		New Mession			
Form 316 (June 199	DEPARTMEN		FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993		
		BUREAU OF LAND MANAGEMENT			
Do not	SUNDRY NOTICES use this form for proposals to dri Use "APPLICATION FC	6. If Indian, Allottee or Tribe Name			
	SUBMIT	7. If Unit or CA, Agreement Designation			
1. Type o X 2. Name		8. Well Name and No. Anaconda 11 Federal #1			
Neart	burg Producing Company	9. API Well No. 30 025 34701			
	ss and Telephone No. North A Street, Building 2, Suite 120, Mi				
	on of Well (Footage, Sec., T., R., M., or Survey De	10. Field and Pool, or Exploratory Area Teas: Delaware			
660' F	NL and 760' FWL, Section 11, T20S, R	11. County or Parish, State			
		Lea County, New Mexico			
12.	CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA				
	TYPE OF SUBMISSION	TYPE OF ACTION	<b>FION</b>		
	Notice of Intent	Abandonment	Change of Plans		
			New Construction		
	Subsequent Report	Plugging Back	Non-Routine Fracturing		
		Casing Repair	Water Shut-Off		
	Final Abandonment Notice	Altering Casing	Conversion to Injection		
		OtherOff-Lease Measurement & Commingle Permit	Dispose Water		
			(Note: Report results of multiple completion on Well Completion or Recompletion Report and Lon form )		

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

Nearburg Producing Company is requesting approval for Off-Lease Measurement and Commingle Permit for the above referenced well and the following wells:

Anaconda 11 Federal #2, 1650 FNL and 1650 FWL, Sec 11, T20S, R33E, Lea County, NM (Not drilled)
Python 3 Federal #1, 1900 FSL and 1650 FEL, Sec 3, T20S, R33E, Lea County, NM (Pumping)
Python 3 Federal #2, 855 FSL and 1650 FEL, Sec 3, T20S, R33E, Lea County, NM (Not completed)
Python 3 Federal #3, 2310 FNL and 330 FEL, Sec 3, T20S, R33E, Lea County, NM (Not drilled)

# CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct Signed King Heuscurt	Title	Regulatory Analyst	Date	03/15/00
(This space for Federal or State office use) OBI(1 SOD) LES BABYAY Approvedby Contributions of "pproval, if any:	Title	PETROLEUM ENGINEER	Date	MAR 2 2 2000

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 statements or representations as to any matter within its jurisdiction.

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#### Nearburg Producing Company

Exploration and Production 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705 915/686-8235 Fax 915/686-7806

March 15, 2000

Bureau of Land Management 2909 West Second Street Roswell, NM 88201

RE: Lease Commingling and Off Lease Measurement Section 3 & 11, T20S, R33E, NMPM Lea County, New Mexico

Dear Sirs:

Nearburg Producing Company hereby requests administrative approval for Lease Commingling and Off Lease Measurement of the production from the wells listed on Attachment I. As noted on said attachment, only those well designated with an asterisk are currently producing. The remaining wells are waiting on completion or have not been drilled.

The common tank battery for said wells is located in Unit D, 660' FNL and 760' FWL, Section 11, T20S, R33E, Lea County, New Mexico. All of subject wells and proration units are depicted on Attachment II.

All production will be metered on each individual well and the meters will be calibrated on a regular basis. All production that will be commingled will be produced from the same zone, that being the Teas; Delaware.

The purpose of the Lease Commingling and Off Lease Measurement is to reduce facility and operating costs, thereby increasing the economic life of the wells.

A diagram of the measurement equipment, separators and storage tanks will be submitted as soon as the diagram is drawn.

Also, enclosed Attachment IV, a copy of the notification letter which was mailed to all interest owner and to the purchasers via Certified Mail.

Thank you for your cooperation in this matter. If you have any questions, please feel free to contact the undersigned.

Very truly yours, Stewart

Kim Stewart Regulatory Analyst

Encl.

#### ATTACHMENT I

#### \*Anaconda 11 Federal #1

Unit D 660' FNL and 760' FWL, Section 11, T20S, R33E, Lea County, New Mexico

#### Anaconda 11 Federal #2

Unit F 1,650' FNL and 1,650' FWL, Section 11, T20S, R33E, Lea County, New Mexico

#### \*Python 3 Federal #1

Unit J 1,900' FSL and 1,650' FEL, Section 3, T20S, R33E, Lea County, New Mexico

#### Python 3 Federal #2

Unit O 855' FSL and 1,650' FEL, Section 3, T20S, R33E, Lea County, New Mexico

#### Python 3 Federal #3

Unit H 2,310' FNL and 330' FEL, Section 3, T20S, R33E, Lea County, New Mexico

## SECTIONS 3 & 11, T-20-S, R-33-E, LEA COUNTY, NM

# **ATTACHMENT II**



#### Nearburg Producing Company

Exploration and Production 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705 915/686-8235 Fax 915/686-7806

#### ATTACHMENT IV

March 14, 2000

#### **CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

- TO: INTEREST OWNERS AND PURCHASER (List Attached)
- RE: Notification of Application of Nearburg Producing Company for Administrative Approval for Lease Commingling Section 3 & 11, T20S, R33E, NMPM, Lea County, New Mexico

Dear Interest Owner or Purchaser:

Nearburg Producing Company hereby notifies you that it is seeking approval to first meter and then commingle production from wells listed on Attachment I. The common tank battery for said well(s) is located Unit D, NW of Section 11, T20S, R33E, NMPM, Lea County, New Mexico.

If you have objection to this request, then it is necessary for you to file a written objection within twenty (20) days of March 14, 2000, with Bureau of Land Management (BLM) of New Mexico. If you have no objection, then it is not necessary to do anything.

Please feel free to call if I can be of any assistance.

Very truly yours,

Sim Stewart

Kim Stewart Regulatory Analyst

Encl.

### List of Interest Owners or Purchasers for the Anaconda & Python Leases

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Nearburg Producing Company 3300 N. "A" Street, Building 2, Suite 120 Midland, TX 79705

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Samson Resources Company PO Box 94339 Tulsa, OK 74194

E.G.L. Resources, Inc. PO Box 371 Midland, TX 79702

Sun Company Inc. (R&M) 907 South Detroit Tulsa, OK 74012

Conoco, Inc. 10 Desta Drive, Suite 100W Midland, TX 79705