

BURLINGTON RESOURCES

MID-CONTINENT DIVISION

January 7, 1998

United States Department of the Interior
Bureau of Land Management
2909 West Second Street
Roswell, New Mexico 88201

RE: Application for Surface Commingling, Measurement of Hydrocarbons, &
 Off-Lease Storage
 Federal AW Lease (NM12412) and Federal AW Lease (NM18232)
 Section 26, T19S, R32E
 Lea County, New Mexico

Ladies and Gentlemen:

Burlington Resources Oil & Gas Company respectfully requests approval for Surface Commingling, Measurement of Hydrocarbons, and Off-Lease Storage for the Federal AW Lease (NM12412) and the Federal AW Lease (NM18232), all of which are located in Section 26, T19S, R32E, Lea County, New Mexico. Production is from the Gem Wolfcamp and Lusk Delaware, East Pools.

FEDERAL AW LEASE (NM 12412)

Well No. 1 30-025-27017 E, Sec. 26, T19S, R32E Gem Wolfcamp NM12412 Oil Well
This well has recently been Sidetracked/Lateral Drainhole and is in the process of being completed.

FEDERAL AW LEASE (NM 18232)

Well No. 2 30-025-30975 O, Sec. 26, T19S, R32E Lusk Delaware, East NM18232 Oil Well

PRODUCTION FROM LEASES

<u>Well Number</u>	<u>Gravity</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>WATER</u>	<u>FORMATION</u>
Federal AW # 1	38 est.	50 est.	75 est.	100 est.	Wolfcamp
Federal AW # 2	37.5	03	18	6	Delaware

All the production will be stored at the Federal AW #2 battery located in UL O, Sec. 26, T19S, R32E. This facility consists of two 500 bbl closed top tanks for oil storage, and one 500 bbl closed top tank for water production. As indicated by the enclosed schematic, production from the Federal AW #1 will be transported via above ground 2-7/8" steel line into a metered heater treater. The production from the Federal AW #2 is transported via the same method to another heater treater. Prior to entering the main line to the battery, production is measured by metered dump which measures the production and registers it. Gas from each lease is separately metered prior to entering the main gas meter line. Water is stored into the one tank and subsequently trucked.

Federal AW #1, NM 12412	100% Burlington Resources Working Interest Owner
Federal AW #2, NM 18232	75% Burlington Resources Working Interest Owner 25% Atlantic Richfield Oil & Gas Co. 600 N. Marienfeld Midland, Texas 79701

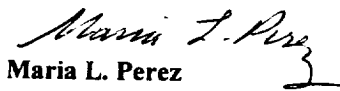
Atlantic Richfield has been notified of the commingled facilities by certified mail on 1-7-98.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production. The proposed commingling is necessary to continue operations for the above referenced leases.

The Bureau of Land Management was notified by certified mail on 1-7-98

Should you have any questions, or need additional information, please contact me at 915-688-6906.

Sincerely,


Maria L. Perez
Regulatory Representative
Drilling Department

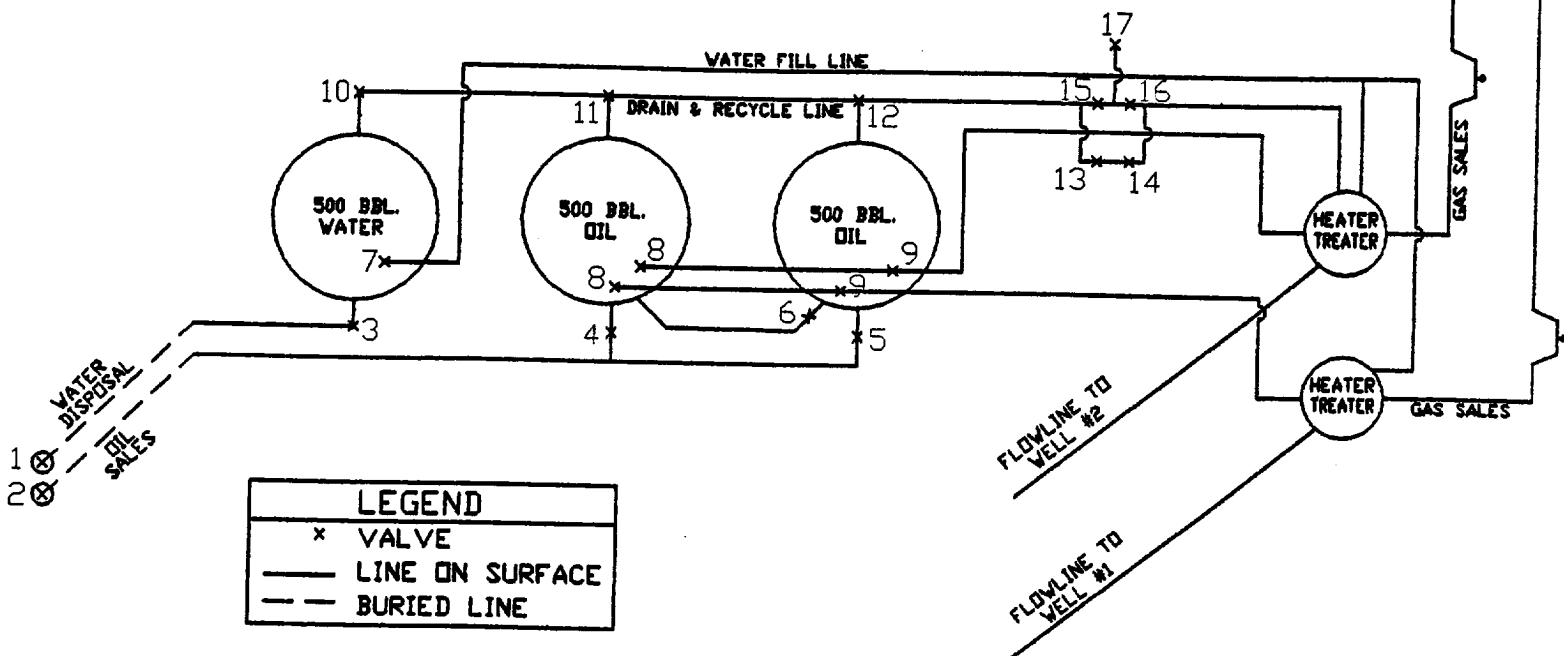
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BURLINGTON RESOURCES OIL & GAS COMPANY
 PROPOSED FEDERAL 'AW' FACILITY SITE @ NM18232

D, SEC. 26, T-19-S, R-32-E
 LEA COUNTY, NEW MEXICO

TYPE SYSTEM: (X) OPEN, () CLOSED

METERING METHOD: OIL TANK GUAGE
 GAS ORIFICE METER
 WATER TANK GUAGE



VALVE NO.	USE OR DISCRIPTION	PRODUCTION		SALES	
		OPEN	CLOSED	OPEN	CLOSED
1	WATER DISPOSAL		X	X	
2	OIL SALES		X	X	
3	WATER TANK SALES VALVE		X	X	
4	OIL TANK TO SALES		X	X	
5	OIL TANK TO SALES		X	X	
6	OIL TAK EQUILIZER	X			X
7	WATER TANK FILL	X		X	
8	OIL TANK FILL	X			X
9	OIL TANK FILL	X			X
10	WATER TANK RECYCLE		X		X
11	OIL TANK RECYCLE	X			X
12	OIL TANK RECYCLE	X			X
13	RECYCLE SUCTION	X		X	
14	RECYCLE DISCHARGE	X		X	
15	RECYCLE DISCHARGE		X		X
16	RECYCLE DISCHARGE		X		X
17	RECYCLE SUCTION (SUMP)		X		X

District I
PO Box 1980, Hobbs, NM 88241-1
District II
811 S. 1st Street, Artesia, NM 88210-2834
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

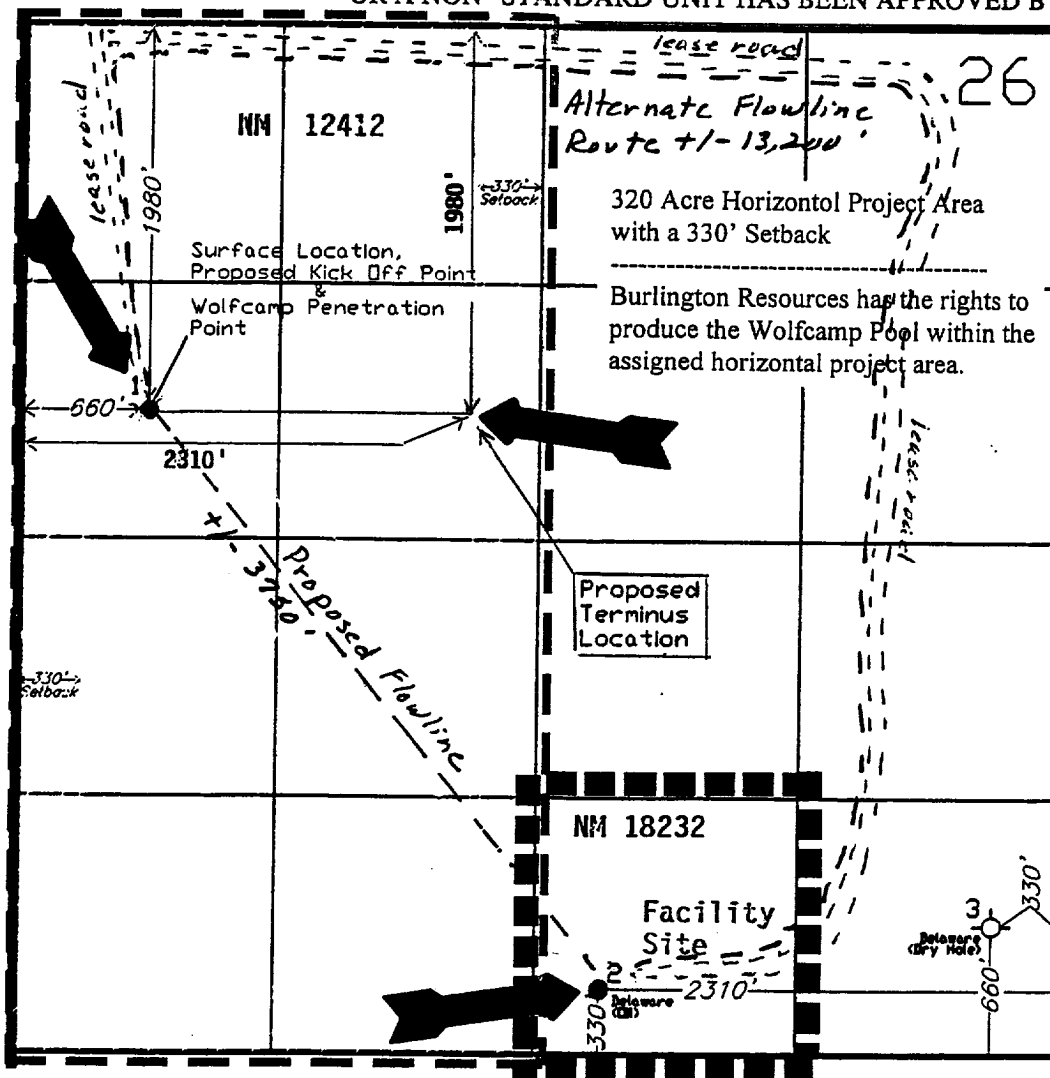
Revised October
Instructions
Submit to Appropriate District
State Lease
Fee Lease

☐ AMENDED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-27017		² Pool Code		³ Pool Name GEM WOLFCAMP					
⁴ Property Code 014367		⁵ Property Name FEDERAL "AW"						⁶ Well Number 1	
⁷ OGRID No. 26485		⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY						⁹ Elevation 3581.0	
¹⁰ Surface Location									
UL or lot no. E	Section 26	Township 19S	Range 32E	Lot. Idn	Feet from the 1980	North/South Line NORTH	Feet from the 660	East/West line WEST	County
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. F	Section 26	Township 19S	Range 32E	Lot. Idn	Feet from the 1980	North/South Line NORTH	Feet from the 2310	East/West line WEST	County
¹² Dedicated Acres		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



¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge.	
Signature <i>Maria L. Perez</i>	
Printed Name MARIA L. PEREZ	
Title REGULATORY REPRESENTATIVE	
Date 1-7-98	
¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same are true and correct to the best of my belief.	
Date of Survey	
Signature and Seal of Professional Surveyor:	
Certificate Number	