

New Mexico Oil Conservation Division, District I
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1625 N. French Drive
Albuquerque, NM 87106

Form Approved
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICE AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Conoco Inc.

3a. Address
10 Desta Drive, Suite 100W

3b. Phone No. (include area code)
(915) 688-5400

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
23 330/N + 2310/W
Sec. 14 T20S R37E C

5. Lease Serial No.
NM0557686

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and/or No.
NM71041D

8. Well Name and No.
SEMU #162

9. API Well No.
30-025-35774

10. Field and Pool, or Exploratory Area
Cass Penn

11. County or Parish, State
Lea County, New Mexico

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Variance</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file the BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Conoco, Inc. requests a variance to Onshore Oil & Gas Order No. 4, Measurement of Oil, concerning the use of a Positive Displacement Metering System as stated in Part III, Section D of this Order. Conoco, Inc. requests approval to install a Micro Motion Coriolis Mass Meter with a 2700C Smart Transmitter as oil metering equipment for allocation purposes of the SEMU # 162 well producing into the SEMU Cass Penn Battery in Lea County, New Mexico.

A Micro Motion 1" Coriolis Mass Meter with 2700C Smart Transmitter will be installed on the oil leg of the heater treater to measure oil volumes and a Blancett 2600 Flowmeter with 2" turbine will be installed on the water leg to measure water production for the SEMU #162. An orifice meter built to AGA Report # 3, 1992 specifications, will measure gas volumes.

The 2700C Smart transmitter will utilize API calculations to correct API gravity reading at measured flowing temperatures to API gravity at 60 degrees Fahrenheit to give Net barrel production for the SEMU # 162 well. S & W determination will be determined by API Chapter 10, Sediment & Water, Section 4, Determination of Sediment & Water in Crude Oils by Centrifuge Method (Field Procedure). The S&W percentage will be applied to the Net production to get Actual production for allocation purposes for the SEMU # 162.

The Mass Meter shall be proved for accuracy monthly until adequate history of performance has been established, at which time a variance will be sought to extend the frequency of proving.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Aaron L. Braden

Title: Measurement Foreman

Signature

Aaron L. Braden

Date: August 16, 2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

GWW