appearing to read "Renaldo Works", with a stylized flourish extending to the right.

Renaldo Works
Senior Landman

Enclosures

Surface Commingle Application
Buck CTB

Please see the information below regarding the interest owners and wells covering Sections 17 and 20 of T26S-R32E, Lea County, NM.

The following wells are currently producing and all have the same interest owners:

Well Name:

Buck 17 Federal 1H
Buck 17 Federal 2H
Buck 17 Federal 5H
Buck 17 Federal 6H
Buck 20 Federal 1H
Buck 20 Federal 2H
Buck 20 Federal 3H
Buck 20 Federal 5H
Buck 20 Federal 6H

See ownership breakdown below.

	WI	NRI
COPC	100.000%	84.5000000%
ONRR	0.000%	12.5000000%
Hanson McBride Petroleum Property	0.000%	2.7000000%
Sue Hanson McBride	0.000%	0.0416667%
Julie Scott Graham-McBride	0.000%	0.0416667%
Douglas L. McBride III	0.000%	0.0416667%
Harry F. Schramm and Julie K. Schramm Trustees of Schramm 2006 Family Trust	0.000%	0.1250000%
Trustees of the Living Trust of Glenn R. Gentle	0.000%	0.0500000%
Total	1.000000	100.0000000%

The following well listed below is currently producing with different ownership on the subject acreage.

Well Name:

Buck 17 Federal COM 3H

See ownership breakdown below.

	WI	NRI
COPC	100.00%	84.50%
ONRR	0.00%	12.50%
Kristen T. Wymon, Trustee of the Thompson Family Trust	0.00%	0.25%
Patrick S. Hagood	0.00%	0.50%
Hanson McBride Petroleum Company	0.00%	2.03%
Sue Hanson McBride	0.00%	0.03%
Julie Scott Graham-McBride	0.00%	0.03%
Hanson Operating Company Inc.	0.00%	0.03%
Harry F. Schramm and Julie K. Schramm Trustees of Schramm 2006 Family Trust	0.00%	0.09%
Trustees of the Living Trust of Glenn R. Gentle	0.00%	0.04%
Total	1	100.00%

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
---------	----------	----------	-----------	------	---------

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

Signature

Regulatory Specialist
 Title

12/10/2014
 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: 12/10/2014

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**

**Condition of Approval
Surface commingling**

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.

Ten wells are being commingled (30-025-40281, 30-025-40401, 30-025-40840, 30-025-40901, 30-025-40900, 30-025-40431, 30-025-40483, 30-025-40503, 30-025-40539, & 30-025-40902). Two Federal Leases are involved NMLC0068281B and NMLC-0062749C both have royalty rate of 12.5%. All wells are solely on lease NMLC-0068281B except Buck 17 Federal Com 3H (30-025-40900) that has a communization agreement involving leases NMLC-0068581B and NMLC-0062749C. All wells are producing from the Bone Spring Upper Shale so the quality of oil will be similar. No royalties will be affected.

JAM 020817