

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

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

APPLICATION FOR DOWNHOLE COMMINGLING

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

Conoco Inc.

10 Desta Dr. Ste 100W, Midland, Tx. 79705-4500

Operator

Address

San Juan 28-7 Unit

216

Section 8, T-27-N, R-7-W, H

Rio Arriba

Lease

Well No

Unit Ltr Sec Twp Rge

County

OGRID NO. 005073 Property Code 016608 API NO. 30-039-20875

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)	5268-5604' OA		7520-7724
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) 1330	RECEIVED JAN 09 1998 OIL CON. DIV. DIST. 3	a. 646 b. 3068
6. Oil Gravity (*API) or Gas BT Content	1272		1219
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 %

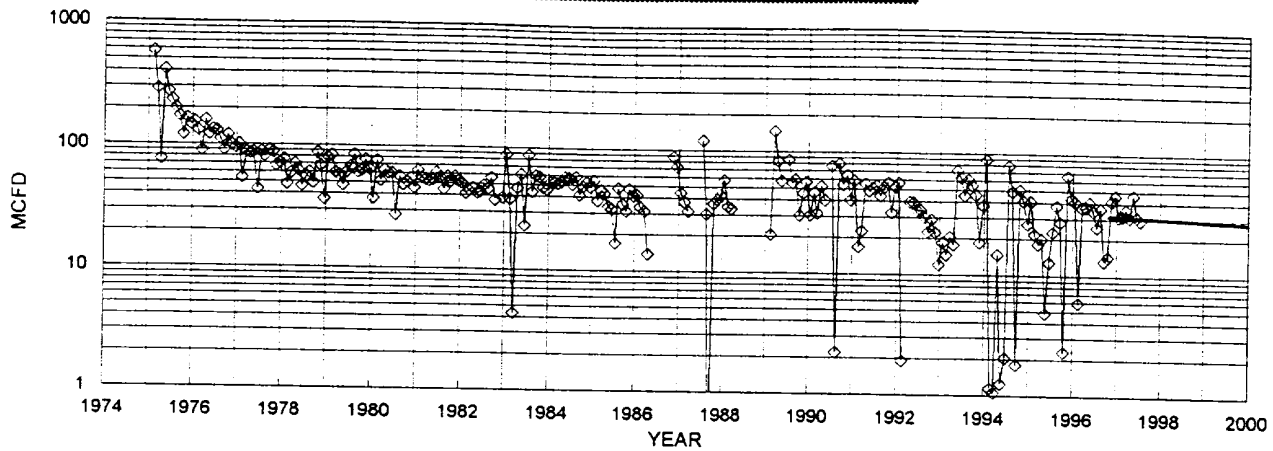
9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical 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. 216 DAKOTA PRODUCTION
SECTION 8H-27N-07W**



◇ DAKOTA MCFD — FIT MCFD

DAKOTA HISTORICAL DATA: 1ST PROD: 02/75

OIL CUM: 3.85 MBO

GAS CUM: 443.0 MMCF

CUM OIL YIELD: 0.0087 BBL/MCF

OIL YIELD: 0.0077 BBL/MCF, LAST 3 YRS

AVG. USED: 0.0082 BBL/MCF

DAKOTA PROJECTED DATA

1/1/98 Q1: 30 MCFD

DECLINE RATE: 3.9% (EXPONENTIAL)

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

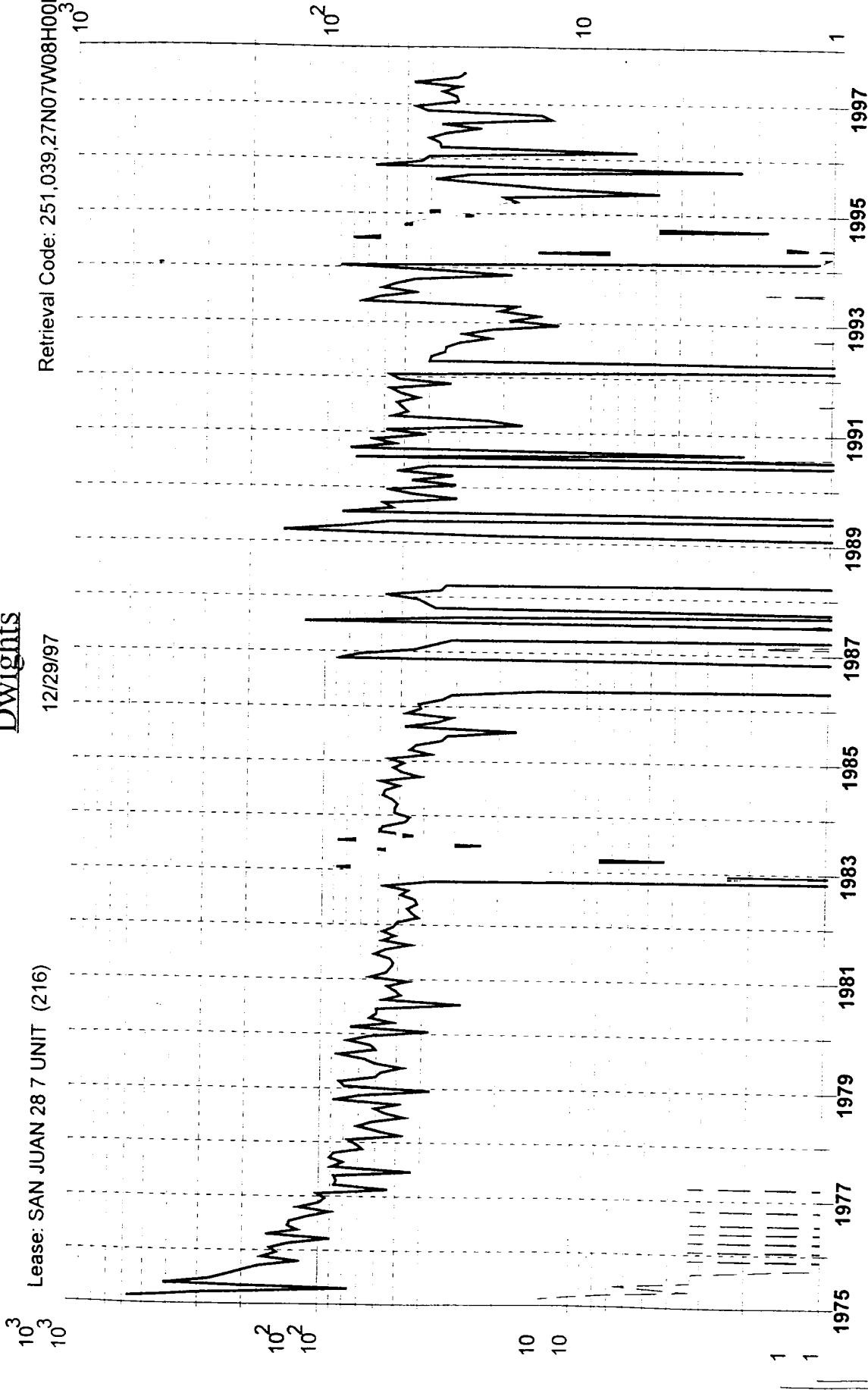
YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
1998	29.7	0.2
1999	28.5	0.2
2000	27.4	0.2
2001	26.3	0.2
2002	25.3	0.2
2003	24.3	0.2
2004	23.4	0.2
2005	22.5	0.2
2006	21.6	0.2
2007	20.8	0.2
2008	19.9	0.2
2009	19.2	0.2
2010	18.4	0.2
2011	17.7	0.1
2012	17.0	0.1
2013	16.3	0.1
2014	15.7	0.1
2015	15.1	0.1
2016	14.5	0.1
2017	13.9	0.1
2018	13.4	0.1
2019	12.9	0.1
2020	12.4	0.1
2021	11.9	0.1
2022	11.4	0.1
2023	11.0	0.1
2024	10.6	0.1
2025	10.1	0.1
2026	9.7	0.1
2027	9.4	0.1
2028	9.0	0.1
2029	8.6	0.1
2030	8.3	0.1
2031	8.0	0.1
2032	7.7	0.1

Dwights

Lease: SAN JUAN 28 7 UNIT (216)

12/29/97

Retrieval Code: 251,039,27N07W08H00DK



Oil (bbl/day)

Water (bbl/day)

Gas (mcf/day)

County: RIO ARRIBA, NM

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

Operator: CONOCO INC

F.P. Date: 02/75

Oil Cum: 3854 bbl

Gas Cum: 443.0 mmcf

Location: 8H 27N 7W

District IV
PO Box 2088, Santa Fe, NM 87504-2088

PO Box 2088
Santa Fe, NM 87504-2088

Fee Lease - 3 Copies

☐ AMENDED REPORT

API Number 30-039-20875		2 Pool Code 72319	3 Pool Name Blanco Mesaverde
4 Property Code 016608	5 Property Name San Juan 28-7 Unit		6 Well Number 216
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500		9 Elevation 6726' GL

U. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	8	27N	7W		2290	North	980	East	Rio Arriba

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 Joint or Infill	14 Consolidation Code	15						

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
320			

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					
				2290' ↓ O ← 980'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Kay Maddox Printed Name Regulatory Agent Title January 6, '98 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

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.

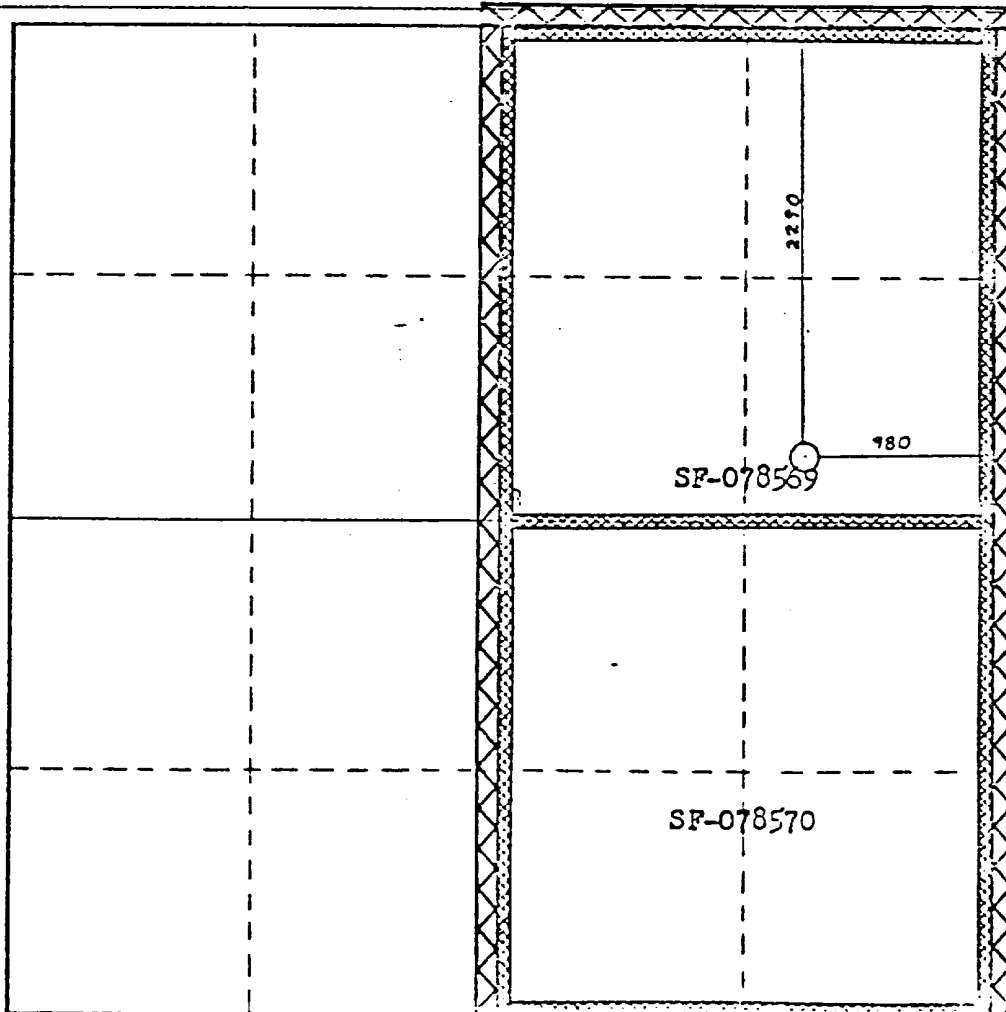
Operator EL PASO NATURAL GAS COMPANY			Lease SAN JUAN 28-7 UNIT (SF-078569)		Well No. 216
Unit Letter H	Section 8	Township 27 NORTH	Range 7 WEST	County RIO ARriba	
Actual Footage Location of Well: 2290 feet from the NORTH line and 980 feet from the EAST line					
Ground Level Elev. 6726	Producing Formation DAKOTA		Pool BASIN DAKOTA	Dedicated Acreage: 320.00 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.



CERTIFICATION

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

Name
Drilling Clerk
Position
El Paso Natural Gas Co.
Company
April 18, 1974
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
23 March 1974
Signature
James P. Lease
Title
Surveyor

1463



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.