

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Artesia, NM 87410
DISTRICT IV
2040 S. Pacheco, Santa Fe, NM 87505

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
Revised August 1999

APPROVAL PROCESS:

___ Administrative ___ Hearing

EXISTING WELLBORE

___ YES ___ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Conoco Inc. P.O. Box 2197 Houston, TX 77252-2197

Operator

Address

SAN JUAN 28-7

2-5

K, SEC 4, T-27N, R7W

RIO ARRIBA

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check - or more)

OGRID NO. 005073

Property Code 016603

API NO. 30-039-20862

Federal ___ X ___

State ___

(and/or) Fee ___

1. Pool Name and Pool Code	Blanco Mesa Verde 72319	Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	4919' - 5296' Proposed	7512' - 7712'
3. Type of production (Oil or Gas)	GAS	GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING	FLOWING
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 540 b. (Original) 1250	a. 790 b. 3980
6. Oil Gravity (EAPI) or Gas BTU Content	1250	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	Date: Rates:	Date: Rates:
Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: Rates: Expected rate: 350-450 MCFD	Date: Rates: Current rate: 35 mcf/d
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)		
8. Fixed Percentage Allocation Formula - % for each zone (total of %s to equal 100%)	Oil: % Gas: %	Oil: % Gas: %

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 ___ X ___ No
If not, have all working, overriding, and royalty interests been notified by certified mail? Yes ___ No

11. Will cross-flow occur? ___ X ___ 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. ___ X ___ Yes ___ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? ___ X ___ Yes ___ No

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. ___ Yes ___ No

15. NMOCD Ref. Cases for Rule 303(D) Exceptions: ORDER NOS. ___ R-10476-B ___

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 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

Deborah Moore

TITLE

Regulatory Analyst

DATE

12/14/99

TYPE OR PRINT NAME

Deborah Moore

TELEPHONE NO. (281) 293-1005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

SF 078570

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

CONOCO, INC.

3. Address and Telephone No.

P.O. Box 2197 DU 3066 Houston, TX 77252-2197 (281) 353-0792

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

K, Sec. 4, T27N, R7W
1460' FSL & 1550' FWL

7. If Unit or CA, Agreement Designation

082078417A

8. Well Name and No.

San Juan 28-7 #215

9. API Well No.

30-039-20862

10. Field and Pool, or Exploratory Area

Blanco MV 72319
Basin Dakota 71599

11. County or Parish, State

Rio Arriba, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Pugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other DHC

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Conoco proposes to DHC this well in the Blanco Mesaverde & Basin Dakota

RECEIVED
DEC 16 1999
OIL CON. DIV.
DHS-3

14. I hereby certify that the foregoing is true and correct

Signed

Shorah Moore

Title Regulatory Analyst

Date 12/14/99

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

Title 18 U.S.C. Section 1001, makes 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.

"See Instruction on Reverse Side

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State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised March 17, 1999

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-20862	² Pool Code 72319 / 71599	³ Pool Name Blanco Mesaverde / Basin Dakota
⁴ Property Code 016608	⁵ Property Name San Juan 28-7	⁶ Well Number 215
⁷ OGRID No. 005073	⁸ Operator Name Conoco, Inc.	⁹ Elevation

¹⁰ Surface Location

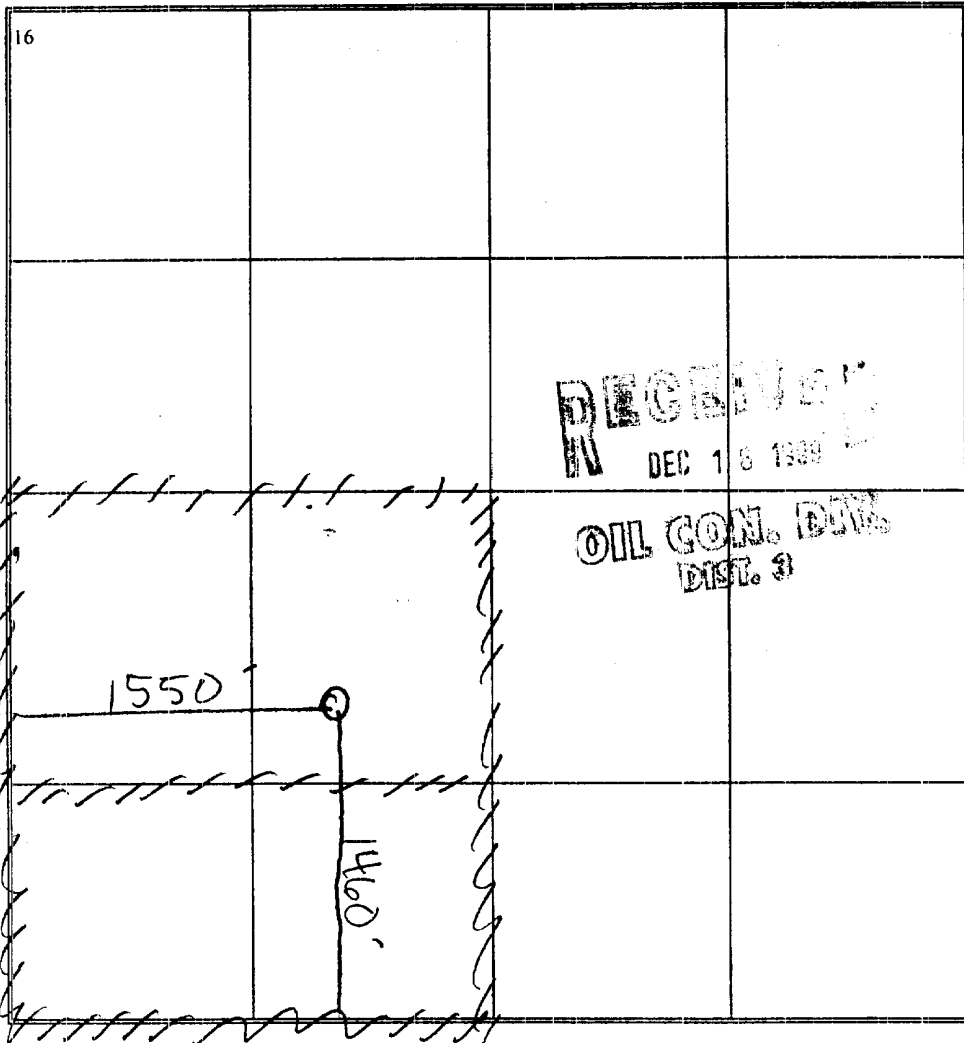
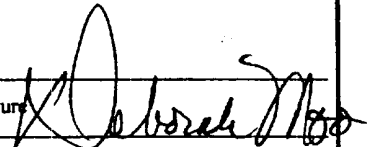
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	4	27N	7W		1460	south	1550	west	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

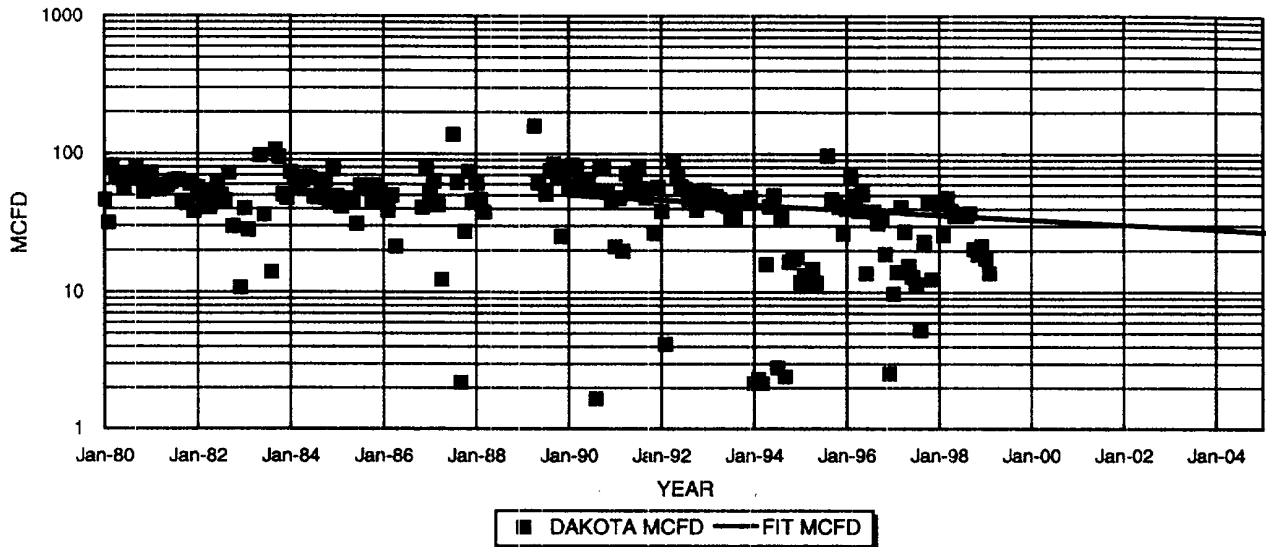
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 80/160	¹³ Joint or Infill I	¹⁴ Consolidation Code U	¹⁵ Order No.
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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 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature  Regulatory Analyst Title 12/14/99 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 Surveyer: Certificate Number

**SJ 28-7 #215 DAKOTA PRODUCTION
SECTION 4K-27N-07W, RIO ARriba COUNTY, NEW MEXICO**



DAKOTA PRODUCTION

OIL CUM: 4.47 MBO
GAS CUM: 445.9 MMCF
OIL YIELD: 0.0100 BBL/MCF

1ST PROD: 12/74

DAKOTA PROJECTED DATA

Jan.00 Qi: 33 MCFD
DECLINE RATE: 4.0% (EXPONENTIAL)

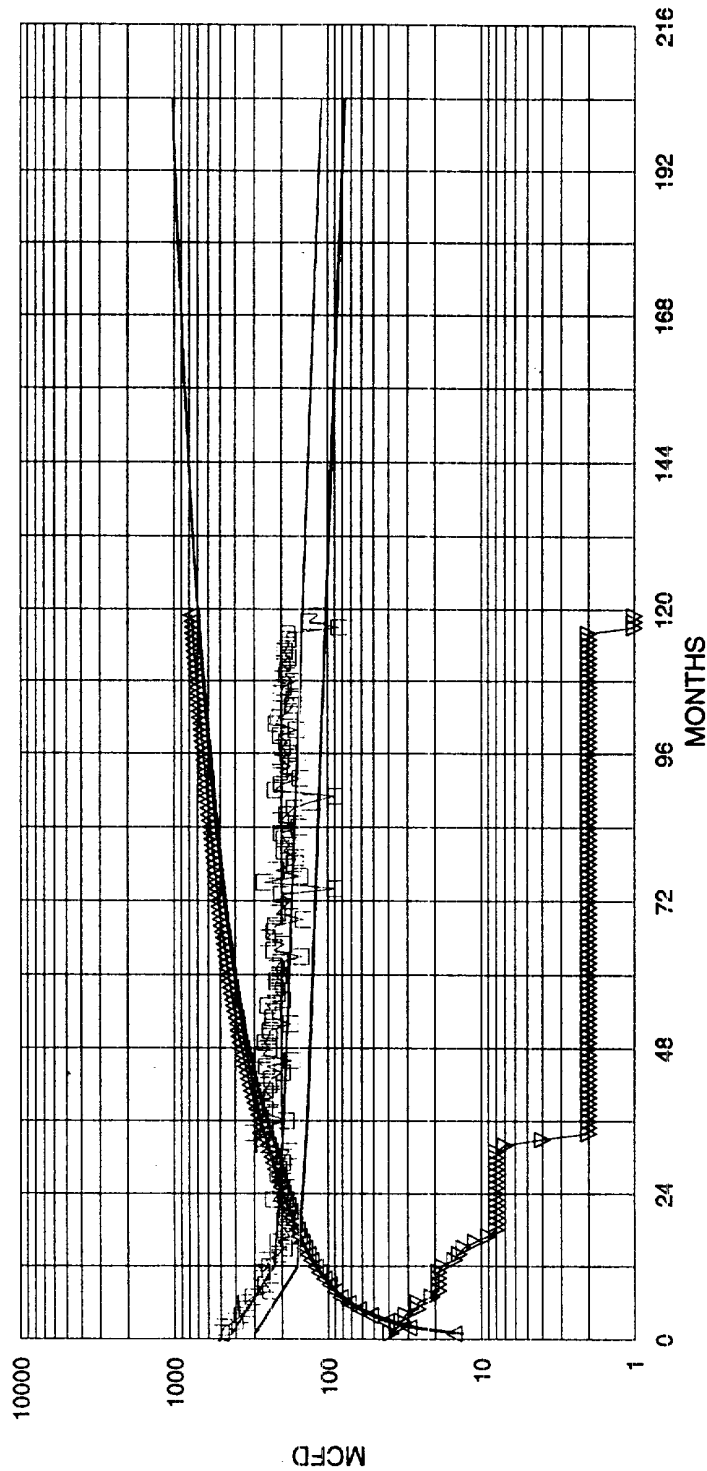
API #30-039-20662

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
2000	33	0
2001	31	0
2002	30	0
2003	29	0
2004	28	0
2005	27	0
2006	25	0
2007	24	0
2008	23	0
2009	23	0
2010	22	0
2011	21	0
2012	20	0
2013	19	0
2014	18	0
2015	18	0
2016	17	0
2017	16	0
2018	16	0
2019	15	0
2020	14	0
2021	14	0
2022	13	0
2023	13	0
2024	12	0
2025	12	0
2026	11	0
2027	11	0

NORMALIZED MESAVERDE PRODUCTION

PROD. SINCE 1985; 39 MV WELLS LOCATED IN 28N-7W (37 wells are 1990's completions)



— FIT MCFD □ NORMALIZED MCFD △ NORM CUM MMCF
 ▽ WELLS ON PRODUCTION — FIT CUM MMCF — RISKED MCFD

Expected Mesaverde Production - 325 MCFD for Yr. 1

NORMALIZED AVG: 1788 MMCF EUR 1145 MMCF IN 20 YRS 25 MCFD E.L. 0.0139 bbl/mcf oil yield	450 MCFD IP 50% DECLINE, 1ST 12 MONTHS 7% DECLINE, NEXT 24 MONTHS 4% FINAL DECLINE	RISKED AVG: 30% RISK 1184 MMCF EUR 315 MCFD IP 802 MMCF IN 20 YRS 50.0% DECLINE, 1ST 12 MONTHS 25 MCFD E.L. 7.0% DECLINE, NEXT 24 MONTHS 0.0139 bbl/mcf oil yield 4.0% FINAL DECLINE
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Lease: SAN JUAN 28 7 UNIT (215)

Retrieval Code: 251,039,27N07W04K00DK
11/12/99

Figure 1 consists of four vertically stacked panels sharing a common x-axis representing time from 1970 to 1998. The y-axes are logarithmic. The top panel shows the number of active nodes (N) on a scale from 0.1 to 10. The second panel shows the number of nodes with at least one outgoing link (N_{out}) on a scale from 1 to 10. The third panel shows the number of nodes with at least one incoming link (N_{in}) on a scale from 1 to 10. The bottom panel shows the number of nodes with at least one bidirectional link (N_{bid}) on a scale from 0.1 to 1. All panels show a general upward trend over time, with significant fluctuations and a sharp increase around 1994-1996.

Gas (mcf/day)

Oil (bbl/day)

~~Operator:~~ CONOCO INC

Location: 4K 27N 7W

Field: BASIN (DAKOTA) DK Gas Cum: 445.9 mmcf

Reservoir: DAKOTA

F.P. Date: 12/74

Oil Cum: 4472 bbl

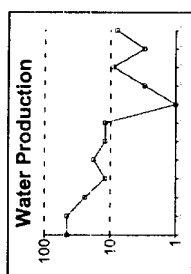
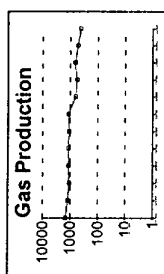
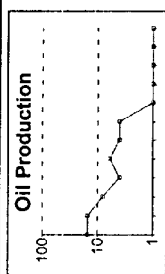
Gas Cum: 445.9 mmcf

L.P. Date: 02/99

Water (bbl/day)

Yield (bbl/mmcft) Av

Lease:	SAN JUAN 28 7 UNIT	Well #:	215	FP Date:	74 12
Field:	BASIN (DAKOTA) DK	Location:	4K 27N 7W	LP Date:	99-02
Operator:	CONOCO INC	Liquid Cum:	4,472 bbls	Liq Since:	FPDATE
RCI #:	251,039,27N07W04K00DK	Gas Cum:	445,905 mcf	Gas Since:	FPDATE
API #:	30-039-20862-00	Status:	ACT GAS		



DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
03/1998	15	1,452	45	1
04/1998	15	1,179	45	1
05/1998	8	1,076	24	1
06/1998	4	1,124	12	1
07/1998	6	1,124	18	1
08/1998	4	1,076	12	1
09/1998	4	1,130	12	1
10/1998	0	624	0	1
11/1998	1	571	3	1
12/1998	0	656	9	1
01/1999	1	533	3	1
02/1999	0	417	8	1
Total	58	10,962	191	

DATE IN	SUSPENSE	INDEXER	LOGGED BY	TYPE
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply**

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Deborah Moore (281) 293-1006

Print or Type Name

Signature

Regulatory Analyst

Title

12/14/99

Date