

+Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C 103
Revised 1-1-89

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 T11
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-025-35771
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name State F-1
8. Well No. #15
9. Pool name or Wildcat Hardy Tubb Drinkard 29760/Hardy Blinebry

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
2. Name of Operator Conoco Inc.
3. Address of Operator 10 Desta Dr. Ste 100W, Midland, Tx., 79705-4500
4. Well Location Unit Letter <u>W</u> <u>500</u> Feet From The <u>South</u> Line and <u>2000</u> Feet From The <u>East</u> Line Section <u>1</u> Township <u>21S</u> Range <u>36E</u> NMPM <u>Lea</u> County

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

11. 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"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: Downhole Commingle <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input 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.

R-11363

Conoco would like to change the allocation percentages previously submitted October 8, 2002. Conoco has a better stabilized test rate on the State F1 #11 which is producing from the Blinebry. The average stabilized rate is 36 BOPD and 70 MCFPD. In the original application, the rates had been 50 BOPD and 100 MCFPD.

Conoco proposes to downhole commingle the Hardy Tubb Drinkard and the Hardy Blinebry.

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

The final adjusted Allocation percentages should be:

	Oil	Gas
Hardy Blinebry (29710):	41%	17%
Hardy Tubb Drinkard (29760):	59%	83%

***Only District approval is necessary

DHC Order No. HOB-0050

12. I hereby certify that the information above is true and complete to the best of my knowledge and belief.		
SIGNATURE <u>Way Maddox</u>	TITLE <u>Regulatory Agent</u>	DATE <u>October 21, 2002</u>
TYPE OR PRINT NAME <u>Way Maddox</u>	TELEPHONE NO. <u>686-5798</u>	

(this space for State Use)	ORIGINAL SIGNED BY PAUL F. KAUTZ PETROLEUM ENGINEER	DATE <u>OCT 24 2002</u>
APPROVED BY	TITLE	DATE
CONITIONS OF APPROVAL, IF ANY:		

District I
PO Box 1980, Hobbs. NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Revised February 21, 19

District II
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

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

District III
1000 Rio Brazos Rd. Aztec, NM 87410

PO Box 2088
Santa Fe, NM 87504-2088

District IV
P O Box 2088, Santa Fe. NM 87504-2088

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-35771	2 Pool Code 29710	3 Pool Name Hardy Blinebry
4 Property Code 3105	5 Property Name State F-1	6 Well Number #15
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500	9 Elevation 3500'

10 Surface Location

UL or Id no.	Section	Town ship	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
W	1	21S	36E		500	South	2000	East	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
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
40			

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

500'

2000'

17 OPERATOR CERTIFICATION

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

Kery Maddox

Signature _____

Kay Maddox

Printed Name _____

Regulatory Agent

Title

April 10, 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

State of New Mexico
Energy, Minerals & Natural Resources Department

Revised February 21, 1964

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

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State Lease - 4 Copies
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District III
1000 Rio Brazos Rd. Aztec, NM 87410

PO Box 2088
Santa Fe, NM 87504-2088

District IV
P.O. Box 2088, Santa Fe, NM 87504-2088

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-35771	2 Pool Code 29760	3 Pool Name Hardy Tubb/Drinkard
4 Property Code 3105	5 Property Name State F-1	6 Well Number #15
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500	9 Elevation 3500'

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40			

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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

[illegible]

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-A
New 3-12-96

DISTRICT II
811 South First St. Artesia NM 88210 2835

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

DISTRICT III
1000 Rio Brazos Rd. Aztec, NM 87410 1693

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

☒ YES ☐ NO

Conoco Inc. 10 Desta Dr. Ste 100W, Midland, Tx. 79705-4500
Operator Address

State F-1 # 15 Section 1, T-21-S, R-36-E, S Lea
Lease Well No Unit Ltr Sec Twp Rge County

OGRID NO. 005073 Property Code 003105 API NO. 30-025-35771 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	Hardy Blinbry 29710		Hardy Tubb Drinkard 29760
2. TOP and Bottom of Pay Section (Perforations)	5674-5784'		6430-6814'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 2600 est b. (Original)	a. b.	a. 1800 (est) b.
6. Oil Gravity (°API) or Gas BT Content	38		38
7. Producing or Shut-In?			Producing
Production Marginal? (yes or no)			No
- If Shut-In give date and oil/gas/water rates of last production Note: For new zones with no production history applicant should be required to attach production estimates and supporting data.	Date Rates	Date Rates	Date Rates
- If Producing, date and oil/gas/water rates of recent test (within 60 days)	Date Rates 10/10/02 State F-1#11 44 BOPD, 87 MCFPD, 172 BWPD	Date Rates	Date Rates 9/1/2002 50 BOPD, 45 BWPD, 350 MCFPD
8. Fixed Percentage Allocation Formula - % for each zone	oil: 41 % Gas 17 %	oil: % Gas %	oil: 59 % Gas 83 %

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 ☒ No

11. 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 ☐ No

13. 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. NMOCD 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 21, 2002

TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

State F1 #15

Commingle Application Discussion

Summary

The State F1 #15 is located at 500' FSL and 2000' FWL in Section 1-T21S-R36E, Lea County, New Mexico. The well was drilled to a total depth of 7748' and completed in the Abo. The Abo was completed in April 2002 and swab tested for two days. The results of the swab test did not indicate that the Abo was an economic target. The Abo was abandoned with a cast iron bridge plug at 7000' and 35' of cement on top. The Hardy Tubb-Drinkard pool was completed in April 2002 and perforations added in the pool in June 2002. We request approval of this application to commingle the Hardy Tubb-Drinkard and the Hardy Blinebry pools.

Discussion

The Hardy Tubb-Drinkard has been producing since June 21, 2002 and has reached a stabilized rate of 50 BOPD, 350 MCFPD, and 45 BWPD. Please see attached production test for the State F1 #15 Hardy Tubb-Drinkard.

The Hardy Blinebry has not been completed in the State F1 #15, however it was recently completed in an offset well. The State F1 #11 is currently producing from the Hardy Blinebry at rates of 36 BO. and 70 MCFPD (please see attached production test for the State F1 #11 Hardy Blinebry). The State F1 #11 is located 1/3 mile NW of the State F1 #15 (please see attached well location map). Based on well logs, the performance of the Hardy Blinebry in both the State F1 #15 and #11 is expected to be comparable.

Using the production tests from the Hardy Tubb-Drinkard (50 BOPD, 350 MCFPD) in the State F1 #15 and from the Hardy Blinebry (50 BOPD, 100 MCFPD) in the State F1 #11, a fixed percentage allocation is recommended for the State F1 #15 as follows:

	Fluid	Percent Allocation
Hardy Tubb-Drinkard	Oil	50%
Hardy Tubb-Drinkard	Oil	50%
Hardy Blinebry	Gas	70%
Hardy Blinebry	Gas	70%

Supporting Details

1. State F1 #15 Hardy Tubb-Drinkard pool production test
2. State F1 #11 Hardy Blinebry pool production plot
3. T21S-R36E Section 1 well location map

MORNING REPORT

LEASE State F1 #15

FORMATION Tubb/Drinkard

OIL CUMM

#REF!

DAILY OIL ALLOWABLE	
1	100
2	100
3	100
4	100
5	100
6	100
7	100
8	100
9	100
10	100
11	100
12	100
13	100
14	100
15	100
16	100
17	100
18	100
19	100
20	100
21	100
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92	100
93	100
94	100
95	100
96	100
97	100
98	100
99	100
100	100

BOPD

TOTAL ALLOWABLE OIL PER M

0

ESTIMATED MONTHLY CUMM A' #REF!

GAS CUMM

8909 MCF

DAILY GAS ALLOWABLE

0 MCFPD

PRODUCING DAYS THIS MONTH

TOTAL ALLOWABLE GAS PER M

0 MCF

IF PRODUCTION IS 'O' ENTER .001 FOR PRODUCTION NUMBERS

[illegible]

MORNING REPORT

WELL NAME & NUMBER		State F1 #11		FORMATION		MISCELLANEOUS NOTES:							
OIL CUME		987		DAILY OIL ALLOWABLE		BOPD							
TOTAL ALLOWABLE OIL PER MONTH		1251		ESTIMATED MONTHLY OIL TOTAL AT PRESENT RATE		1251							
GAS CUME		1669		DAILY GAS ALLOWABLE		MCFD							
PRODUCING DAYS THIS MONTH		31		TOTAL ALLOWABLE GAS PER MONTH		MCF							
Date	Month-end prod. Est.	OIL	WTR	WC	GAS	GLR	SUBMG	Tp	Cp	FLP	Choke	Percent Run Time	REMARKS
9/6/02							4283	0	vac				Started pu after well service
9/9/02		0			0		2261	350	200	50	n/a	35%	put well thru test unit put on Delta X pumping all water
9/10/2002	46	46	52	53%	139	1418.37		325	50	50	n/a	79%	
9/11/2002	5	5	19	79%	12	504.167	1210	325	50	50	na	20%	Delta X failed, well not pumping , lowered rods.
9/12/2002	72	72	84	54%	54	346.154	428	325	171	50		67%	
9/13/2002	79	79	46	37%	91	728	946	325	40	50		76%	
9/16/2002	50	50	128	72%	111	623.596	1107	325	41	50		84%	
9/17/2002	50	50	157	76%	107	516.908	900	325	58	54		91%	
9/18/2002	30	30	109	78%	58	417.266	654	325	63	63		48	
9/19/2002	30	30	101	77%	49	374.046	555	325	33	33		91%	
9/23/2002	130	130	465	78%	189	317.647	824	325	40	40		91%	Production for 3 days
9/24/2002	32	32	124	79%	54	346.154	826	325	40	40		91%	
9/25/2002	32	32	115	78%	56	380.952	946	325	46	46		91%	
9/26/2002	14	14	131	90%	50	344.828	887	325	48	48		91%	
9/27/2002	36	36	158	81%	59	304.124	649	325	48	48		91%	
9/30/2002	94	94	345	79%	156	355.353	667	350	49	49		100%	
10/1/2002	36	36	110	75%	56	383.562	661	350	50	50		100%	
10/2/2002	35	35	59	63%	53	563.83	721	350	50	50		100%	Changed spm to 9.75spm
10/3/2002	18	18	59	77%	47	610.39	662	350	50	50		98%	Well down 2 hrs
10/4/2002	35	35	110	76%	40	275.862	124	350	50	50		98%	
10/5/2002	38	38	117	75%	64	412.903	110	350	50	50		68%	
10/7/2002	34	34	136	80%	64	376.471	120	350	50	50		75%	
10/8/2002	23	23	98	81%	58	479.339	233	350	50	50		82%	
10/9/2002	24	24	115	83%	15	107.914	200	350	50	50		88%	
10/10/2002	44	44	172	80%	87	402.778	388	350	50	50			
	44												
	44												
	44												
	44												
	44												
	44												
Total	1251	987	3010		1669								

ALL
HOURS
JUL

October 21, 2002

A copy of the amended C-103 application to downhole commingle the State F-1 #15 has been sent to the Commissioner of Public Lands for the State of New Mexico.

Lease Name:
County, ST:
Location:

STATE F 1 (10)
LEA, NM
1 21S 36E

Operator:
Field Name:

CONOCO INCORPORATED
HARDY

Date: 9/9/2002
Time: 12:36 PM

Project: P:\Power tools\StateF1-comingle.mdb

State F1 Lease Well Locations

