DISTRICT I DISTRICT II DISTRICT III DISTRICT IV

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**

APPLICATION FOR DOWNHOLE COMMINGLING

_X_YES ___NO P.O. Box 2197 Conoco Inc. Houston, TX 77252-2197 SAN JUAN 28-7 K, SEC 9, T-27N, R7W 184 RIO ARRIBA Lease Well No. Unit Lir. - Sec - Twp - Rge OGRID NO. Property Code 016608 API NO. 30-039-20771 BLANCO MESA VERDE 72319 Basin Dakota 71599 Pool Name and Pool Code Top and Bottom of Pay Section (Perforations) 7507-7728 4933 -5605 PROPOSED Type of production (Oil or Gas) GAS GAS Method of Production (Flowing or Artificial Lift) EXPECTED TO FLOW FLOWING a. (Current) 517 5. Bottomhole Pressure a. 750 Oil Zones - Artificial Lift: Estimated Current 3 (0)Gas & Oil - Flowing: Measured Current b. (Original) 1250 All Gas Zones: Estimated Or Measured Original b. 3150 Oil Gravity (EAPI) or Gas BTU Content 1250 1120 TO BE COMPLETED 7. Producing or Shut-In? **PRODUCING** YES Production Marginal? (yes or no) Date: If Shut-In, give date and oil/gas/ water rates of last production Date: EXPECTED RATED Date: CURRENT RATE: If Producing, give date andoil/gas/ water rates of recent test (within 60 days) Rates: 350 - 450 mcfd Rates: 80 mcfd Fixed Percentage Allocation
 Formula -% for each zone
 (total of %'s to equal 100%) % Gas: Oil: Oil: Oil: 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? Yes __X_No Yes __X_No (Not necessary) No If yes, are fluids compatible, will the formations not be damaged, will any cross-11. Will cross-flow occur? _X_Yes 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 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 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. Regulatory Analyst SIGNATURE Deborah Moore TYPE OR PRINT NAME TELEPHONE NO (281) 293-1005

District I

1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources

Form C-102 Revised March 17, 1999

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe. NM 87505

Submit to Appropriate District Office

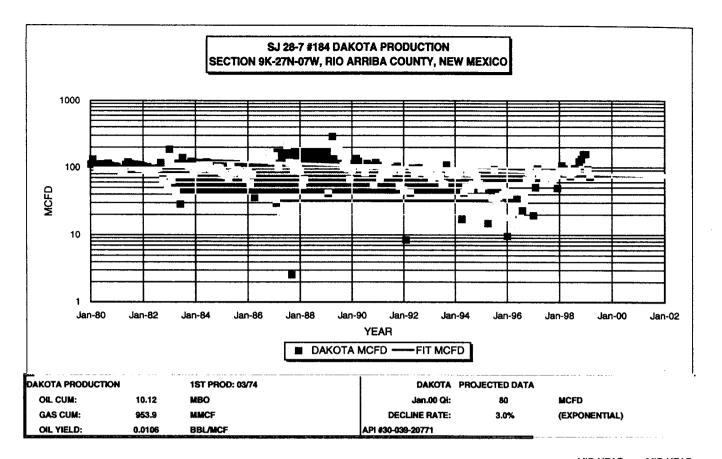
State Lease - 4 Copies

Fee Lease - 3 Copies

2040 South Pachec	o, Santa Fe,	NM 87505						AME	NDED REPORT
		V	VELL LO	CATIO	N AND ACR	EAGE DEDIC	CATION PLA	ΑT	
1 A	PI Number	•		² Pool Cod	e		³ Pool Nar	ne	
30-	-039-2067	9		71599 / 723	319	Blar	ico Mesaverde /	Basin Dakota	i
⁴ Property C	Code				⁵ Property N	lame	·	۱,	Vell Number
016608					San Juan	28-7			184
OGRID N	lo.				⁸ Operator N	Vame		•	Elevation
005073					Conoco Ir	nc.			
					¹⁰ Surface I	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
U	24	28	BN 7W		900'	North	990'	East	Rio Arriba
· · · · · · · · · · · · · · · · · · ·			11 Bo	ttom Ho	le Location If	Different From	n Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
					1				
12 Dedicated Acres	13 Joint or	Infill "	Consolidation	Code 15 Or	rder No.				
160/80	1		U						

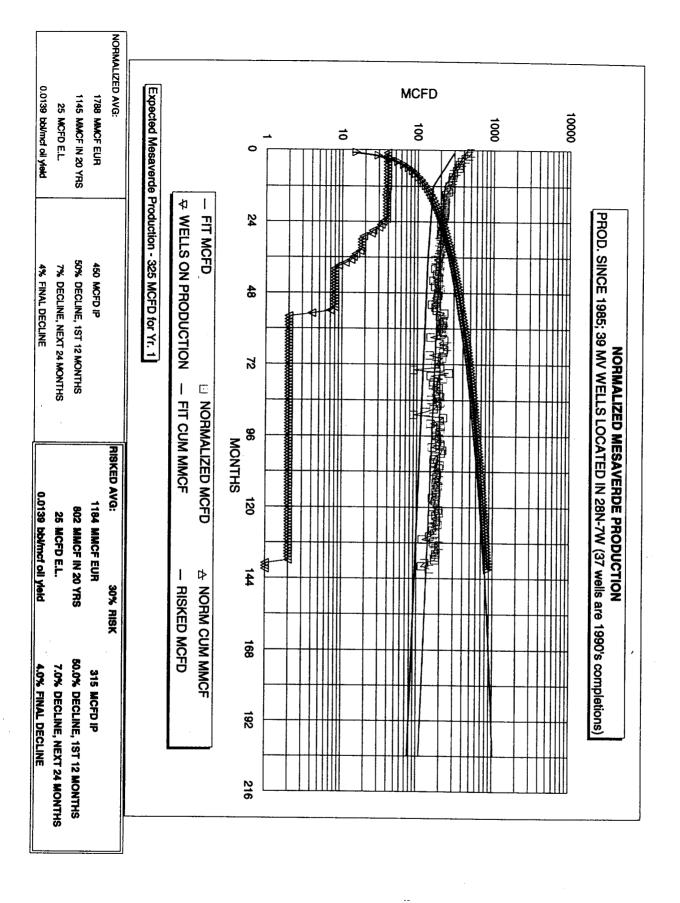
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A

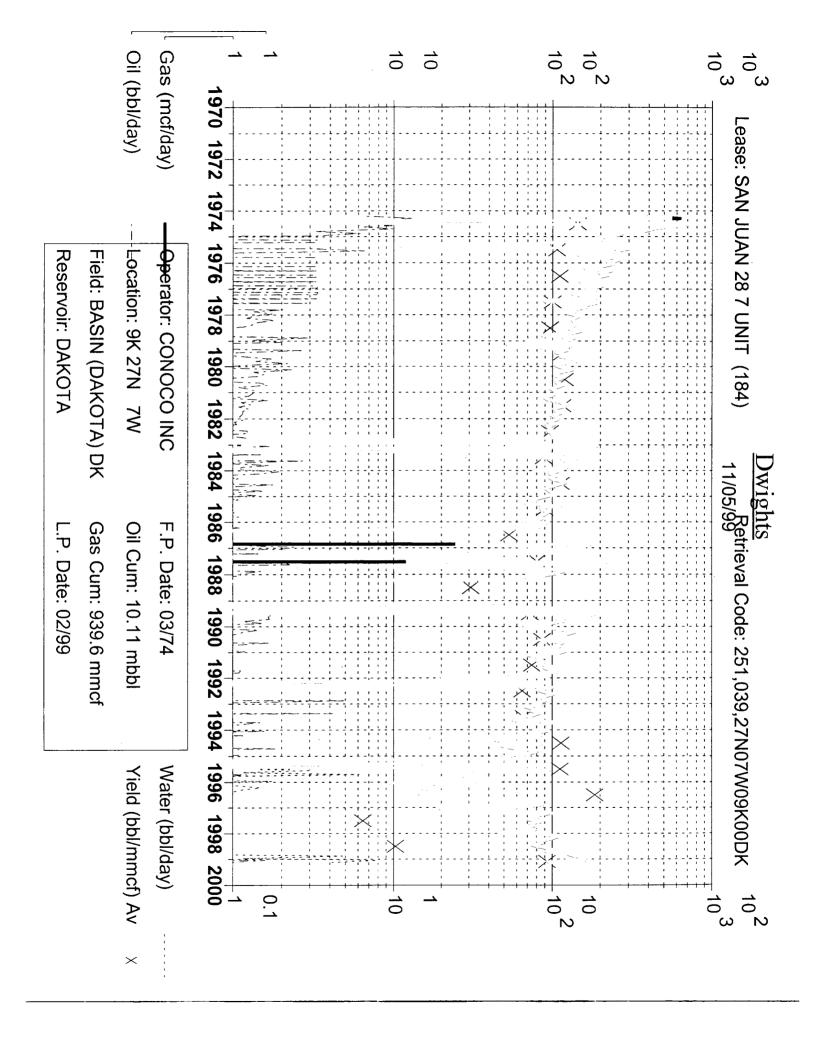
NON-STANDARD UNIT HAS BEE	
	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
	Printed Name Deborah Moore Title Regulatory Analyst Date /2/29/29 18 SURVEYOR CERTIFICATION
1720' \$184	I hereby certify that the well 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
1720	Signature and Seal of Professional Surveyer: Certificate Number



PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

	MID-YEAR	MID-YEAR
<u>YEAR</u>	AVG. MCFD	AVG. BOPD
2000	79	1
2001	76	0
2002	74	0
2003	72	. 0
2004	70	0
2005	68	0
2006	65	0
2007	64	0
2008	62	0
2009	60	0
2010	58	0
2011	56	0
2012	55	0
2013	53	0
2014	51	0
2015	50	0
2016	48	0
2017	47	0
2018	45	0
2019	44	0
2020	43	0
2021	41	0
2022	40	0
2023	39	0
2024	38	0
2025	37	0
2026	36	0
2027	35	0





Liquid Cum: 10,107 bbls			595	39,378	116	Total
Liquid Cum: 10,107 bbls Gas, MCF GAS, MCF 2,974 2,628 2,627 2,627 2,631 3,001 3,761 4,841 4,853 Liquid Cum: 10,107 bbls Gas Cum: 939,564 mcf Status: ACT GAS WELLS 0 1 10 10 Gas 1,007 Gas 1,007 Wate Wate 4,841 35 1007 Wate		_	125	2,901	25	02/1999
Liquid Cum: 10,107 bbls Gas Cum: 939,564 mcf Status: ACT GAS GAS, MCF WATER, BBLs WELLS 2,628 0 1 100 2,627 0 1 100 2,628 15 1 Gas 3,001 0 1 100 2,779 3,761 4,097 145 1 100 Wate 4,841 35	100		240	4,853	48	01/1999
Liquid Cum: 10,107 bbls 09K00DK Gas Cum: 939,564 mcf Status: ACT GAS GAS, MCF 2,974 0 1 2,628 0 1 2,627 0 1 10 2,285 15 1 2,779 3,761 4,097 145 1 000 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100 100	1000		35	4,841	7	12/1998
Liquid Cum: 10,107 bbls 09K00DK Gas Cum: 939,564 mcf Status: ACT GAS GAS, MCF 2,974 0 1 2,628 0 1 2,627 0 1 10 2,628 15 1 3,001 3,761 15 1 Liquid Cum: 10,107 bbls ACT GAS WELLS 100 1 100 Gas 1,000 1 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000	Water Production	_	145	4,097	29	11/1998
Liquid Cum: 10,107 bbls 09K00DK Gas Cum: 939,564 mcf Status: ACT GAS GAS, MCF 2,974 0 1 2,628 0 1 2,627 0 1 10 2,285 15 1 100 Gas 3,001 0 1 1000 Gas	1	_	15	3,761	ω	10/1998
Liquid Cum: 10,107 bbls 09K00DK Gas Cum: 939,564 mcf Status: ACT GAS GAS, MCF 2,974 2,628 0 1 2,627 0 1 0 1 0 Gas 2,631 15 1 0 Gas 3,001 0 1 1 0 Gas	100	_	σı ˙	2,779	-1	09/1998
Liquid Cum: 10,107 bbls Gas Cum: 939,564 mcf Status: ACT GAS GAS, MCF WATER, BBLs WELLS 2,974 2,628 0 1 2,627 0 1 0 1 0 1 0 1 0 Gas 2,631	1000	-1	0	3,001	0	08/1998
Liquid Cum: 10,107 bbls 09K00DK Gas Cum: 939,564 mcf Status: ACT GAS GAS, MCF 2,974 2,628 0 1 100 100 100 100 100 100	Gas Production	_	15	2,631	ω	07/1998
Liquid Cum: 10,107 bbls 09K00DK Gas Cum: 939,564 mcf Status: ACT GAS GAS, MCF VATER, BBLs 2,974 0 1 2,628 0 1 10	1	_	15	2,285	0	06/1998
U9K00DK Gas Cum: 10,107 bbls Gas Cum: 939,564 mcf Status: ACT GAS GAS, MCF 2,974 2,628 Uquid Cum: 10,107 bbls Gas Cum: 939,564 mcf Status: ACT GAS Oil	>	_	0	2,627	0	05/1998
Liquid Cum: 10,107 bbls Gas Cum: 939,564 mcf Status: ACT GAS Oil Compared to the com	10	_	0	2,628	0	04/1998
U9K00DK Gas Cum: 10,107 bbls Gas Cum: 939,564 mcf Status: ACT GAS GAS, MCF WATER, BBLs WELLS Oil	,	-3	0	2,974	0	03/1998
Liquid Cum: 10,107 bbls 09K00DK Gas Cum: 939,564 mcf Status: ACT GAS	Oil Production	WELLS	WATER, BBLs	GAS, MCF	OIL, BBLs	DATE
Liquid Cum: 10,107 bbls Gas Cum: 939,564 mcf	- '	ACT GAS	Status:		30-039-20771-00	API#:
Liquid Cum: 10,107 bbls Liq Since:	Gas Since: FPDATE	939,564 mcf	Gas Cum;	XOODX	251,039,27N07W09K00DK	RCI #:
		: 10,107 bbls	Liquid Curr		Operator: CONOCO INC	Operator
Location: 9K 27N 7W IP Date:		9K 27N 7W	Location:	X	BASIN (DAKOTA) DK	Field:
UNIT Well #: 184 FP Date: 74-03		184	Well #:	=======================================	SAN JUAN 28 7 UNIT	Lease: