

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

P.O. Drawer DD, Artesia, NM 88210

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

WELL API NO. 30-025-33975
5. Indicate Type of Lease Federal <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LC 063458
7. Lease Name or Unit Agreement Name Warren Unit
8. Well No. # 145
Blinebry Oil & Gas (6660) & Warren Tubb East (87085)

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE APPLICATION FOR PERMIT (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator Conoco Inc.
3. Address of Operator 10 Desta Dr. Ste 100W, Midland, Tx., 79705-4500
4. Well Location Unit Letter D 660 Feet From The North Line and 660 Feet From The West Line Section 25 Township 20S Range 38E NMPM Lea County

10. Elevaon (Show whether DF, RKB, RT, GR, etc.) 3566

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Downhole Commingle <input checked="" type="checkbox"/>	OTHER <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Per R-11363

Conoco proposes to downhole commingle the Blinebry Oil & Gas (6660) and the Warren Tubb East (87085) pools.

Both pools are pre-approved and ownership is the same.

The final Allocation percentages should be:

	Oil	Gas
Blinebry Oil & Gas (6660):	67 %	46 %
Warren Tubb East (87085):	33 %	54 %

***Only District approval is necessary

DHC Order # **HC 19-00057**

1. I hereby certify that the information above is true and complete to the best of my knowledge and belief.		
SIGNATURE Kay Maddox	TITLE Regulatory Agent	DATE October 31, 2002
TYPE OR PRINT NAME Kay Maddox	TELEPHONE NO 686-5798	

(this space for State Use)	ORIGINAL SIGNED BY PAUL F. KAUTZ PETROLEUM ENGINEER	DATE NOV 26 2002
APPROVED BY _____	TITLE _____	DATE _____
CONDITIONS OF APPROVAL, IF ANY.		

Warren Unit #145

Downhole Commingle Summary:

October, 2002

The Warren Unit #145 was drilled and completed in the Warren Tubb East pool in 1997. The Warren Unit #145 was recompleted to the Blinebry Oil & Gas pool in September of 2002. Currently the well is producing from only the Blinebry interval.

From September 18, 2002 to October 28, 2002, the Blinebry production from the well has averaged 13.4 BOPD and 26.4 MCFPD. Production from the Tubb, prior to the recompletion, was approximately 6.7 BOPD and 30.7 MCFPD.

Upon approval, Conoco will pull the RBP separating the Tubb and Blinebry in the Warren Unit #145 and downhole commingle the Blinebry and Tubb production. The Warren Tubb East and the Blinebry Oil & Gas are both pre-approved pools. The percentages attributable to each zone are listed below. Attached are graphs of Tubb and Blinebry production, as well as the actual welltests for the Blinebry since the recompletion in September 2002.

<u>Warren Unit #145</u>	<u>Oil</u>	<u>Gas</u>
Blinebry Oil & Gas	67%	46%
Warren Tubb East	33%	54%

Anticipated percentages of total well production after downhole commingling

DISTRICT I

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

DISTRICT II

911 Scout First St Artesia NM 88210 2835

DISTRICT III

1000 Rio Brazos Rd Aztec, NM 87410 1693

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429Form C-107-A
New 3-12-96

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Conoco Inc.

10 Desta Dr. Ste 100W, Midland, Tx. 79705-4500

Operator

Address

Warren Unit

145

Section 25, T-20-S, R-38-E, S

Lea

Lease

Well No

Unit Ltr Sec Twp Rge

County

OGRID NO 005073

Property Code

API NO.

30-025-33975

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	Blinberry Oil & Gas 6660		Warren Tubb East 87085
2. TOP and Bottom of Pay Section (Perforations)	6028-6288'		6539-6764'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure	a. (Current)	a.	a.
Oil Zones - Artificial Lift: Estimated Current			
Gas & Oil - Flowing: Measured Current	b. (Original)	b.	b.
All Gas Zones: Estimated Or Measured Original			
6. Oil Gravity (°API) or Gas BT Content			
7. Producing or Shut-In?	Producing		Shut-in
Production Marginal? (yes or no)	Yes		Yes
• If Shut-in give date and oil/gas/water rates of last production	Date Rates	Date Rates	Date Rates 9/1/02 6 BOPD, 30 MCFGPD, 11 BWPD
Note: For new zones with no production history applicant should 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 10/28/02 13 BOPD, 26 MCFGPD, 38 BWPD	Date Rates	Date Rates
8. Fixed Percentage Allocation Formula - % or each zone	Oil: 67 % Gas: 46 %	Oil: % Gas: %	Oil: 33 % Gas: 54 %

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 ☒ No11. 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 ☐ No13. 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. NMOC 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 Kay Maddox TITLE Regulatory Agent DATE October 31, 2002TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

MORNING REPORT

LEASE Warren Unit #145

OIL CUMM

GAS CUMM

DAILY OIL ALLOWABLE

PRODUCING DAYS THIS MONTH

ACCUMULATED ALLOWABLE

IF PRODUCTION IS CENTER OF HOUR FOR PRODUCTION NUMBERS

FORMATION Blinberry

381

1426

0

31

0

1Mth-end

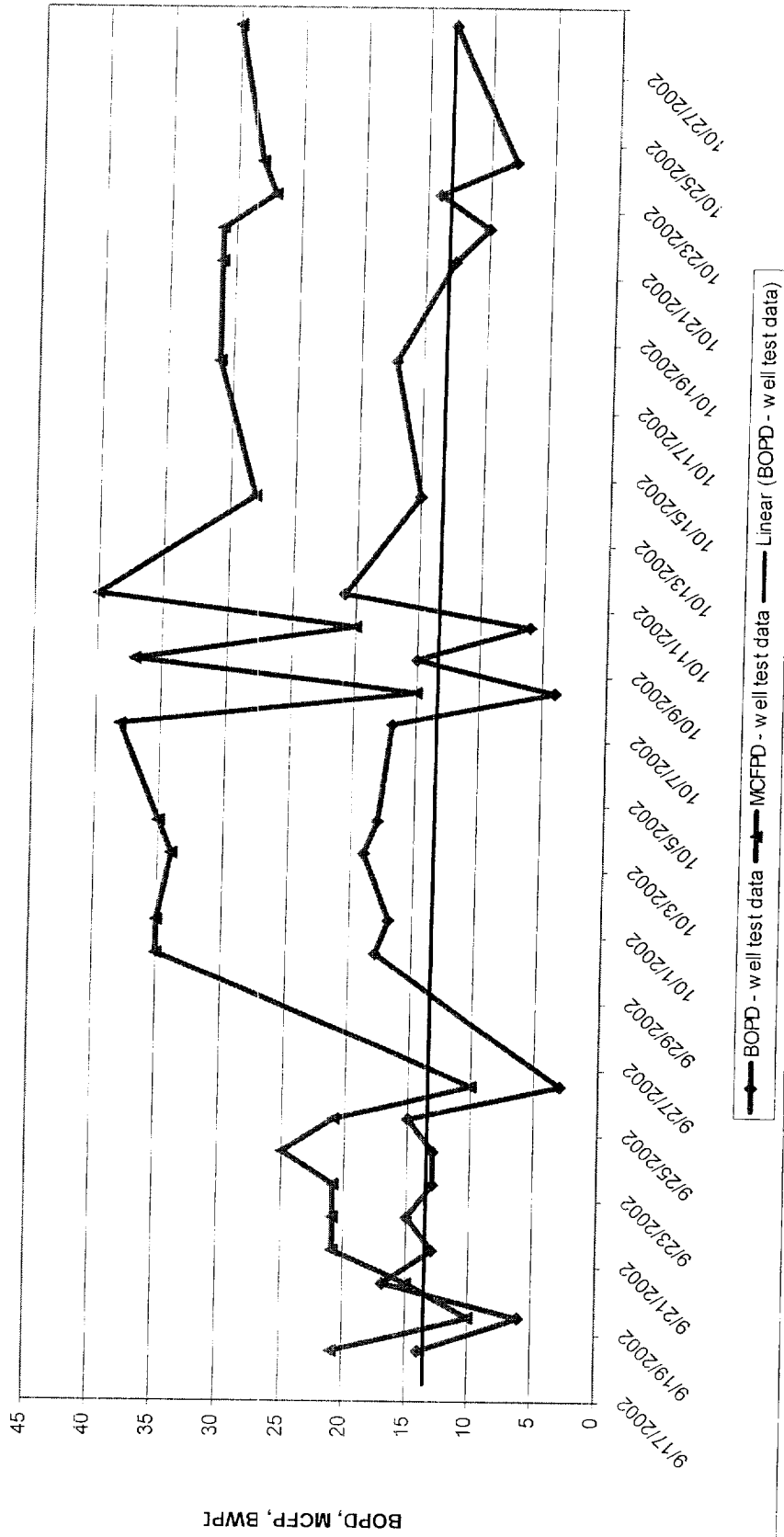
2002	prod.	OIL	WATER	WC	GAS	GOR	SUBMG	TP	Up	FLP	Load Water	Remarks
9/17/2002	14	14	37	73%	21	1500	2910					
9/18/2002	6	6	12	67%	10	1567	2437	75	75	70		1502 Changed SPM from 6 SPM to 9.12 and put into test
9/19/2002	17	17	39	70%	15	882	2380	75	75	70		1565 spaced well, well was down ran 12 hrs
9/20/2002	13	13	39	75%	21	1615		75	75	70		1553 Gas interference Ran 30% on POC
9/21/2002	15	15	47	76%	21	1400		75	75	70		1514 Ran 69% gas interference, reduced manual downtime on POC
9/22/2002	13	13	27	68%	21	1615	2204	75	75	70		1475 Ran 74% gas interference
9/23/2002	13	13	38	75%	25	1323	1910	300	75	75		1428 Ran 80% gas interference
9/24/2002	15	15	56	79%	21	1400		300	75	75		1401 Ran 55% gas interference Installed a Back Pst valve on tubing side
9/25/2002	3	3	7	70%	10	3333	2204	300	75	70		1363
9/26/2002	18	18	57	76%	35	1944		325	75	70		1307 Ran 100% after back Pst valve installed
9/27/2002	17	17	52	75%	35	2059		325	75	72		1300 Down on gas interference ran 13%
10/3/2002	19	19	57	75%	34	1789	1651	320	75	72		1130 Delta X @100% 3 day avg on test
10/4/2002	18	18	53	75%	35	1944		320	75	70		1078 Delta X @100%
10/7/2002	17	17	52	75%	38	2235		320	75	70		964 Delta X @100% 2 day avg
10/8/2002	4	4	15	79%	15	3750		320	75	70		911 Delta X @100%
10/9/2002	15	15	47	76%	37	2467		320	75	70		755 Delta X @99% 3 day avg
10/10/2002	6	6	28	82%	20	3333		320	75	70		740 Gas locked
10/11/2002	21	21	46	69%	40	1905		320	75	70		693 Delta X @100%
10/14/2002	45	15	41	73%	28	1867		320	75	70		665 Power failure (cows)
10/18/2002	52	17	49	74%	31	1788		320	75	70		619 Delta X @100%
10/21/2002	38	13	29	70%	31	2447		320	75	70		486 Delta X @70% 3-day production 45 bls/3 days = 15 BOPD
10/22/2002	10	10	29	74%	31	3100		320	75	70		339 Delta X @69% 3-day production 52 bls/3 days = 17.3 BOPD
10/23/2002	14	14	34	71%	27	1929		320	75	70		252 Delta X @69% 3-day production 38 bls/3 days = 12.7 BOPD
10/24/2002	8	8	18	69%	28	3500		320	75	70		223 Delta X @67% 1-day production
10/28/2002	13	13	30	70%	30	2308	120	320	75	70		189 Delta X @61% 1-day production
												171 Delta X @56% 1-day production
												53 Delta X @68% 4 day avg

Average

13.4 BOPD

26.4 MCFPD

Warren Unit 145 Blinebry Only Well Test Data

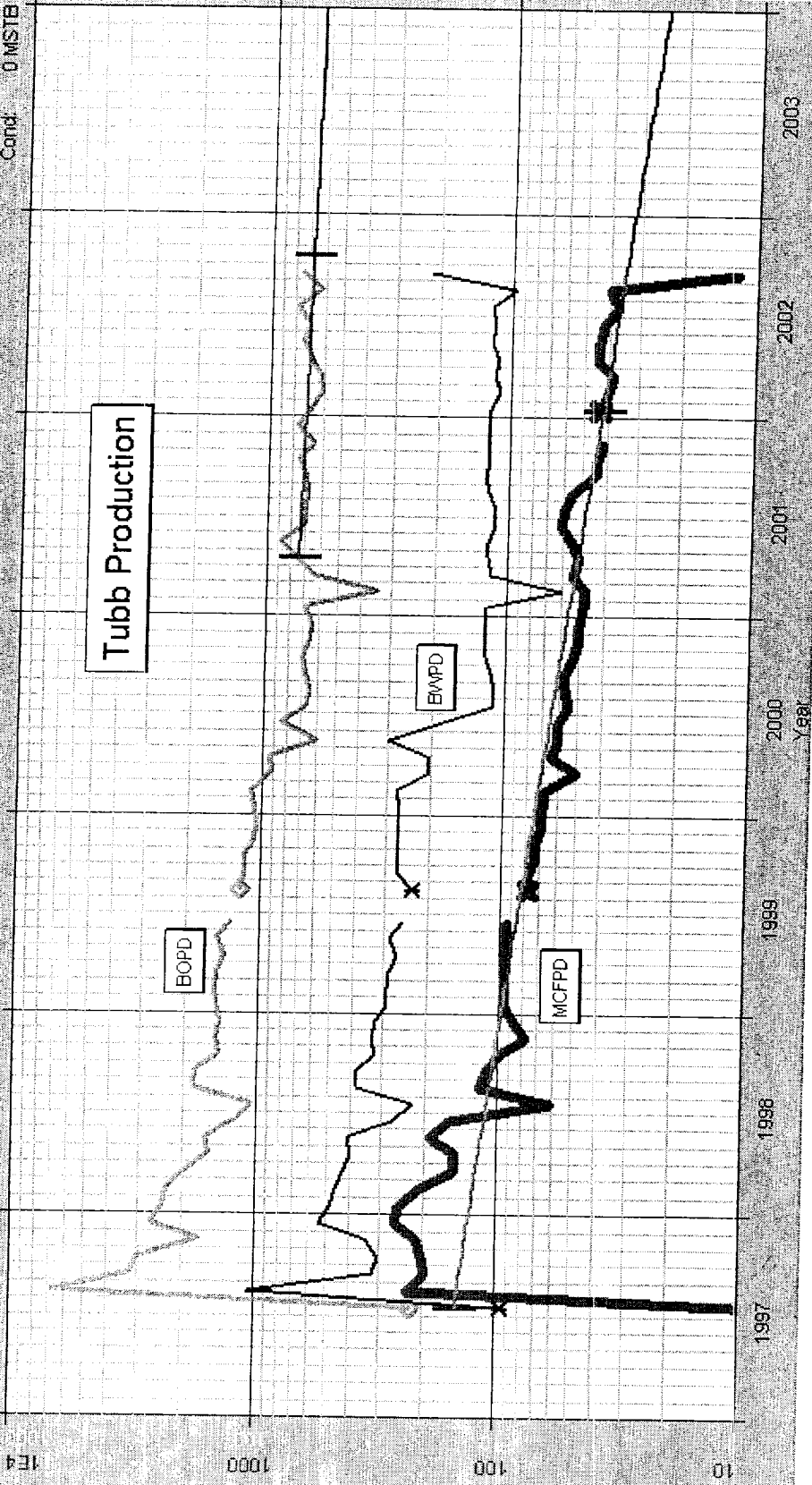


WARREN UNIT - 145_XGN. (1893037) Data Jul 1997-Sep 2002

Operator: CONOCO INC
Field: NEW MEXICO FEDERAL UNIT
Zone: XGN
Type: Oil
Group: Well: HOBBS PE PRODUCTION AREA 4

Production Cums
Oil: 23,118 MSTB
Gas: 161,077 MMSCF
Water: 44,849 MSTB
Cond: 0 MSTB

Tubb Production



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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. LC 063458
2. Name of Operator CONOCO INC.	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 10 DESTA DR. STE. 100W, MIDLAND, TX 79705-4500 (915) 686-5424	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T.R., M. or Survey Description) Section 25, T-20-S, R-38-E, D 660' FNL & 660' FWL	8. Well Name and No. Warren Unit # 145
	9. API Well No. 30-025-33975
	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	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Repon	<input checked="" type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracuring
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut -Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other _____	<input type="checkbox"/> Dispose Water

(Note: Repones uitsof multiple completion 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) *

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 & tbq
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 <i>Kay Maddox</i>	Title - Regulatory Agent (915) 686-5798	Date	April 16, 2002
(This space for Federal or State official use)			
Approved by <i>David R. Mass</i>	Title	Date	
Conditions of approval if any			

APR 17 2002

BLM(6), NMCD(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 within its jurisdiction.

*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-102

Revised February 21, 1994

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 30-025-33975		2 Pool Code 6660	3 Pool Name Blinberry Oil & Gas
4 Property Code 003122	5 Property Name Warren Unit		6 Well Number #145
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500		9 Elevation 3566'

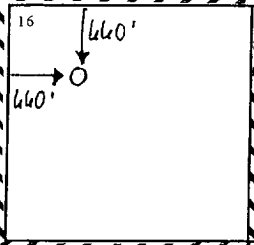
10 Surface Location

UL or ldn.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
D	25	20S	38E		660'	North	660	West	Lea

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot ldn	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 			

17 OPERATOR CERTIFICATION

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

Signature

Kay Maddox

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-102
Revised February 21, 1994
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 145
OGRID No. 005073	Operator Name CONOCO INC.		Elevation 3566'

¹⁰ Surface Location

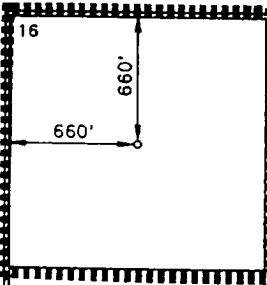
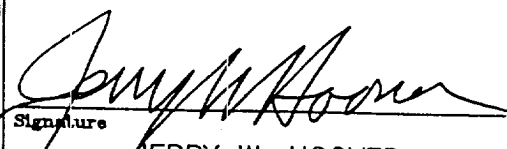
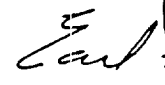
UL or lot no. D	Section 25	Township 20-S	Range 38-E	Lot Idn	Feet from the 660	North/South line NORTH	Feet from the 660	East/West line WEST	County LEA
--------------------	---------------	------------------	---------------	---------	----------------------	---------------------------	----------------------	------------------------	---------------

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
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

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

				<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> Signature JERRY W. HOOVER Printed Name SR. CONSERVATION COORDINATOR Title 4/9/97 Date</p>
				<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>MARCH 20, 1997 Date of Survey Signature and Seal of Professional Surveyor  8278 REGISTERED PROFESSIONAL LAND SURVEYOR</p>

WARREN UNIT BOUNDARY

BLINEBRY-TUBB PARTICIPATION AREA
2nd AMENDMENT

LOWER YESO - LEONARD DRINKARD P/A
3rd ENLARGEMENT

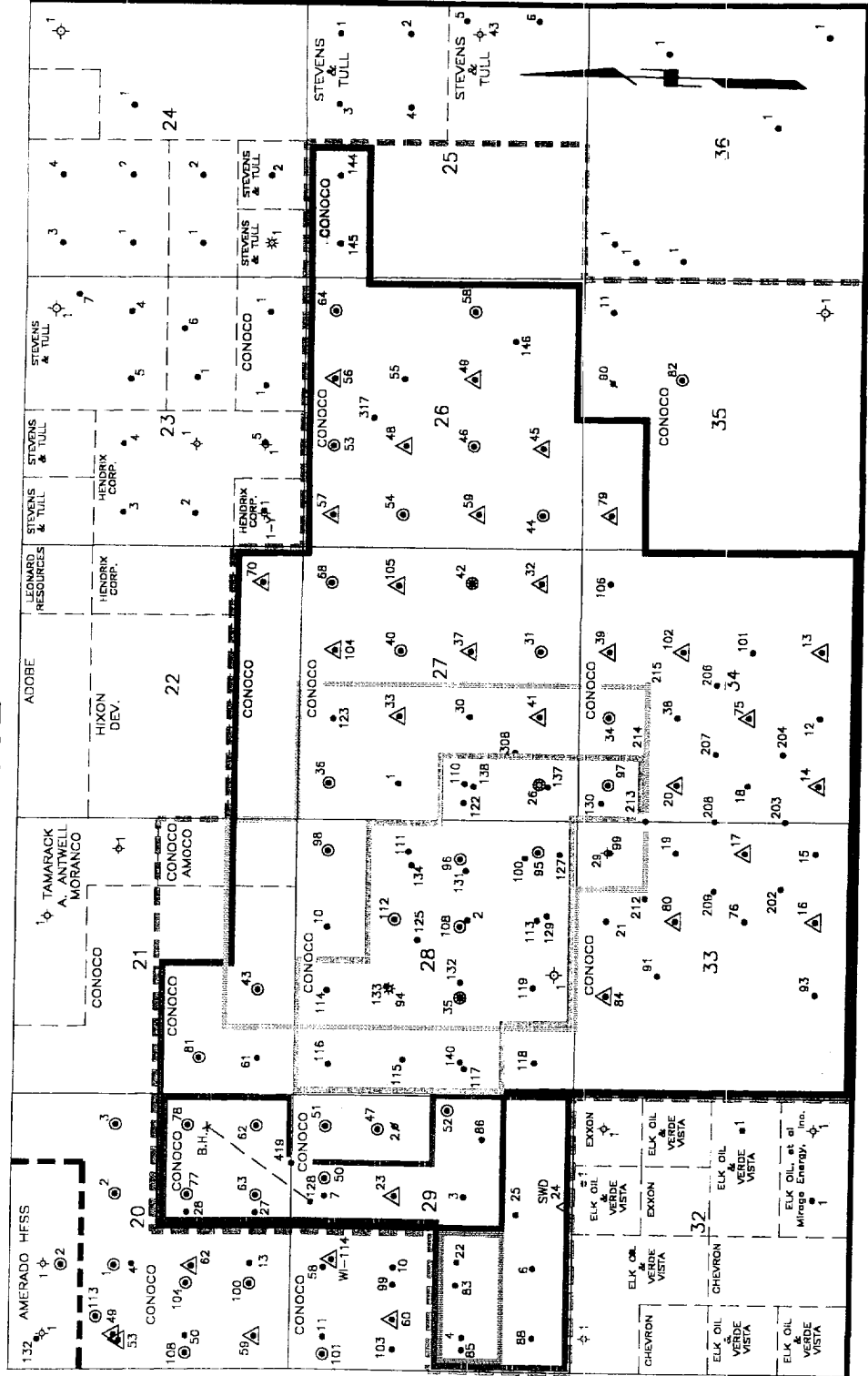
SIMPSON - MCKEE SAND ZONE P/A
4th ENLARGEMENT

BLINEBRY PARTICIPATION AREA
AFTER 24th AMENDMENT

GRAYBURG / SAN ANDRES P/A
1st ENLARGEMENT

DATE: 5/2/00	DRAWN BY: glg	CHECKED BY:	APPROVED BY:	SCALE: 1" = 2640'	STATE PLANE COORDINATES REFERRED TO NA27 - NEW MEXICO EAST STATE PLANE COORDINATES ZONE - 3001
CONOCO EPNGNA MIDLAND DIVISION					
WARREN UNIT					
LEA COUNTY NEW MEXICO					
STATE 30	COUNTY \ 025	DRAWING WARR-UNIT			
CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705					

T20S R38E



October 31, 2002

A copy of the C-103 application to downhole commingle the Warren Unit # 145 has been sent to the Commissioner of Public lands for the State Of New Mexico.