BURLINGTON RESOURCES

SAN JUAN DIVISION

October 15, 1996

Mr. William LeMay New Mexico Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

Re:

San Juan 27-5 Unit #50

1650'FNL, 1840'FEL Section 19, T-27-N, R-5-W, Rio Arriba County, NM

API #30-039-06996

Dear Mr. LeMay:

This is a request for administrative approval for downhole commingling the South Blanco Pictured Cliffs and Blanco Mesa Verde pools in the subject well. This is currently a Pictured Cliffs/Mesa Verde dual completion.

To comply with the New Mexico Oil Conservation Division rules, Burlington Resources Oil & Gas Company is submitting the following for your approval of this commingling:

- 1. Form C107A Application for Downhole Commingling;
- 2. C-102 plat for each zone showing its spacing unit and acreage dedication;
- 3. Production curve for both the Pictured Cliffs and Mesa Verde for at least one year;
- 4. Notification list of offset operators Burlington is the offset operator;
- 5. Shut in wellhead pressure and calculated down hole pressure;
- 6. Nine-section plats for the Pictured Cliffs and Mesa Verde.

Notification of Pictured Cliffs and Mesa Verde interest owners is covered under Case #11626 before the New Mexico Oil Conservation Division.

Because we are adding pay in the Mesa Verde, a fixed percent allocation cannot be calculated at this time. Allocation will be based on percentage of pitot gauge obtained during workover.

Please let me know if you require additional data.

Sincerely,

Peggy Bradfield

Regulatory/Compliance Administrator

Stalfuld

encs.

RECEIVED

Well Location and Acreage Dedication Plat

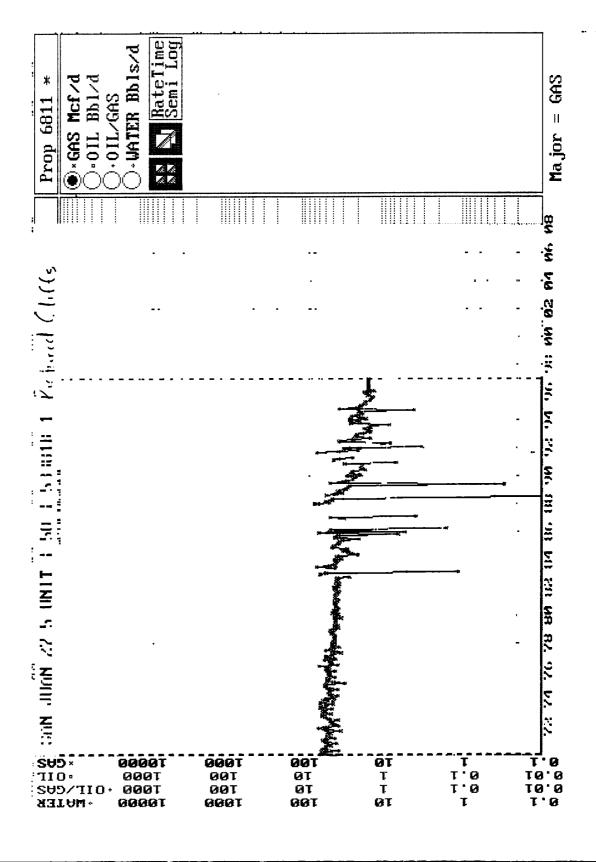
| Section A. | | ! | DatePEF | HUART 1 | u, 1900 | Date FEBRUARY 10, 1960 | | | |
|-------------------------------------------------------------------------------------|--------------------------------------------------|--------------------|-------------|---------------------|------------|------------------------|--|--|--|
| Decrator EL PASO NATURAL GAS COM | PANY Lease | SAN JUAN 2 | 7-5 UNII | | P-0000 | | | | |
| ell No. 50 (PK) Unit Letter G Se | ction19 | Township | | Range | 5-¥ | NM | | | |
| ocated 1650 Feet From NORTI | 7 7 10 - | | | EAST | | L | | | |
| Dunty RIO ARRIBA G. L. Elevat | | Dedicated | | | | _Ao | | | |
| ame of Producing Formation PICTURED CL: Is the Operator the only owner in the dedic | | | | o Co & | BLANCO | n. | | | |
| YesNo_X | ated acreage outlined t | on the plat below | N? | | | | | | |
| If the answer to question one is "no", | have the interests of a | all the owners | been conso | lidated by | commun | itiz aı | | | |
| agreement or otherwise? Yes X | No If answ | ver is "yes", 7 | Type of Co | nsolid a tio | n. | | | | |
| Unit Agreement. | | | | | | | | | |
| If the answer to question two is "no", lis | et all the owners and t | | | elow: | | | | | |
| Owner | | Land I | Description | | | | | | |
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| | | ····· | | | | | | | |
| ction B. | Note: All distance | s must be from | outor hour | المتعددة المتعدد | W- 4 P 13 | _ | | | |
| | | N.S. | | | | | | | |
| is is to certify that the information | ' | No. | 1 | | A | 1 | | | |
| Section A above is true and complete | _ | ' | | | | | | | |
| the best of my knowledge and belief. | | NA . | 20 | | | | | | |
| Paso Natural Gas Company | | | 9/ | | | | | | |
| (Operator) | | NX | | | | | | | |
| ORIGINAL SIGNED B.H. MEANS (Representative) | | | | 1840 | | 3 | | | |
| (Representative) | | NA NA | | | | | | | |
| (Address) | | | محمد | | | | | | |
| rmington, New Mexico | | SECTION | 19 | | | | | | |
| | | | XXXXX | XXXX | 0000 | 3 | | | |
| | • | N | 1 | | 1.5 | 1 | | | |
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| | 0 330 660 990 1320 16 | 50 1980 23 10 2640 | 2000 150 | 0 1000 | 500 0 | 4 | | | |
| • | | | | - 1000 | | | | | |

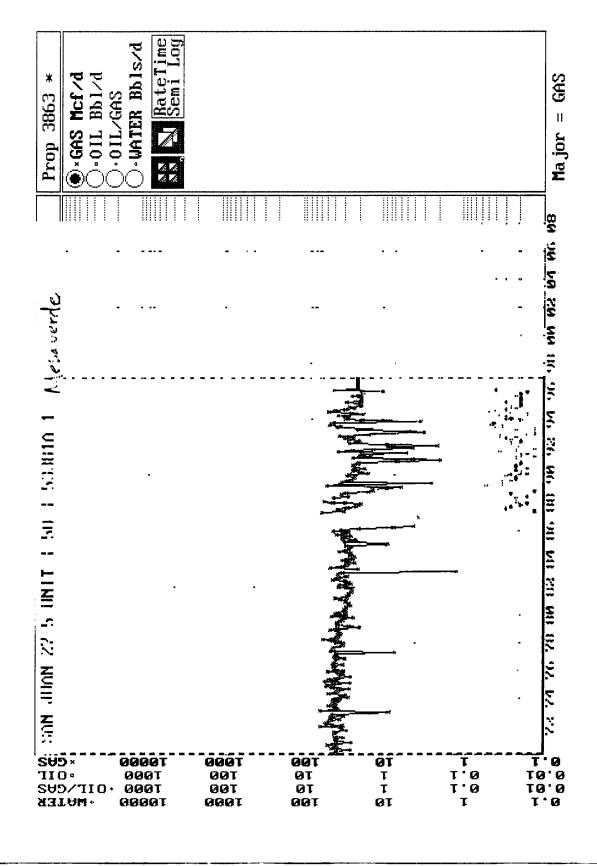
This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

(Seal)

Farmington, New Mexico

Registered Professional Engineer and/or Land Surveyor



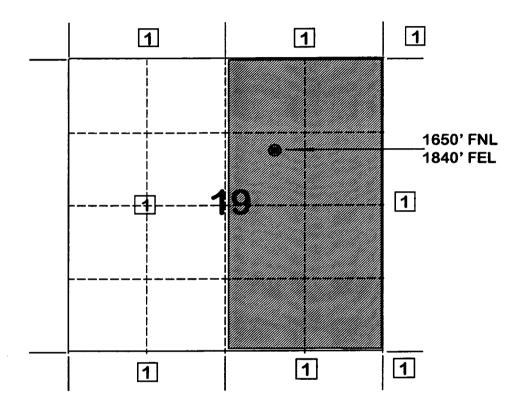


BURLINGTON RESOURCES OIL AND GAS COMPANY

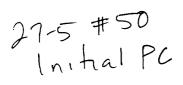
San Juan 27-5 Unit #50 OFFSET OPERATOR \ OWNER PLAT

Mesaverde (E/2) / Pictured Cliffs (NE/4) Formations Commingle Well

Township 27 North, Range 5 West



1) Burlington Resources Oil and Gas Company Successor to Meridian Oil Inc.



FLOWING AND STATIC BHP CULLENDER AND SMITH METHOD

| GAS GRAVITY | 0.679 |
|----------------------------------|--------|
| COND. OR MISC. (C/M) | М |
| %N2 | 0.2 |
| %CO2 | 0.99 |
| %H2S | |
| DIAMETER (IN) | 2.441 |
| DEPTH (FT) | 3162 |
| SURFACE TEMPERATURE (DEG F) | 60 |
| BOTTOMHOLE TEMPERATURE (DEG F) | 100 |
| FLOWRATE (MCFPD) | 1000 |
| SURFACE PRESSURE (PSIA) | 1082 |
| BOTTOMHOLE PRESSURE (PSIA) | 1188.7 |
| DOT TOWN TOLL I TALOGOTAL (FOIL) | 1100.7 |

27-5 #50 Current /C

FLOWING AND STATIC BHP CULLENDER AND SMITH METHOD

| GAS GRAVITY | 0.679 |
|--------------------------------|-------|
| COND. OR MISC. (C/M) | M |
| %N2 | 0.2 |
| %CO2 | 0.99 |
| %H2S | 0 |
| DIAMETER (IN) | 2.441 |
| DEPTH (FT) | 3162 |
| SURFACE TEMPERATURE (DEG F) | 60 |
| BOTTOMHOLE TEMPERATURE (DEG F) | 100 |
| FLOWRATE (MCFPD) | 1000 |
| SURFACE PRESSURE (PSIA) | 263 |
| | |
| BOTTOMHOLE PRESSURE (PSIA) | 293.0 |

FLOWING AND STATIC BHP CULLENDER AND SMITH METHOD

| GAS GRAVITY | 0.666 |
|--------------------------------|--------|
| COND. OR MISC. (C/M) | M |
| %N2 | 0.24 |
| %CO2 | 1.08 |
| %H2S | 0 |
| DIAMETER (IN) | 2.441 |
| DEPTH (FT) | 4800 |
| SURFACE TEMPERATURE (DEG F) | 60 |
| BOTTOMHOLE TEMPERATURE (DEG F) | 120 |
| FLOWRATE (MCFPD) | 1000 |
| SURFACE PRESSURE (PSIA) | 1075 |
| BOTTOMHOLE PRESSURE (PSIA) | 1229.9 |

275 #50 Current MV

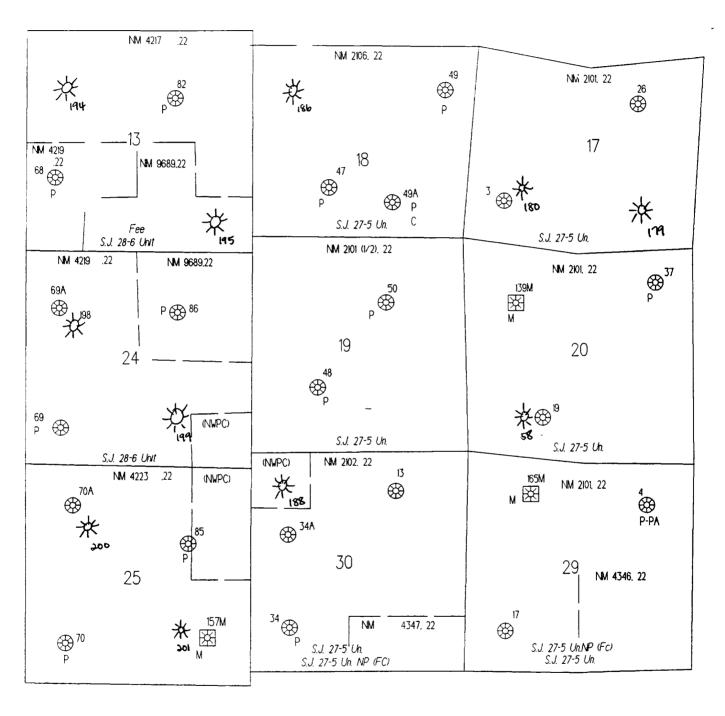
FLOWING AND STATIC BHP CULLENDER AND SMITH METHOD

| GAS GRAVITY | 0.666 |
|--------------------------------|-------|
| COND. OR MISC. (C/M) | M |
| %N2 | 0.24 |
| %CO2 | 1.08 |
| %H2S | 0 |
| DIAMETER (IN) | 2.441 |
| DEPTH (FT) | 4800 |
| SURFACE TEMPERATURE (DEG F) | 60 |
| BOTTOMHOLE TEMPERATURE (DEG F) | 120 |
| FLOWRATE (MCFPD) | 1000 |
| SURFACE PRESSURE (PSIA) | 544 |
| BOTTOMHOLE PRESSURE (PSIA) | 619.5 |

| FUNCTION (A,C,D,) MP NUMBER EFFECTIVE DATE REGION CD MP TYPE CODE | 74994 19950301 42 10 | ** DATA AT TEST PRESSURE UNLESS NOTED ** SAN JUAN 27-5 UNIT 50 (PC) SAN JUAN GAS METER - WELLHEAD SALES |
|-----------------------------------------------------------------------------|------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| | (GAS,LIQ,BTU) SURE (PSIG) ERATURE (DEG F) SIG) (DEG F) S) NUMBER | GAS BTU/CF 19950208 (AT 14.73 PSIG) WET 1158.502 DRY 1179.000 |
| 03=DETAIL SCR 0 11=PREV SCR 1 21=REFRESH SCR 2 B MY JOB | 04=MP-NM BRWS 12=MAIN MENU 22=PREV MENU | 06=MP/DS LST 07=MP/WN LST 20=NEXT REC 24=HELP PA1=TERMINATE LU #2 |
| OPR008M2 0782 | | OGRAPH GAS SAMPLE DETAIL 18:28:04.3 10/01/96 |
| HYDROGEN HELIUM NITROGEN | GPM MOL % (AT 14 | ** DATA AT 14.730 PSIG UNLESS NOTED ** 4.73) MP NUMBER 74994 EFFECTIVE DATE 19950301 |
| OXYGEN HYDROGEN SULFIDE CARBON DIOXIDE METHANE ETHANE PROPANE | | 9453 TOTAL |
| ISO-BUTANE N-BUTANE ISO-PENTANE N-PENTANE HEXANE HEXANE PLUS | 0.26 | 2061 2491 0951 SPECIFIC GRAVITY 0616 CALCULATED _0.6790 MEASURED |
| HEPTANE PLUS TOTALS | | SULPHER GRAINS / 100 CU FT |
| 03=MAIN SCREE B MY JOB | IN NUM | 24=HELP PA1=TERMINATE LU #2 |

| | OPR008M1 0762 | 0008 CHROMATC | GRAPH TEST MAIN SCREEN 10:30:29.0 10/01 | 1/30 |
|---|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| | REGION CD | 42 10 | GAS METER - WELLHEAD SALES | |
| | TEST DATE TEST PRESSURE (P. TEST TEMPERATURE | GAS,LIQ,BTU) SURE (PSIG) ERATURE (DEG F) SIG) (DEG F) S) NUMBER | GAS BTU/CF 19950208 (AT 14.73 PSIG) WET 1135.901 DRY 1156.000 BTU/CF 14.730 WET _1135.901 DRY _1156.000 60 VAPOR FACTOR 6 888029 EL PASO NATURAL GAS — | |
| В | 03=DETAIL SCR 11=PREV SCR 21=REFRESH SCR MY JOB | 04=MP-NM BRWS 12=MAIN MENU 22=PREV MENU | 06=MP/DS LST 07=MP/WN LST 20=NEXT REC 24=HELP PA1=TERMINATE LU #2 | |
| | OPR008M2 0782 | 0008 CHROMATO | OGRAPH GAS SAMPLE DETAIL 18:37:14.9 10/01 | 1/9 |
| | METHANE ETHANE PROPANE ISO-BUTANE N-BUTANE ISO-PENTANE N-PENTANE HEXANE HEXANE HEXANE PLUS TOTALS | MOL % (AT 14 | MP NUMBER 72604 | + * |
| В | 03=MAIN SCREE MY JOB | EN NUM | 24=HELP PA1=TERMINATE LU #2 | |

SAN JUAN 27-5 UNIT #50 SECTION 19, T27N, R5W RIO ARRIBA CO., NEW MEXICO



FRUITLAND SAND WELL

FRUITLAND COAL WELL

* PICTURED CLIFFS WELL

₩ MESAVERDE WELL

A DAKOTA WELL

⇔ GALLUP WELL

DISTRICT II

DISTRICT III

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

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-107-A **APPROVAL PROCESS:**

__X_ Administrative Hearing

811 South First St., Artesia, NM 88210-2835

EXISTING WELLBORE

1000 RIO Brazos Rd, Aztec, NM 87410-1593 APPLICATION FOR DOWNHOLE COMMINGLING _X__ YES ___ NO **Burlington Resources Oil & Gas Company** PO Box 4289, Farmington, NM 87499 Operator Address San Juan 27-5 Unit 50 G-19-27N-5W Rio Arriba Well No. Unit Ltr. - Sec - Twp - Rge Lease County Spacing Unit Lease Types: (check 1 or more) OGRID NO. _14538__ Property Code _7454___ API NO. 30-039-06996___Federal _X___, State ___ The following facts are submitted in support of downhole commingling: Intermediate Zone Upper Lower Zone South Blanco Pictured Cliffs-72439 Pool Name and Pool Code Blanco Mesavaerde - 72319 RECEIVED Top and Bottom of Pay Section (Perforations) 3162-3226 4800-5410[°] OCT 1 6 1996 3. Type of production (Oil or Gas) Gas Gas OIL CON. DIV. 4. Method of Production (Flowing or Artificial Lift) Flowing Flowing DIST. 3 (Current) a. 293 psi 5. Bottomhole Pressure a.620 psi Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current (Original) b. 1189 psi Ь. b. 1230 psi All Gas Zones: Estimated or Measured Original 6. Oil Gravity (°API) or Gas BTU Content **BTU 1148** BTU 1261 7. Producing or Shut-In? producing producing Production Marginal? (yes or no) ves If Shut-In and oil/gas/water rates of last production Date: Date: Date: Rates: Rates: Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data * If Producing, give data and oil/gas/water water of recent test (within 60 days) Date:9/29/96 Date: Date: 9-29-96 Rates: 18 MCF/D, 0 BOPD Rates Rates: 42 MCF/D, 0 BOPD Gas: % Gas: % Gas: % 8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%) Oil: Oil: OII 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? If not, have all working, overriding, and royalty interests been notified by certified mail? Have all offset operators been given written notice of the proposed downhole commingling? 11. Will cross-flow occur? _X_ __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. _X___Yes ____No (If No, attach explanation) 12. Are all produced fluids from all commingled zones compatible with each other? _X__ Yes 13. Will the value of production be decreased by commingling? ____Yes _X_ 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._X_Yes____No 15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). Case #11626 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 / SAME

TYPE OR PRINT NAME _Peggy Bradfield ___ TELEPHONE NO. (505__) 326-9700_