

March 21, 2000

New Mexico Oil Conservation Division
Department of Energy & Minerals
State of New Mexico
2040 South Pacheco
Santa Fe, NM 87501

Att: Mark Ashley, Engineering

RE: **Conoco, Inc.**, State "25-A", Well #3, API#30-025-34953, Section 25,
T20S, R37E, Unit Letter N, 510' FSL & 1980' FWL, Lea County, NM

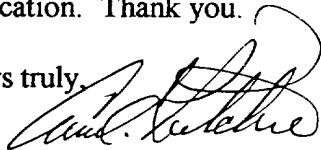
Dear Mark,

Concerning the above referenced well, Conoco, Inc., anticipates drilling and completion of this well in the North Hardy-Strawn pool (Oil-96893). Conoco, Inc. is requesting permission to surface commingle the crude oil from this well at the SEMU Strawn battery, Section 25, T20S, R37E (Unit Letter G) under Commingling Order PLC-158. Since the State "25-A", Well #3 is a State well, this request for commingling may change the Commingling Order status to a Central Tank Battery. The ownership on the State "25-A", Well #3 is as listed below; notification has been sent to each:

Chevron USA, Inc., P.O. Box 1635, Houston, TX 77251
Arco Permian, P.O. Box 1610, Midland, TX 79702
Conoco, Inc.
State of New Mexico, 2040 S. Pacheco, Santa Fe, NM 87501
Commissioner of Public Lands, State Land Office, Santa Fe, NM

Please see attached copies of the SEMU Strawn battery diagram, location plat, justification, the SEMU Strawn ownership listing (notification will be sent to each party this date) and a copy of the current Commingling Order PLC-158, effective March 21, 2000. Please let me know if you need any further information concerning this application. Thank you.

Yours truly,



Ann E. Ritchie, Regulatory Agent

Conoco, Inc.

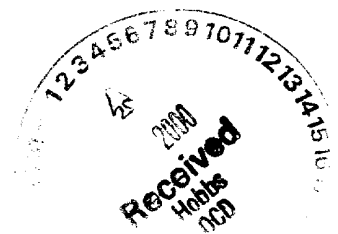
10 Desta Dr., Suite 100W

Midland, TX 79705-4500

1-800-432-2967, (915) 682-1458-fax; e-mail: Wtor1248@aol.com

attachments

cc: Reesa Wilkes-Conoco/Midland; BLM-Roswell, OCD-Hobbs ✓



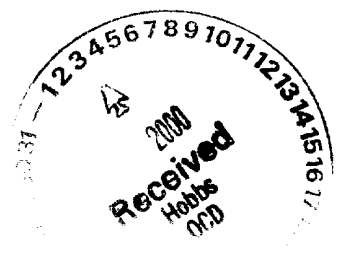
JUSTIFICATION

Conoco, Inc.
State "25-A", Well #3
1980' FWL & 510' FSL, Section 25, T20S, R37E
Lea County, New Mexico

Conoco, Inc. proposes to produce the State "25-A", Well #3 into its own separator and test system. The production separator will have a positive displacement meter that will measure the oil continuously. The production will be allocated based upon well test. When testing the well, the oil and gas will be measured and routed back into the production separator so that the crude oil production/sales is measured. The gas will be measured with an orifice meter. The gas will then be allocated based upon the gas sales meter for the SEMU Strawn battery.

The gravity of the Strawn completions going into the SEMU Strawn battery is 37 degrees API – sweet crude. The Tubb-Drinkard completion in the State "25-A", Well #3 should have a gravity of 37.6-sweet crude.

The royalty and working interest owners are identical for the Strawn and Tubb zones in the State "25-A", Well #3; the royalty and working interest owners are identical for the Strawn and Tubb zones for the SEMU wells going into this battery.



1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16
2000
Received
Hobbs
MD

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Elia Briscoe Rd., Artesia, NM 87410

DISTRICT IV
8040 South Pacheco, Santa Fe, NM 87606

Energy, Minerals and Natural Resources Department

Submit to Appropriate Bureau Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

8040 South Pacheco
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-02-5-34953	Pool Code 96893	Pool Name Hardy - Strawn, North
Property Code 2.5385	Property Name STATE "25-A" (lease # E-1402)	Well Number 3
OCRD No. 005073	Operator Name CONOCO INC.	Elevation 3506'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	25	20 S	37 E		510	SOUTH	1980	WEST	LEA

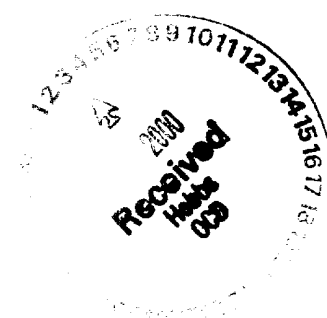
Bottom Hole Location If Different From Surface

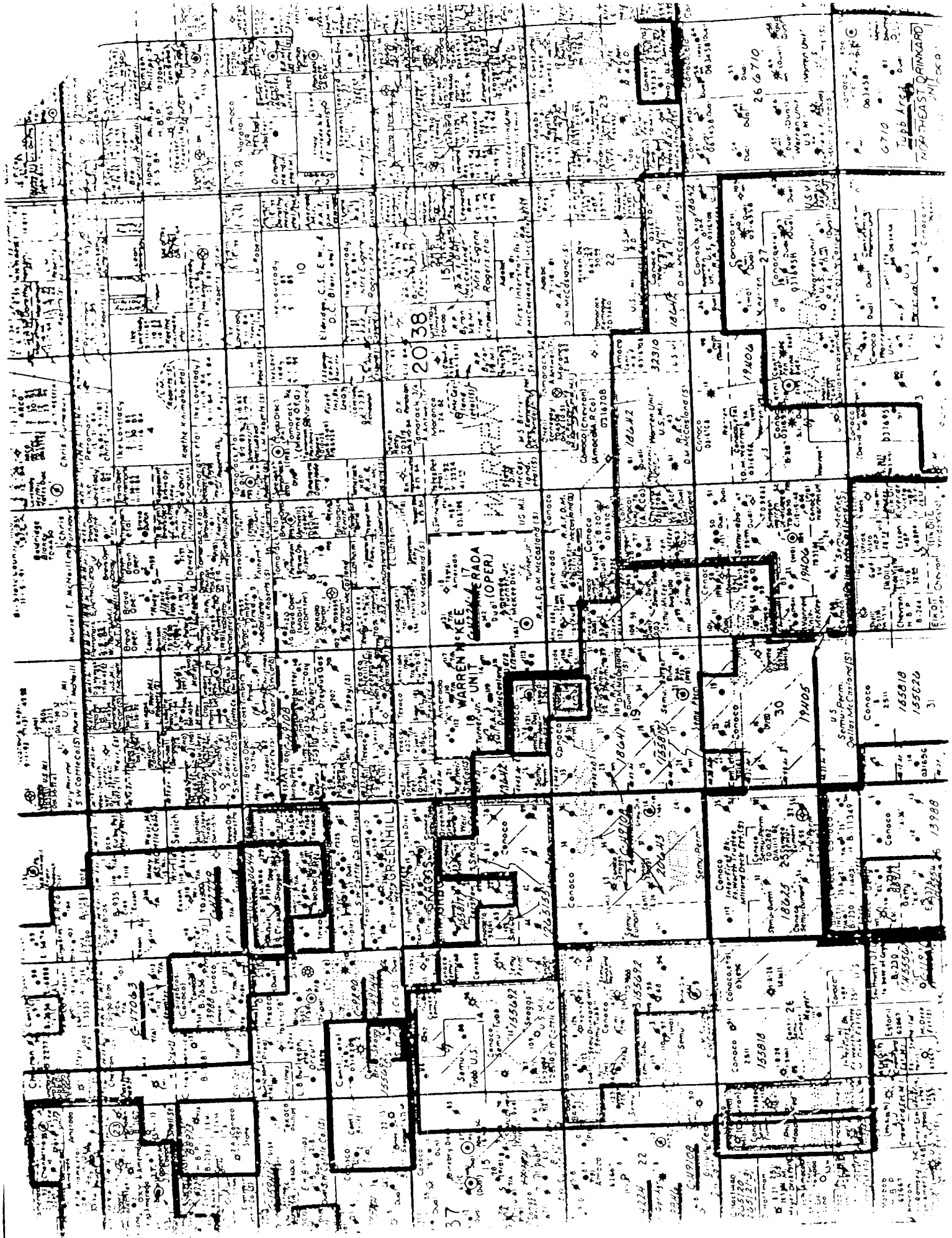
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.	NSL Applied For					

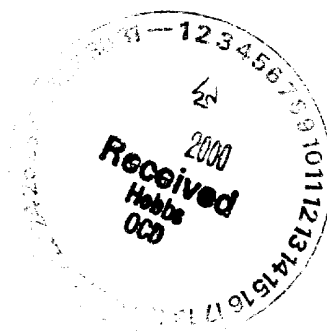
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature Jo Ann Johnson Printed Name Sr. Property Analyst Title February 24, 2000 Date
	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. January 08, 2000 Date Surveyed Signature & Seal PROFESSIONAL SURVEYOR NEW MEXICO 7977 W.O. No. 0061A Certificate No. GARY L. Jones 7977 PROFESSIONAL SURVEYOR DAVIN SURVEYS

500 Amended









**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

**COMMINGLING ORDER PLC-158
2nd Amendment**

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

Attention: Ms. Ann E. Ritchie

The above named company is hereby authorized to commingle North Hardy-Strawn (Oil - 96893), North Hardy Tubb-Drinkard (Oil - 96356), and Southeast Monument-Abo (Oil - 96764) Pool production from the following leases:

Lease: SEMU Well No. 134 (Federal Lease No. LC-031695A)
Description: SW/4 of Section 30, Township 20 South, Range 38 East, NMPM,

Lease: SEMU Well No. 135 (Federal Lease No. LC-031696A (Tract 1) and B-11349 (Tract 2))
Description: SE/4 of Section 25, Township 20 South, Range 37 East, NMPM, and

Lease: SEMU Well No. 136 (Federal Lease No. LC-031696A (Tract 1), B-230 (Tract 2) and E-1402 (Tract 3))
Description: SW/4 of Section 25, Township 20 South, Range 37 East, NMPM,

Lease: DM Warren Well No. 137 (Federal Lease No. LC-031695A)
Description: SW/4 of Section 30, Township 20 South, Range 38 East, NMPM,

all located in Lea County, New Mexico.

Production shall be allocated to each lease by separately metering the production from each lease prior to commingling.

NOTE: 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.

REMARKS: The commingled production shall be stored and measured at the SEMU Strawn common tank battery facility located in the SW/4 NE/4 (Unit G) of Section 25, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.



Amended Administrative Order PLC-158
Conoco. Inc.
March 21, 2000
Page 2

FURTHER: The operator shall notify the supervisor of the Hobbs district office prior to implementation of the commingling process.

PROVIDING: Validation of this authority shall be accomplished by like approval from the State Land Office and the U.S. Bureau of Land Management.

DONE at Santa Fe, New Mexico, on this 21st day of March, 2000.

LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division – Hobbs
State Land Office – Oil & Gas Division
U.S. Bureau of Land Management - Carlsbad

