

DATE IN 4/4/03	SUSPENSE NA	ENGINEER WUJ	LOGGED IN W	TYPE DHC	PKRVO309734235
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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.

Reesa R. Holland	<i>Reesa Holland</i>	Regulatory Analyst	3/13/03
Print or Type Name	Signature	Title	Date
		Reesa.R.Holland@conocophillips.com	
		e-mail Address	

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241 1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-A
New 3-12-96

DISTRICT II
811 South First St. Artesia NM 88210 2835

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

DISTRICT III
1000 Rio Brazos Rd. Aztec, NM 87410 1693

APPLICATION FOR DOWNHOLE COMMINGLING

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

Operator
ConocoPhillips Company

Address
4001 Penbrook, Odessa, Tx. 79762

Lease
Warren Unit

Well No
144

Unit Ltr Sec Twp Rge
Section 25-T20S - R38E

County
Lea

OGRID NO. 217817 Property Code 003127 API NO. 30-025-33974 Spacing Unit Lease Types: (check 1 or more)
Federal ☒ State ☐ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blinebry Oil and Gas 06660 ✓		Warren Tubb East 87085 ✓
2. TOP and Bottom of Pay Section (Perforations)	6076-6288		6534-6768
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production {Flowing or Artificial Lift}	Artificial Lift		Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a (Current) 2100 b(Original) 2400	a. b.	a. 1300 b. 2600
6. Oil Gravity (°API) or Gas BT Content	37		37
7. Producing or Shut-In?	Producing		Shut-in
Production Marginal? (yes or no)	No		No
• If Shut-In give date and oil/gas/water rates of last production Note For new zones with no production history applicant shall be required to attach production estimates and supporting data • If Producing, date and oil/gas/water rates of recent test (within 60 days)	Date Rates 2/24/2003 16BO/54 MCF/30BW Per Day	Date Rates: Date Rates	Date Rates 12/01/2002 8BO/43MCF/24BW Per Day
8. Fixed Percentage Allocation Formula - % for each zone	oil: 66 % Gas 56 %	oil: % Gas %	oil: 34 % Gas 44 %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? ☒ Yes ☐ No
If not, have all working, overriding, and royalty interests been notified by certified mail? ☐ Yes ☐ No
Have all offset operators been given written notice of the proposed downhole commingling? ☐ Yes ☐ No

11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☐ Yes ☐ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each others ☒ Yes ☐ No

13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). _____

16. ATTACHMENTS

- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation method or formula.
- * Notification list of all offset operators.
- * Notification list of working, overriding and royalty interests for uncommon interest cases.
- * Any additional statements, data, or documents required to support commingling.

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

SIGNATURE Reesa Holland TITLE Regulatory Analyst DATE 3/13/03

TYPE OR PRINT NAME Reesa R. Holland TELEPHONE NO. (915) 368-1373

Warren Unit #144

Commingle Application Discussion

Summary

The Warren Unit #144 is located at 660' FNL & 1980' FWL of Section 25-T20S – R38E in Lea County, NM. The well was originally completed as a Warren Tubb East oil producer in 1997. In December 2002, the Tubb was isolated under an RBP and the Blinebry Oil and Gas pool was completed. After 3 months of testing the Blinebry Oil and Gas pool, we request approval of this application to commingle the Blinebry Oil and Gas and the Warren Tubb East pools.

Discussion

The Blinebry Oil and Gas pool has been producing since December 31, 2002 and has reached a stabilized rate of 16BOPD, 54 MCFPD, and 30 BWPD. Please see attached production test for the Warren Unit #144 Blinebry Oil and Gas Pool.

The Warren Tubb East pool has been producing in the Warren Unit #144 since 1997. The last production test was taken in December and showed producing rates of 8 BOPD, 43 MCFPD, and 24 BWPD. Please see attached production history plot for the Warren Tubb East Pool.

Using the production tests from the Blinebry Oil and Gas pool(16 BOPD, 54 MCFPD) and the production history of the Warren Tubb East(8 BOPD, 43 MCFPD) in the Warren Unit #144, a fixed percentage allocation is recommended as follows:

Pool	Fluid	Percent Allocation
Blinebry Oil and Gas	Oil	66%
Warren Tubb East	Oil	34%
Blinebry Oil and Gas	Gas	56%
Warren Tubb East	Gas	44%

Supporting Details

1. Warren Unit #144 Blinebry Oil and Gas pool production test
2. Warren Unit #144 Warren Tubb East pool production plot

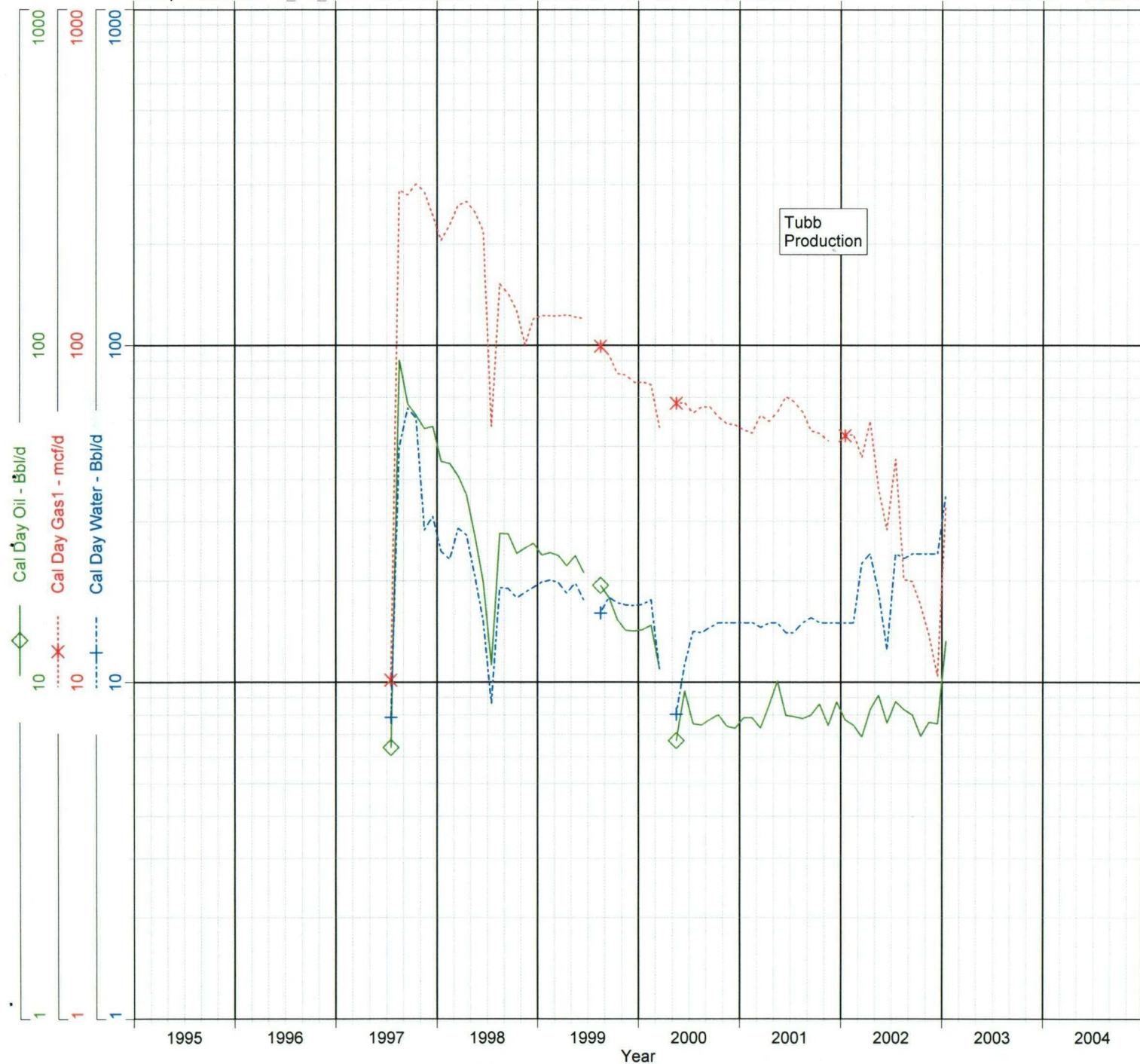
WARREN UNIT - 144_XQN (1893036) Data: Jul.1997-Jan.2003

Operator: CONOCO INC
Field: NEW MEXICO FEDERAL UNIT
Zone: EAST WARREN TUBB (OIL)
Type: Oil
Group: Well::HOBBS_PE_PA4 Warren Unit #144

2003 POCO Oil (Rate-Time)
qi: 7.5 Bbl/d, Jan, 2002
qf: 1.39106 Bbl/d, Nov, 2034
di(Exp): 5 CTD: 37.1312 MSTB
RR: 40.6192 MSTB Tot: 77.7505 MSTB

Production Cums
Oil: 37.1312 MSTB
Gas: 198.226 MMSCF
Water: 39.6299 MSTB
Cond: 0 MSTB

Cal Day Oil - Bbl/d
Cum: 37.1312 MSTB
Cal Day Gas1 - mcf/d
Cum: 198.226 MMSCF
Cal Day Water - Bbl/d
Cum: 39.6299 MSTB



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
Budget Bureau No. 10 04-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

CONOCO INC.
CONOCO INC.

3. Address and Telephone No.

10 DESTA DR. STE. 100W, MIDLAND, TX. 79705-4500 (915) 686-5424

4. Location of Well (Footage Sec., T.R.M. or Survey Description)

Section 25, T-20-S, R-38-E, D
660' FNL & 1960' FWL

5. Lease Designation and Serial No.

LC 063458

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Warren Unit # 144

9. API Well No.

30-025-33974

10. Field and Pool, or Exploratory Area

Blinebry Oil & Gas (6660)

11. County or Parish, State

Lea Co., NM

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Repon
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☒ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracrunng
☐ Water Shut -Off
☐ Conversion to Injection
☐ Dispose Water

Note: Repores ultsof multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give sub surface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Conoco proposes to recomplete this well to the Blinebry Oil & Gas pool (6660) using the following procedure.
Once production has been established in the Blinebry this well will be downhole commingled with the Warren Tubb East pool (87085) production. This well is already part of the Warren Unit Blinebry Tubb participating area. No commercial determination is required.

1. MIRU, POOH w/rods & tbg
2. Clean out paraffin in necessary.
3. Run bit & scraper. Isolate Tubb with RBP @ 6400'
4. Perforate Blinebry (6028-6288)
5. Acidize, frac, cleanout Blinebry
6. Establish production to determine allocation percentages -
SUBMIT % TO OCD-DISTRICT OFFICE FOR APPROVAL
7. Pull RBP, downhole commingle Blinebry & Tubb (PRE-APPROVED POOLS)

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

Kay Maddox

Signed

Kay Maddox

Title - Regulatory Agent (915) 686-5798

Date April 16, 2002

(This space for Federal or State official use)

Approved by

APPROVED
DAVID R. MASS
APR 17 2002

Title

Date

BLM(6), NMOCD(1), SHEAR, PONCA, COST ASST, FILE ROOM

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 statement or representations as to any matter in or under investigation.

PETROLEUM ENGINEER

*See Instruction on Reverse Side

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-10

Revised February 21, 199

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 30-025-33974	2 Pool Code 6660	3 Pool Name Blinbry Oil & Gas
4 Property Code 003122	5 Property Name Warren Unit	6 Well Number #144
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500	9 Elevation 3566'

10 Surface Location

UL or lot no. C	Section 25	Township 20S	Range 38E	Lot Idn	Feet from the 660'	North/South line North	Feet from the 1960	East/West line West	County Lea
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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 40	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	1960'	660'

17 OPERATOR CERTIFICATION

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

Kay Maddox
Signature
Kay Maddox
Printed Name
Regulatory Agent
Title
April 16, 2002
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-10
Revised February 21, 1986
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	'Pool Code 87085	'Pool Name Warren Tubb, East
'Property Code 003127	'Property Name WARREN UNIT	'Well Number 144
'OGRID No. 005073	'Operator Name CONOCO INC.	'Elevation 3568'

¹⁰ Surface Location

UL or lot no. C	Section 25	Township 20-S	Range 38-E	Lot Idn	Feet from the 660	North/South line NORTH	Feet from the 1980	East/West line WEST	County LEA
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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
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'Dedicated Acres 40	'Joint or Infill	'Consolidation Code	'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	660'	1980'
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¹⁷ OPERATOR CERTIFICATION

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

Jerry W. Hoover
Signature

JERRY W. HOOVER

Printed Name

SR. CONSERVATION COORDINATOR

Title

4/9/97

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 best of my belief.

MARCH 20, 1997

Date of Survey

Signature and Seal of Professional Surveyor:

Earl Foot
8278
REGISTERED PROFESSIONAL LAND SURVEYOR

Certificate Number

8278