

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

LC 0634580

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Warren Unit, Wells #11,82,146

9. API Well No.

see below

10. Field and Pool, or Exploratory Area

see below

11. County or Parish, State

Lea County, NM

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.

3. Address and Telephone No.

10 DESTA DR. STE. 100W, MIDLAND, TX. 79705-4500 (915) 686-5580/684-6381

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

Sec 26, T20S, R38E

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 Surface Commingling

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

Note: Report results of 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 subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

We are respectfully requesting that the Bureau of Land Management accept Commingling Order PC-975 which includes the following wells:

Warren Unit, Well #11, API #30 025 07885, Sec 35, T20S, R38E, Ut. Ltr. A, 660' FNL & 660' FEL, pools 6660, 87085, 63120.

Warren Unit, Well #82, API #30 025 26843, Sec 35, T20S, R38E, Ut. Ltr. G, 1980' FNL & 1980' FEL, pools 6660, 87085, 15200.

Warren Unit, Well #146, API #30 025 34362, Sec 26, T20S, R38E, Ut. Ltr. P, 660' FSL & 860' FEL, pool 63120.

Please see copy of Commingling Order PC-975 attached.

Blinbry Oil & Gas (6660), East Warren Tubb (87085), Warren Blinbry-Tubb Oil & Gas (62965), East Warren Drinkard (63120) and D-K Abo (15200).

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Signed

Title

Ann E. Ritchie
Regulatory Agent

Date 6-19-00

(This space for Federal or State office use)

(ORIG. SGD.) ALEXIS C. SWOBODA

PETROLEUM ENGINEER

Date JUN 22 2000

Approved by
Conditions of approval if any:

BLM(6), BLM

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.

OPERATOR COPY

Form 3160-9
(December 1989)

Number KAH-039-00

Page 2 of 4

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOTICE OF INCIDENTS OF NONCOMPLIANCE

| |
|------------------|
| Identification |
| IID |
| Lease NMLC083458 |
| CA |
| Unit |
| PA |

| |
|---|
| <input checked="" type="checkbox"/> Certified Mail - Return Receipt Requested P 622 716 296 |
| <input type="checkbox"/> Hand Delivered Received by |

| | | | | | | |
|---|-----------------------|--|--------------|-----------------|---------------|-----------------|
| Bureau of Land Management Office HOBBS INSPECTION OFFICE | | Operator CONOCO INCORPORATED | | | | |
| Address 414 WEST TAYLOR HOBBS NM 88240 | | Address 10 DESTA DRIVE WEST, SUITE 100 W. MIDLAND TX 79705 | | | | |
| Telephone 505.393.3612 | | Attention | | | | |
| Inspector Katherine Haston | | Attn Addr | | | | |
| Site Name WARREN BTRY 1 | Well or Facility A | Township 20S | Range 38E | Meridian NMP | Section 33 | 1/4 1/4 SENE |

THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE

| Date | Time (24 - hour clock) | Violation | Gravity of Violation |
|--------------------------------------|------------------------|------------------------------|----------------------|
| 06/12/2000 | 13:20 | 43 CFR 3162.7; OOGO #3.E.a | MINOR |
| Corrective Action To Be Completed By | Date Corrected | Assessment for Noncompliance | Assessment Reference |
| 06/29/2000 | | | 43 CFR 3163.1(i) |

Remarks PRODUCTION FROM WARREN WELLS NOS. 11, 82 AND 146 ARE BEING SURFACE COMMINGLED WITH PRODUCTION FROM THE WARREN BLINEBRY-TUBB AND WARREN DRINKARD WELLS WITHOUT BLM APPROVAL. - SUBMIT TO THIS OFFICE ON FORM 3160-5 SUNDRY NOTICE, 1 ORIG. + 5 COPIES, REQUEST TO COMBINE, STORE OR MEASURE PRODUCTION OFF-LEASE AS PER REQUIREMENTS ON THE ATTACHMENT.

When violation is corrected, sign this notice and return to above address.

Company Representative Title _____ Signature _____ Date _____

Company Comments _____

WARNING

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 4015 Wilson Blvd., Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

| | | | |
|---|------|-----------------|--------------|
| Signature of Bureau of Land Management Authorized Officer <i>Andy Carter</i> | | Date 6-14-00 | Time 0820 |
| FOR OFFICE USE ONLY | | | |
| Number 20 | Date | Assessment | Penalty |
| Type of Inspection | | Termination | |



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

COMMINGLING ORDER PC-975

Conoco, Inc.
10 Desta Drive, Suite 100 West
Midland, Texas 79705-4500

Attention: Ms. Ann E. Ritchie

Lease: Warren Unit Well Nos. 11, 44, 46, 54, 55, 64, 82, 144, 145, 146,
and 317
Description: NE/4 NE/4, S/2 NW/4, SW/4 NE/4, NE/4 SW/4, SW/4 SW/4 and SE/4
SE/4 of Section 26, N/2 NW/4 of Section 25 and NE/4 NE/4 and SW/4
NE/4 of Section 35, Township 20 South, Range 38 East, NMPM,
Lea County, New Mexico.

The above-named company is hereby authorized to commingle Blinebry Oil & Gas (6660), East Warren Tubb (87085), Warren Blinebry-Tubb Oil & Gas (62965), East Warren Drinkard (63120), and D-K Abo (15200) Pool production from the above mentioned lease and to determine production from each well by well tests. This method is authorized only so long as all production is of marginal nature. Further, all commingled production must be of identical ownership including working interest, royalty interest and overriding royalty interest. Gas production shall be separated and sold separately.

NOTE: Well Nos. 11, 82, 144, 145 and 146, have previously been approved for downhole commingling of the Blinebry Oil & Gas, East Warren Tubb, East Warren Drinkard and D-K Abo Pool production. This authorization shall remain in place.

FURTHER: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

REMARKS: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309.B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

NOTE: Commingled production shall be stored in the Warren Unit Battery No. 1 tank battery facility located in Section 26, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.


Commingling Order PLC-975

Conoco, Inc.

June 8, 1998

Page 2

DONE at Santa Fe, New Mexico, on this 8th day of June, 1998.


LORI WROTENBERY,
Division Director

LW/BES/kv

cc: Oil Conservation Division - Hobbs