DISTRICT I

8/TRICT II

rO Box 1980, Hobbs, NM 88241 1980

811 SouthI First St. Artesia NM 88210 2835

State of New Mexico Energy, Minerals and Natural Rasources Department

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

OIL CONSERVATION DIVISION

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

APPROVAL PROCESS:

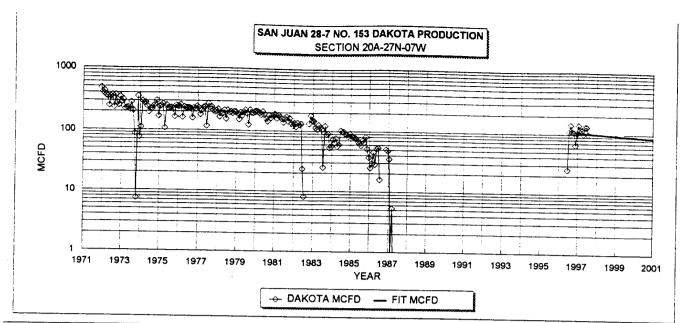
Administrative Hearing

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

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE YES NO

Conoco Inc.	Addre	Desta Dr. Ste 100W, Midlan	d, Tx. 79705-4500
San Juan 28-7 Unit	153	Section 20, T-27-N, R-7-W,	A Rio Arriba
OGRID NO. 005073 Property Cod	e 016608 API NO.		g Unit Lease Types: (check 1 or more) . State . (and/or) Fee .
The following facts ate submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
Pool Name and Pool Code	Blanco Mesaverde 72319		Basin Dakota 71599
TOP and Bottom of Pay Section (Perforations)	4984-5410'		7292-7462'
Type of production (Oil or Gas)	Gas		Gas
4. Method of Production {Flowing or Artificial Lilt}	To Flow	DESERVED	Flowing
5. Bottomhole Pressure Oil Zones - Artilicial Lift: Estimated Current Gas & Oil - Flowing:	a (Current)	DECEIVED IN 1998	a. 751
Measured Current All Gas Zones: Estimated Or Measured Original	b(Original)	oil con. div.	b. 2946
6. Oll Gravity (*API) or Gas BT Content	1330	ારાહા	1120
7. Producing or Shut-In?	To be completed		Producing
Production Marginal? (yes or no)	Yes		Yes
If Shut-In give date and oil/gas/ water rates of last production lote For new zones with no production history pplicant shad be required to attach production	Date Rates	Date E-tr-	Date Rates
estimates and supporting dara If Producing, date and oil/gas/ water rates of recent test (within 60 days)	Incremental Production By Subtraction	Dale Rates	Mid-Year Avg Rates - Rales See Table
8. Fixed Percentage Allocation Formula -% or each zone	oil: Gas %	eil Gas %	OH GES
Are all working, overriding, an If not, have all working, overridave all offset operators been Will cross-flow occur? X Y	orting data and/or explaining n d royalty interests identical in a ding, and royalty interests bee given written notice of the prop	nethod and providing rate project all commingled zones? In notified by certified mail? posed downhole commingling?	Yes X No Yes X No X Yes No No A Yes No
2. Are all produced fluids from all B. Will the value of production be	decreased by commingling?	Yes _x No (If Ye	Yes No es, attach explanation)
	management has been notifie	d in writing of this application.	Public Lands or the X_Yes No
• For zones with no p • For zones with no p • Data to support allow • Notification list of a • Notification list of y	e to be commingled showing it reach zone for at least one ye roduction history, estimated p cation method or formula.	s spacing unit and acreage de ar. (If not available, attach ex- roduction rates and supporting	dication. planation.) g data.
hereby certify that the informatio	n above is true and complete	to the best of my knowledge a	nd belief.
GNATURE TAY	Wladdox	TITLE Regulatory Agent	DATE January 6, 1998
YPE OR PRINT NAME Kay Made	dox	TELEPHONE NO.	(915) 686-5798



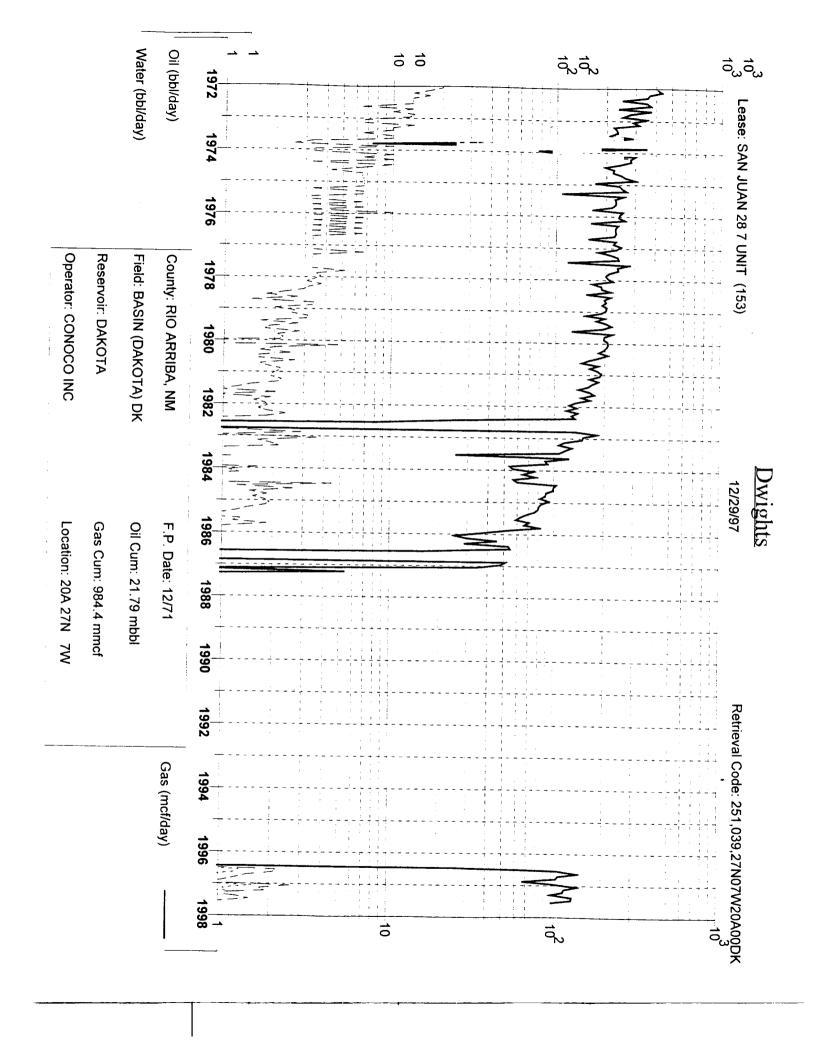
DAKOTA HISTORICAL	DATA:	1ST PROD: 12/71	DAKOTA	PROJECTED D	ATA
OIL CUM:	21.79	MBO	1/1/98 Qj;		MCFD
GAS CUM:	984.4	MMCF	DECLINE RATE:		(EXPONENTIAL)
CUM OIL YIELD:	0.0221	BBL/MCF			(======================================
OIL YIELD:	0.0135	BBL/MCF, LAST 3 Y	RS		

AVG. USED:

0.0178 BBL/MCF

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

!	MID-YEAR	MID-YEAR
YEAR	AVG. MCFD	AVG. BOPD
1998	97.5	1.7
1999	92.6	1.6
2000	87.8	1.6
2001	83,4	1.5
2002	79.1	1.4
2003	75.1	1.3
2004	71.2	1.3
2005	67.6	1.2
2006	64.2	1.1
2007	60.9	1.1
2008	57.8	1.0
2009	54.8	1.0
2010	52.0	0.9
2011	49.4	0.9
2012	46.9	0.8
2013	44.5	8.0
2014	42.2	0.8
2015	40.1	0.7
2016	38.0	0.7
2017	36.1	0.6
2018	34.2	0.6
2019	32.5	0.6
2020	30.8	0.5
2021	29.3	0.5
2022	27.8	0.5
2023	26.3	0.5
2024	25.0	0.4
2025	23.7	0.4
2026	22.5	- 0.4
2027	21.4	0.4
2028	20.3	0.4
2029	19.2	0.3
2030	18.3	0.3
2031	17.3	0.3
2032	16.4	0.3



District 1 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 District IV

PO Box 2088, Santa Fe. NM 87504-2088

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Numbe	2 Pool Code	3 Pool Name			
30-039-2040	5 72319 Blanco Mesaverde				
4 Property Code	5 Property Na	me 6 Well Number			
016608	San Juan 28-7 U	nit 153			
7 OGRID No.	8 Operator I	lame 9 Elevation			
005073	Conoco Inc., 10 Desta Drive, Ste. 100W	Midland, TX 79705-4500 6550' GL			

10 Surface Location

Ut. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
Α	20	27N	7W		800	North	990	East	Rio Arriba	i

11 Bottom Hole Location If Different From Surface

				******	ore Boomion r	Different I	Jiii Dullacc		
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 Join	t or Infil 1	4 Consolidation	on Code 1	5 Order No.				
320		İ							

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

	OR A NON-STAI	NDARD UNIT HAS B	EEN APPROVED BY	THE DIVISION
16			,a	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is
			800	true and complete to the best of my knowledge and belief
			o < 990'	
		\		Tay Madder
				Signature Kay Maddox
				Regulatory Agent
				Date January 6,98
			:	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

NOTIFIED TO A CONTRACTION OF MY #ELL COCATION AND ACREAGE DEDICATION HEAT

EL PASO	NATURAL GAS	-	SAN JUAN 2		(SF=0736LO)	153
A	20	27-1	7-1.1		RIO ARRIBA	
800	No.	RTH	990	•	EAST	
_6550	DAKO		BASI	II DAKOTA	320.	.00
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1 If more than a dated by comm	ne lease of differ minitization, aniti	ent ownership is vation, the espon	dedicated to the wing one?	ell, have n	storests of all mass	rs Lee Leonson].
X Yes []	No. Banswe	rus "cos!" type	of consolidation _	Unitiza	ition	
If answer is "this form if nee	no. Her the expe	rs and tractides	riptions which has	e actually)	a consolidated, Use	reverse side of
No allowable w	ill be assigned to	the west until a	Taterests Love by	on consider	ood da sammitizari os. has been approved	
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·- · <u>-</u>	-				Petroleum Bas	lacer
	•	8			El Page Natura	
		3	SF-078640		August 10, 197	J
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Mid-Continent Region Exploration/Production

Conoco Inc. 10 Desta Drive, Suite 100W Midland, TX 79705-4500 (915) 686-5400

San Juan 28-7 Unit Downhole Commingle Application C-107-A

RE: Offset Operators

Conoco, Inc is the only offset operator.