DISTRICT I

BITRICT II

FO Box 1980, Hobbs, NM 88241 1980

State of New Mexico Energy, Minerals and Natural Rasources Department

OIL CONSERVATION DIVISION

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

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

APPROVAL PROCESS:

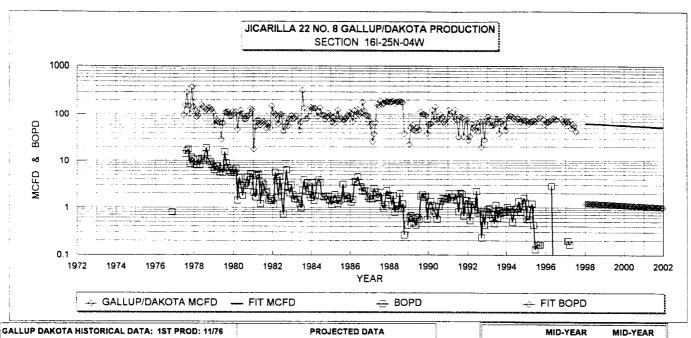
811 SouthI First St. Artesia NM 88210 2835 DISTRICT III

1000 Rio Brazos Rd Aztec, NM 87410 1693

APPLICATION FOR DOWNHOLE COMMINGLING

Administrative Hearing EXISTING WELLBORE YES NO

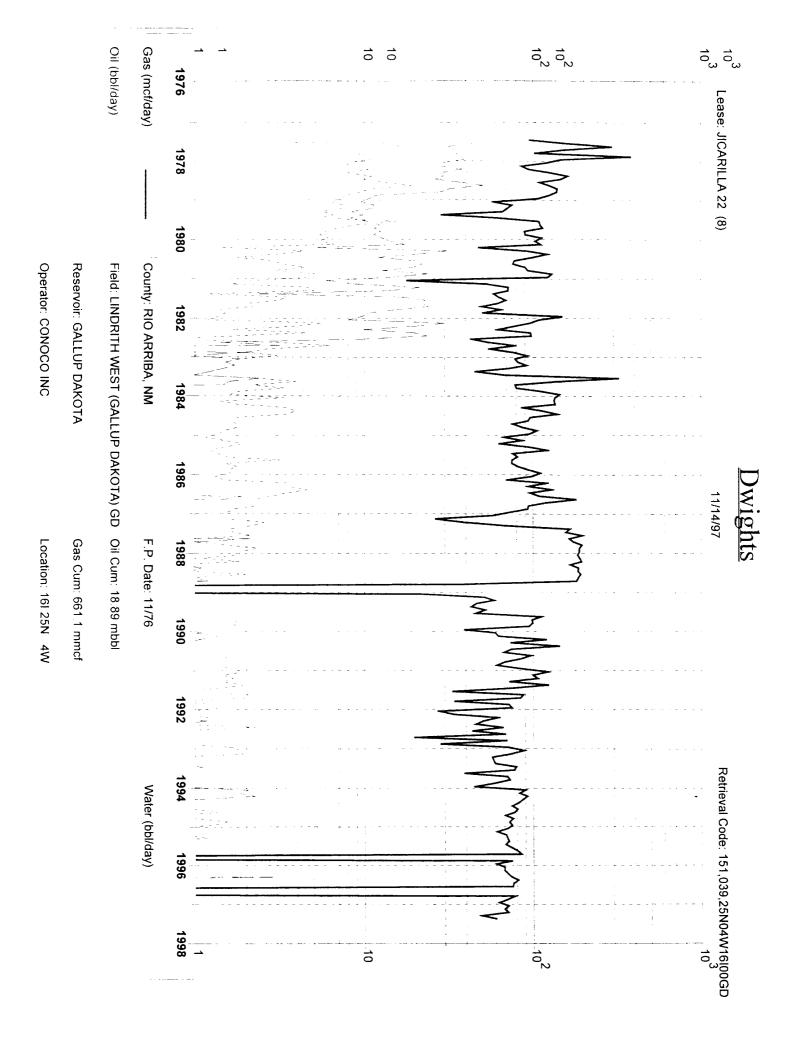
Conoco Inc.	10 Addre	Desta Dr. Ste 100W, Midland	d, Tx. 79705-4500
licarilla 22	8	Section 16, T-25-N, R-4-W,	I Rio Arriba
OGRID NO. 005073 Property Cod	0.0000	· •	Unit Lease Types: (check 1 or more)
The following facts ate submitted in support of downhole comminging:	Upper Zone	intermediate Zone	Lower Zone
Pool Name and Pool Code	Blanco Mesaverde 72319		Lindrith Gallup-Dakota, West 39189
2. TOP and Bottom of Pay Section (Perforations)	5656-5832'	DEGEINED	6836-7947'
3. Type of production (Oil or Gas)	Gas	FEB 1 9 1998 L	Oil
Method of Production {Flowing or Artificial Lilt}	To be pumped	OUL GON. DIV. DIST. 3	Artificial Lift
5. Bottomhole Pressure Oil Zones - Artilicial Lift: Estimated Current Gas & Oil - Flowing: Measured Current	a (Current) 583 b(Original)	a.	a. 860
All Gas Zones: Estimated Or Measured Original	1314		2644
6. Oil Gravity (*API) or Gas BT Content	1269	·	1269
7. Producing or Shut-In?	To be Completed		Producing
Production Marginal? (yes or no) If Shut-In give date and oil/gas/water rales of last production Note: For new zones with no production history applicant shad be required to attach production	Yes Date Rates	Date Raics.	Yes Date Rates
estimates and supporting data If Producing, date and oil/gas/ water rates of recent test (within 60 days)	Production to be allocated by subtraction - See Attached table	Dale Rates	Est 7/98 Rales 61 MCFD, 1.2 BOPD,O BWPD
8. Fixed Percentage Allocation Formula -% or each zone	art Gas %	uil Gas %	ual Gas
O. Are all working, overriding, and If not, have all working, overriding, and If not, have all working, overriding and If not, have all working, overriding all offset operators been all. Will cross-flow occur? X You flowed production be recovered. Are all produced fluids from all in the value of production be all offset in the value of production be all this well is on, or communiting United States Bureau of Land in NMOCD Reference Cases for for ATTACHMENTS	orting data and/or explaining in differential in a ding, and royalty interests bee given written notice of the propes. No If yes, are fluids coud, and will the allocation formul commingled zones compatible decreased by commingling? zed with, state or federal lands Management has been notified Rule 303(D) Exceptions:	nethod and providing rate projectly commingled zones? In notified by certified mail? cosed downhole commingling? Impatible, will the formations notice the reliable. Example with each others of the commingling of the commingling of the commingling? The commingling of the commin	X Yes No Yes No Yes No Yes No No Yes No
* Production curve fo	r each zone for at least one yeroduction history, estimated preation method or formula. If offset operators, working, overriding and royalty ments, data, or documents required to the complete to the complet	ar. (If not available, attach exproduction rates and supporting y interests for uncommon interduired to support commingling.	lanation.) data. est cases. and belief.
GNATURE TRY 7		TITLE Regulatory Agent	DATE Feb 16, 1998
PE OR PRINT NAME Kay Made	lox	TELEPHONE NO. ((915) 686-5798



GALLUP DAKOTA HISTO	RICAL DATA:	1ST PROD: 11/76	PRO	NECTED DATA
OIL CUM:	18.90	MBO	7/1/98 Qi:	61 MCFD
GAS CUM:	664.0	MMCF	DECLINE RATE:	4.6% (EXPONENTIAL)
CUM OIL YIELD:	0.0285	BBL/MCF		
OIL YIELD:	0.0104	BBL/MCF, LAST 6	YRS	
AVG. USED:	0.0195	BBLIMCF		

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

YEAR	AVG. MCFD	AVG. BOPD
1998	60	1.2
1997	58	1.1
1998	55	1.1
1999	53	1.0
2000	50	1.0
2001	48	0.9
2002	46	0.9
2003	44	0.8
2004	42	0.8
2005	40	0.8
2006	. 38	0.7
2007	36	0.7
2008	34	0.7
2009	33	0.6
2010	31	0.6
2011	30	0.6
2012	28	0.6
2013	27	0.5
2014	26	0.5
2015	25	0.5
2016	24	0.5
2017	23	0.4
2018	21	0.4
2019	20	0.4
2020	20	0.4
2021	19	0.4
2022	18	0.3
2023	17	0.3
2024	. 16	0.3
2025	15	0.3
2026	15	0.3
2027	14	0.3
2028	13	0.3
2029	13	0.2
2030	12	0.2



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

State of New Mexico Energy, Minerals & Natural Resources Department

District II PO Drawer DD, Artesia, NM 88211-0719 District III 1000 Rio Brazos Rd. Aztec, NM 87410

OIL CONSERVATION DIVISION

PO Box 2088 Santa Fe, NM 87504-2088

Revised February 21, 1994 instructions on back Submit to Appropriate District Office

State Lease - 4 Copies
Fee Lease - 3 Copies

strict IV	13 Nu. A2				San	ta Fe, N	M 8	7504-2088			Fee	Lease - 3 Copi
D Box 2088, S	anta Fe.	NM 875	504-2088								AME	NDED REPOR
		V	WELL L	OCAT	ION	AND A	CRI	EAGE DEDI	CATION PL	.AT		
AP	l Numbe	r		2 Pool Code 3 Pool Name						n e		
30-0	039-2128	80		72	2319				Blanco Me	saverde		
4 Property C	ode					5 Pro	perty	Name			6 W 6	ell Number
003203							rilla 2					#8
7 OGRIÐ No.	1	_		40.5				or Name		_	9 E	levation
005073		C	onoco In	c., 10 D	esta				X 79705-4500)	<u> </u>	7103' GL
1 N 2 1 2 2 2 2 1	0	T						Location	T			y .
UL or lot no	Section	Towns		Lot I	an	Feet from t	ne	North/South line	Feet from the	East/We	est line	County
I	16	25N				1795		South	1080	E:	ast	Rio Arrib
UL or lot no.	0.1111	Towns						Different Fr				·•
UL ariatno.	Section	lowns	thip Range	Lot lo	an	Feet from t	ne	North/South line	Feet from the	East/We	est line	County
2 Dedicated Acres	13 Join	t or Infil	14 Consolid	ation Code		Irder No.			1	<u> </u>		<u> </u>
320												
								0 (1080'	Title Date 18 SUR I hereby cerwas plotted J	Kay Regul Teb VEYOF tify that the from field no supervision e best of my	Maddo Maddo Maddo Atory As R CER well localides of actual and that is belief.	X gent 998 TIFICATIO on shown on this j i surveys made by the same is true a
								179.	Certificate N			

Zle

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACERAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section

Operator CCNT	INENTAL OII	COMPANY		Lease J .	ICARILLA	22	l Well No 8
Unit Letter I	Section 16	Township 25	NORTH	Range 4 WES	County RIC	ARRIBA	· · · · · · · · · · · · · · · · · · ·
Actual Footage Loca 1795	ation of Well: feet from the	SOUTH	line and	1080	feet from the	EAST	line
Ground Lever Elev 7103	Producing Fo	rmation	; 1	Poci			Dedicated Avereage:
3. If more that by communitize	, ,	ferent owners force-pooling	hip is dedic . etc?	ated to the we	ell, have the in	terests of al	I owners been consolidated
•	,	, ,		1.4.4			
) No If o						
If answer is "n necessary."		and tract de	scriptions w	hich have act	ually consolida	ted. (Use re	everse side of this form it
							ration, unitization, forced- y the Commission.

16 N

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Name Position Company Date I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or the my superfice, and that the same is true and appearing the best of my knowledge and belief.

James P. Leese

Agister of Professional Engineer

Certificate No.

1463

CERTIFICATION



DIRECTOR
JOE D. RAMEY

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE

87501

LAND COMMISSIONER
PHIL R. LUCERO

September 2, 1976

RECEIVED
HOBBS DIVISION ATE GEOLOGIST

SEP 7'76 MERY C. ARNOLD

Div. Manager
Div. Engr.
Cons'v. Coord.
Sup. Prod. Eng.
Sup. Resv. Eng.
Prod. Supt.
Adm. Supv.
Sys. Supv.
Coord Env. Afr
Div. O.f. Mgr.

Administrative Order NSL-790

Continental Oil Company P. O. Box 460 Hobbs, New Mexico 88240

Attention: Mr. L. P. Thompson

Gentlemen:

Reference is made to your application for approval of a non-standard location for your Jicarilla 22 Well No. 8, located 1795 feet from the South line and 1080 feet from the East line of Section 16, Township 25 North, Range 4 West, NMPM, West Lindrith-Dakota Pool, Rio Arriba County, New Mexico.

By authority granted me under the provisions of Rule 5 of Order No. R-4314, the above-described unorthodox location is hereby approved.

JOE D. RAMEY,

Secretary-Director

rv truly, yours

JDR/JEK/dr

cc: Oil Conservation Commission - Aztec

Oil & Gas Engineering Committee - Hobbs

Conoco, Inc. Jicarilla 22 #8 Section 16, T-25-N, R-4-W,I Rio Arriba County, New Mexico

Re: Application for Downhole Commingling

Offset Operators:

Burlington Resources Oil & Gas PO Box 4289 Farmington, New Mexico 87499

Robert L. Bayless PO Box 168 Farmington, New Mexico 87499