

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

San Juan 28-7 Unit

261

Section 5, T-27-N, R-7-W, N

Rio Arriba

Lease

Well No

Unit Ltr Sec Twp Rge

County

OGRID NO. 005073

Property Code

016608

API NO.

30-039-21670

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	Blanco Mesaverde 72319		Basin Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	5254-5859'		7555-7755'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 457 b. (Original) 1230		a. 436 b. 2955
6. Oil Gravity (°API) or Gas BT Content	1272		1293
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 Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data. • If Producing, date and oil/gas/water rates of recent test (within 60 days)	Date Rates Incremental Production by Subtraction	Date Rates Date Rates	Date Rates Mid-Year Avg. Rates - See Table
8. Fixed Percentage Allocation Formula - % for each zone	Oil: % Gas %	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 ☒ 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) R-10476-B

16. ATTACHMENTS

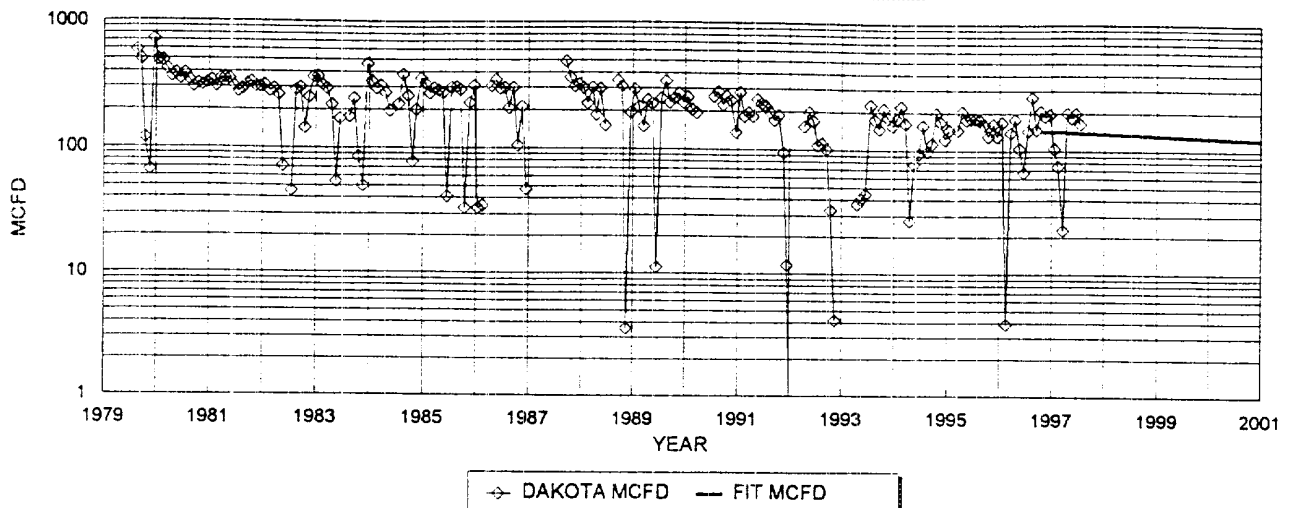
- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation method or formula.
- * Notification list of 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 January 6, 1998

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

**SAN JUAN 28-7 NO. 261 DAKOTA PRODUCTION
SECTION 5N-27N-07W**



DAKOTA HISTORICAL DATA:		1ST PROD: 08/79	DAKOTA PROJECTED DATA	
OIL CUM:	18.32	MBO	1/1/98 Q1:	136 MCFD
GAS CUM:	1289.5	MMCF	DECLINE RATE:	3.8% (EXPONENTIAL)
CUM OIL YIELD:	0.0147	BBL/MCF		
OIL YIELD:	0.0090	BBL/MCF, LAST 3 YRS		
AVG. USED:	0.0118	BBL/MCF		

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
1998	133.9	1.6
1999	128.8	1.5
2000	123.9	1.5
2001	119.2	1.4
2002	114.7	1.4
2003	110.3	1.3
2004	106.1	1.3
2005	102.1	1.2
2006	98.2	1.2
2007	94.5	1.1
2008	90.9	1.1
2009	87.4	1.0
2010	84.1	1.0
2011	80.9	1.0
2012	77.8	0.9
2013	74.9	0.9
2014	72.0	0.9
2015	69.3	0.8
2016	66.7	0.8
2017	64.1	0.8
2018	61.7	0.7
2019	59.3	0.7
2020	57.1	0.7
2021	54.9	0.6
2022	52.8	0.6
2023	50.8	0.6
2024	48.9	0.6
2025	47.0	0.6
2026	45.3	0.5
2027	43.5	0.5
2028	41.9	0.5
2029	40.3	0.5
2030	38.8	0.5
2031	37.3	0.4
2032	35.9	0.4

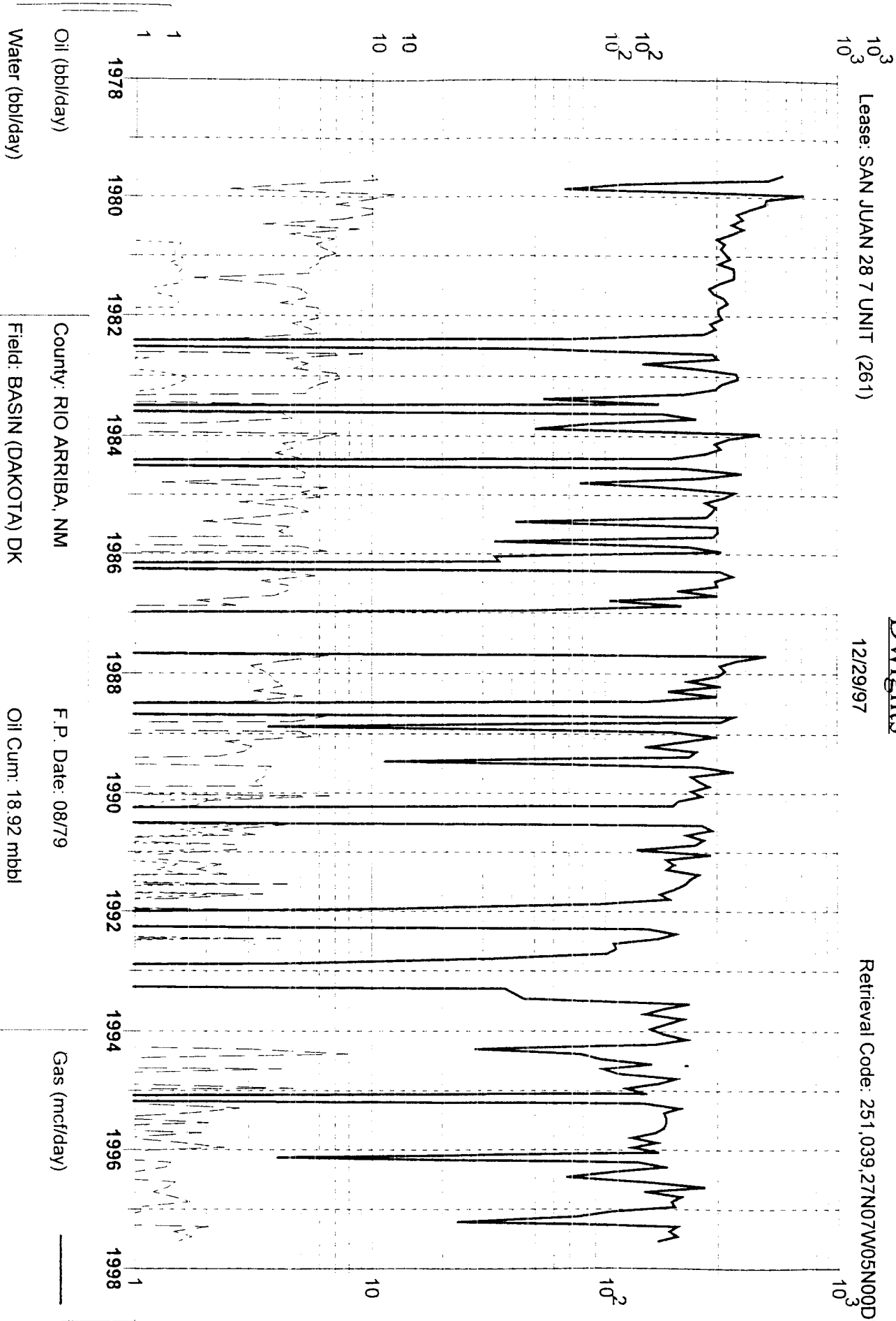
PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

Dwights

Lease: SAN JUAN 28 7 UNIT (261)

12/29/97

Retrieval Code: 251,039,27N07W05N00DK



Oil (bbl/day)

Water (bbl/day)

County: RIO ARRIBA, NM

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

Operator: CONOCO INC

F.P. Date: 08/79

Oil Cum: 18.92 mbbl

Gas Cum: 1290 mmcf

Location: 5N 27N 7W

Gas (mcf/day)

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

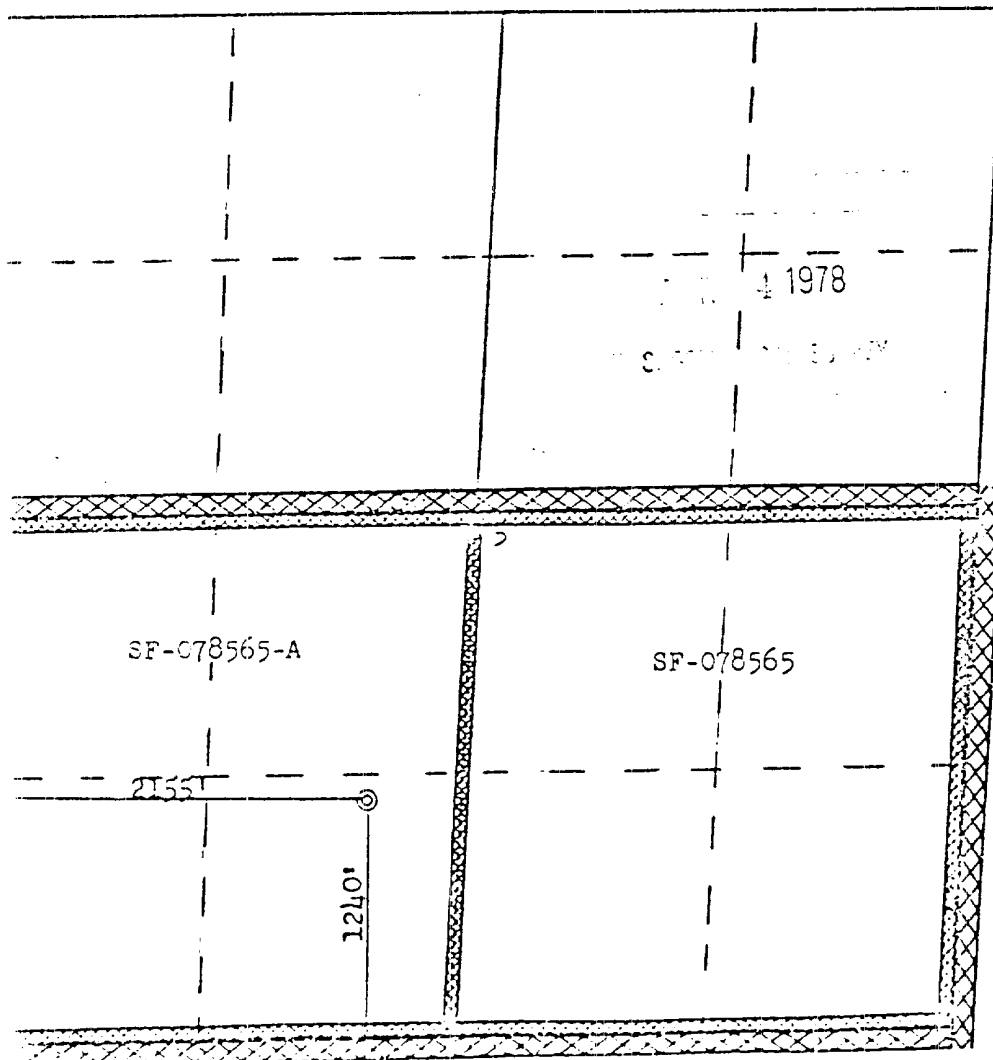
Operator El Paso Natural Gas Company			Lease San Juan 28-7 Unit (SF-078565-A)		Well No. 261
Unit Letter N	Section 5	Township 27N	Range 7W	County Rio Arriba	
Actual Footage Location of Well: 1240 feet from the South line and 2155 feet from the West line					
Ground Level Elev: 6752	Producing Formation Dakota		Pool Basin Dakota		Dedicated Acreage: 320.00 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. Dedication Changed 2-27-78



CERTIFICATION

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

A. G. Buices

Name
Drilling Clerk
Position
El Paso Natural Gas
Company
March 30, 1978
Date

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 knowledge and belief.

Date Surveyed
February 23, 1978
Registered Professional Engineer
and Land Surveyor
Fred B. Kamm Jr.
Certificate No.
3350

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102

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 Number 30-039-21670	2 Pool Code 72319	3 Pool Name Blanco Mesaverde
4 Property Code 016608	5 Property Name San Juan 28-7 Unit	6 Well Number 261
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500	9 Elevation 6752' GL

10 Surface Location

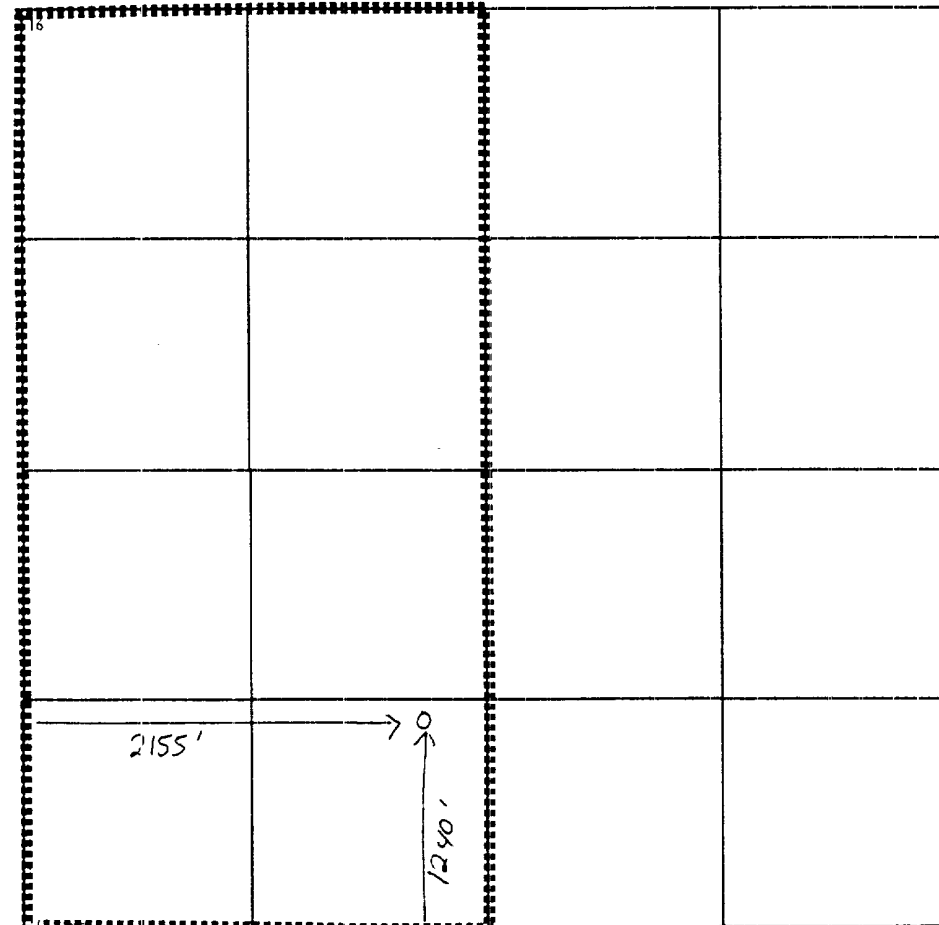
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	5	27N	7W		1240	South	2155	West	Rio Arriba

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 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
---------------------------	--------------------	-----------------------	--------------

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



17 OPERATOR CERTIFICATION

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

Kay Maddox
Signature
Kay Maddox

Printed Name
Regulatory Agent

Title
January 6, 1998

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



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.