

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980
DISTRICT II
811 South First St., Artesia, NM 88210-2835
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410-1693

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
New 3-12-96

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Conoco Inc. 10 Desta Dr., Ste 100W, Midland, TX 79705-4500
Operator Address

Newsom 17E P-20-T26N-R8W San Juan
Lease Well No Unit Ltr Sec Twp Rge County

OGRID NO. 005073 Property Code 18109 API NO. 30045-24722 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	Fruitland Coal 7113113		Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	1900' - 2115' OA		6585' - 6770'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow		Flowing
5. Bottom hole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 612 PSIA b. (Original) 691 PSIA	a. b.	a. 613 PSIA BHP b. 2569 PSIA BHP
6. Oil Gravity (*API) or Gas BTU Content	1164		1288
7. Producing or Shut-In?	To Be Completed		Producing
Production Marginal? (yes or no)	Expected To Be		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, give 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 Average rates Please 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. NMOC Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). _____
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 Jerry W. Hoover TITLE Sr. Conservation Coord. DATE 6/13/97

TYPE OR PRINT NAME Jerry W. Hoover TELEPHONE NO. (915) 686-6548

SANTA FE, NEW MEXICO 87501

EXHIBIT "A" - Location and Elevation Plat

All distances must be from the outer boundaries of the section

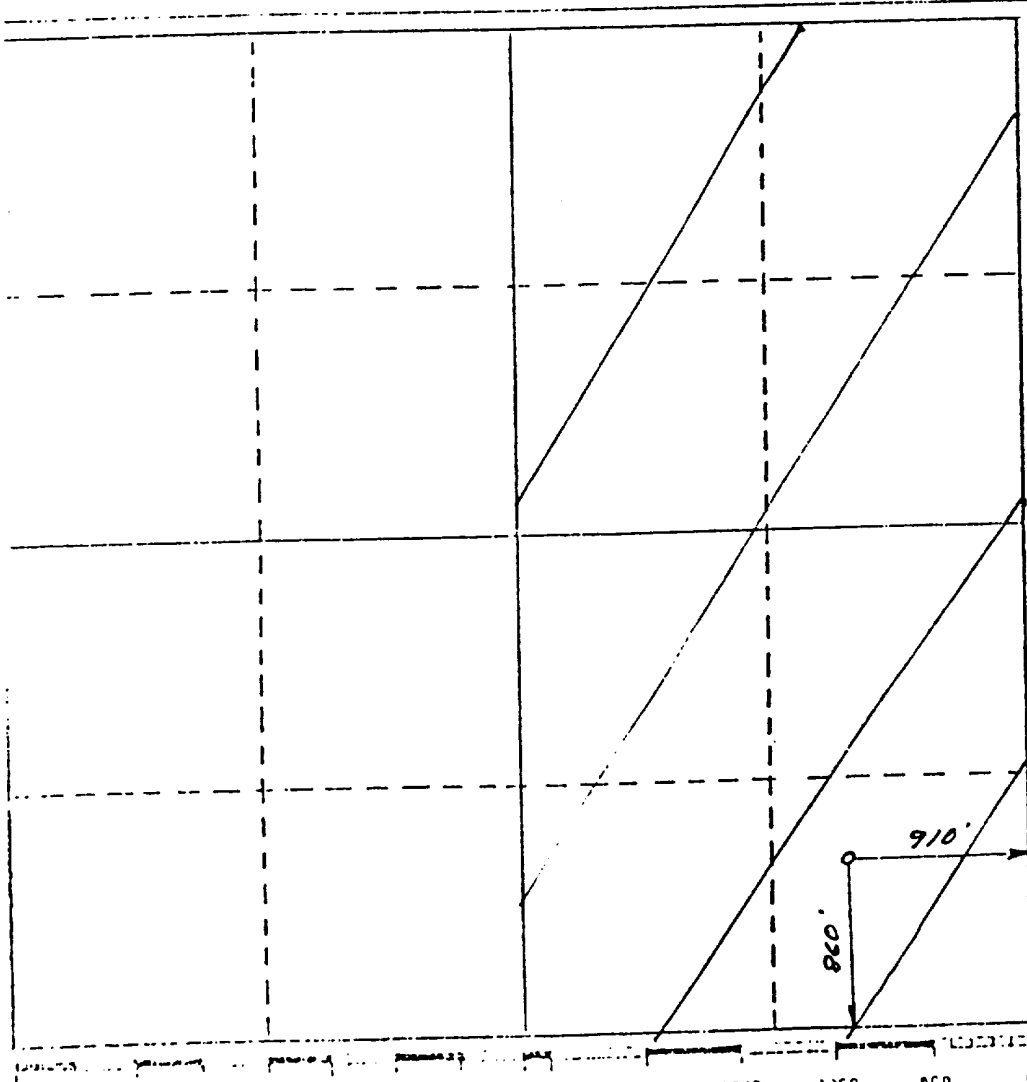
Owner Supron Energy		Lease SF-078433 (Newsom)		Well No. Newsom #17E
Section 20	Township 26 North	Range 8 West	County San Juan	
Well Location (feet from the South) 860		Well Location (feet from the East) 910		Line 320
Land Level Elev. 6368'	Forming Formation Dakota	Pool Basin Dakota		Acres 320

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 _____

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 Division.



CERTIFICATION

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

George Lapaseotes
Name **George Lapaseotes**
Position **V. President Powers Elevation**
Agent Consultant for
Company **Supron Energy Corporation**
Date
November 14, 1980

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.

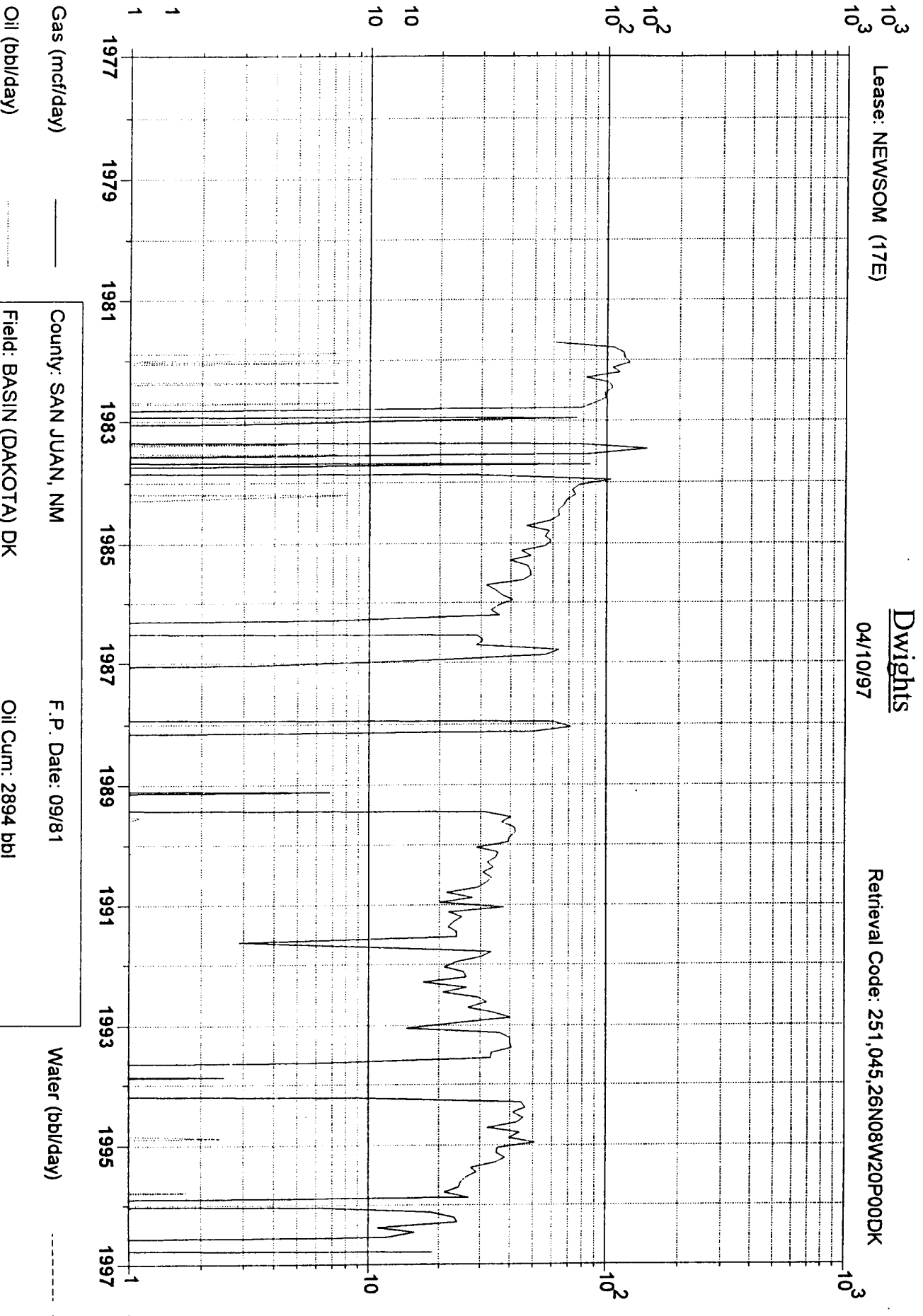
Gregory G. Huddleston
Date Surveyed **11/14/80**
Registered Professional Engineer
and/or Registered Surveyor
Certificate No. _____

Lease: NEWSOM (17E)

Dwights

04/10/97

Retrieval Code: 251,045,26N08W20P00DK



County: SAN JUAN, NM

F.P. Date: 09/81

Field: BASIN (DAKOTA) DK

Oil Cum: 2894 bbl

Reservoir: DAKOTA

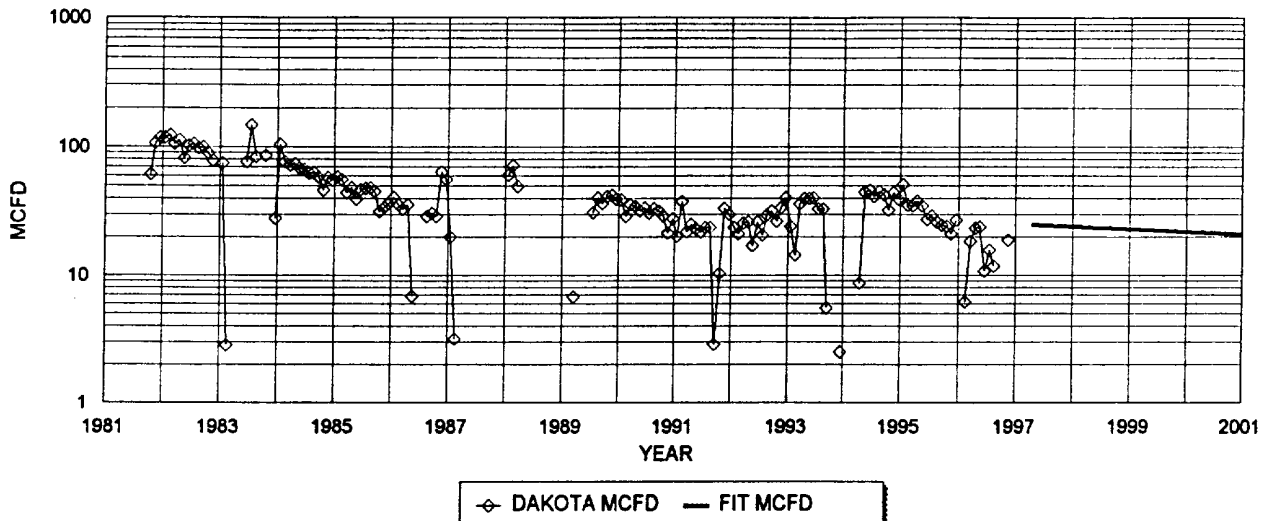
Gas Cum: 186.3 mmcf

Operator: CONOCO INC

Location: 20P 26N 8W

Water (bbl/day) - - - - -

**NEWSOM 17E DAKOTA PRODUCTION
SECTION 20P-26N-08W**



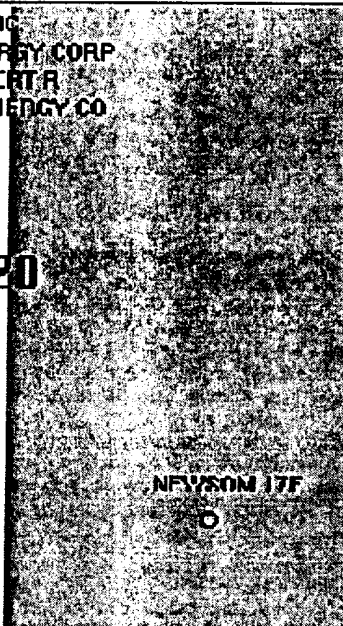
DAKOTA HISTORICAL DATA:		1ST PROD: 09/81	DAKOTA PROJECTED DATA	
OIL CUM:	2.89	MBO	6/1/97 Q1:	25 MCFD
GAS CUM:	186.3	MMCF	DECLINE RATE:	4.5% (EXPONENTIAL)
CUM OIL YIELD	0.0155	BBL/MCF		
OIL YIELD:	0.0133	BBL/MCF, LAST 3 YRS		
AVG. USED:	0.0144	BBL/MCF		

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
1996	24	0.4
1997	23	0.3
1998	22	0.3
1999	21	0.3
2000	20	0.3
2001	19	0.3
2002	19	0.3
2003	18	0.3
2004	17	0.2
2005	16	0.2
2006	15	0.2
2007	15	0.2
2008	14	0.2
2009	13	0.2
2010	13	0.2
2011	12	0.2
2012	12	0.2
2013	11	0.2
2014	11	0.2
2015	10	0.1
2016	10	0.1
2017	9	0.1
2018	9	0.1
2019	8	0.1
2020	8	0.1
2021	8	0.1
2022	7	0.1
2023	7	0.1
2024	7	0.1
2025	6	0.1
2026	6	0.1
2027	6	0.1

NEWSOM #17E

OFFSET OPERATORS

<p>ROMO CORP CONOCO, INC. DURLINGTON RES. EL PASO NAT GAS HODDY PROD.</p> <p style="text-align: center;">18</p>	<p>CONOCO, INC. HURLINGTON RES.</p> <p style="text-align: center;">17</p>	<p>AMOCO PROD. HURLINGTON RES. HALL WOOD PETH. CONOCO, INC. HICKMAN J FELIX</p> <p style="text-align: center;">16</p>
<p>CONOCO, INC. BURLINGTON RES. EL PASO NAT GAS</p> <p style="text-align: center;">19</p>	<p>CONOCO, INC. MERIT ENERGY CORP CLICK ROBERT R SUTTON ENERGY CO</p> <p style="text-align: center;">20</p>  <p style="text-align: center;">NEWSOM 17F</p>	<p>SNYDER DR CORP CLICK ROBERT R CONOCO, INC.</p> <p style="text-align: center;">21</p>
<p>HURLINGTON RES. EL PASO NAT GAS</p> <p style="text-align: center;">30</p>	<p>CONOCO, INC. HURLINGTON RES. SOUTHERN UNION EX.</p> <p style="text-align: center;">29</p>	<p>CLICK ROBERT R CONOCO, INC. SOUTHERN UNION EX.</p> <p style="text-align: center;">28</p>

Township 26N --- Range 8W

Conoco, Inc.
Form C-107-A, Application for Downhole Commingling
Filing date: June 13, 1997

Offset Operators for Wells as listed below:

Jicarilla K, Well #11
Marathon Oil Co.
Burlington Resources
Amoco Production Co.

Jicarilla K, Well #17
Burlinton Resources
Amoco Production

Jicarilla K, Well #16
Burlington Resources
Amoco Production

Newsom, Well #17E
Amoco Production
Snyder Oil Co.
Robert R. Click

Jicarilla K, Well #15E
Burlington Resources

Jicarilla E, Well #10
Burlington Resources

Jicarilla E, Well #12
Burlington Resources

Federal, Well #13E
Burlington Resources
Caulkins Oil Co.

AXI Apache J, Well #18A
Amoco Production
Elm Ridge Resources

Federal, Well #11E
Caulkins Oil Co.
Amoco Production
Burlington Resources

Reames COM, Well #2
Caulkins Oil Co.
Burlington Resources