

DISTRICT I
P O Box 1983 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.
Operator

P.O. BOX 2197 HOUSTON, TX 77252
Address

SAN JUAN 28-7
Lease

20
Well No

M - 8 - 28N - 7W
Unit Ltr - Sec - Twp - Rge

RIO ARRIBA
County

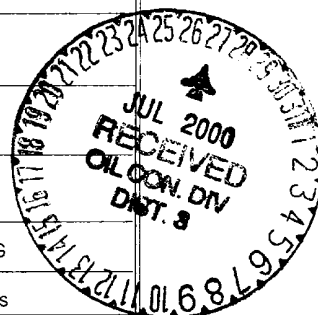
OGRID NO. 005073

Property Code 016608

API NO. 30-039-07446

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	BASIN FRUITLAND COAL 71629	BLANCO PICTURED CLIFFS 72359	BLANCO MESAVERDE 72319
2 Top and Bottom of Pay Section (Perforations)	3178'-3385' proposed	3395'-3551' proposed	5598 - 5227
3 Type of production (Oil or Gas)	GAS EXPECTED	GAS EXPECTED	GAS
4 Method of Production (Flowing or Artificial Lift)	EXPECTED TO FLOW	EXPECTED TO FLOW	FLOWING
5 Bottomhole Pressure	a (Current) 1,167	a 620	a 440
Oil Zones - Artificial Lift: Gas & Oil - Flowing All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	b (Original) 1,167	b. 1,119	b. 1,233
6 Oil Gravity (° API) or Gas BTU Content	1,045	1,189	1,250
7 Producing or Shut-In?	TO BE COMPLETED	TO BE COMPLETED	PRODUCING
Production Marginal? (yes or no)	yes	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, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates: Date: Rates: est. 150-250 MCFD	Date: Rates: Date: Rates: est. 200-300 MCFD	Date: Rates: Date: Rates: est. 145 MCFD
8 Fixed Percentage Allocation Formula - % for each zone	Allo. by production Oil: % Gas: % test	Allo. by production Oil: % Gas: % test	Allo. by subtraction Oil: % Gas: % method



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 ___ (minimal during testing) 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 other? ___ 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). R-10476B
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 all offset operators.
* Notification list of all 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

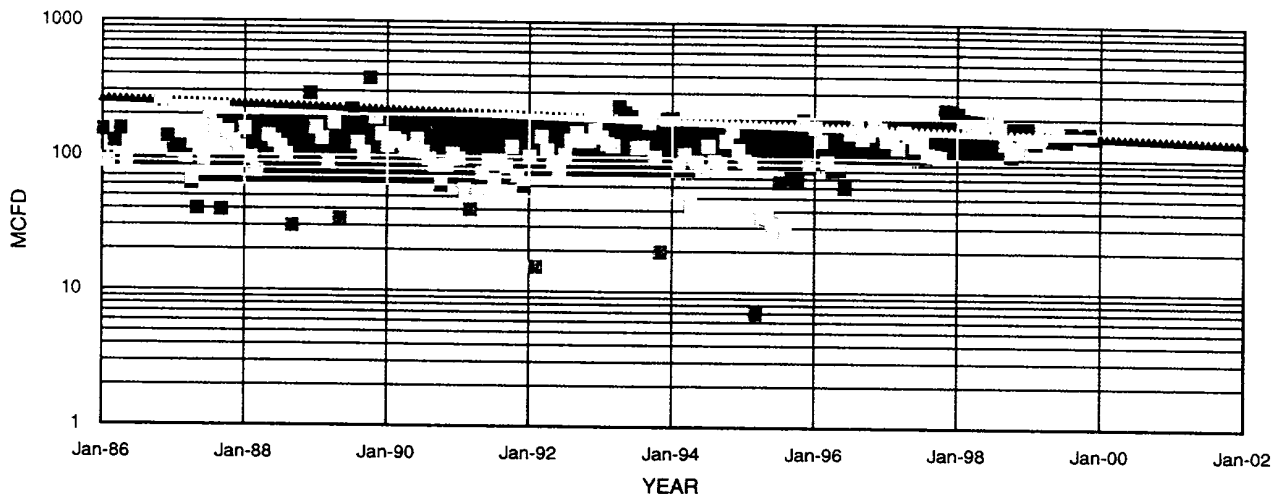
Deborah Marberry

TITLE REGULATORY ANALYST DATE 07/20/2000

TYPE OR PRINT NAME DEBORAH MARBERRY

TELEPHONE NO. () (281)293-1005

**SJ 28-7 #20 MESAVERDE PRODUCTION
SECTION 8M-28N-07W, RIO ARRIBA COUNTY, NEW MEXICO**



■ MESAVERDE MCFD ▲ FIT MCFD

MESAVERDE PRODUCTION		1ST PROD: 12/55	MESAVERDE PROJECTED DATA (API #30-039-07446)	
OIL CUM:	14.29	MBO	Jan.00 Qi:	148 MCFD
GAS CUM:	3037.7	MMCF	DECLINE RATE1:	4.0% (EXPONENTIAL)
OIL YIELD:	0.0047	BBL/MCF		

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

NOTE: Current decline rate is approximately 4%/year. This rate is expected to continue for the duration of the well based on production trends observed during the life of this well.

Production data from Dwights.

<u>YEAR</u>	<u>MID-YEAR</u>	<u>MID-YEAR</u>
	<u>AVG. MCFD</u>	<u>AVG. BOPD</u>
2000	145	0.7
2001	139	0.7
2002	134	0.6
2003	128	0.6
2004	123	0.6
2005	118	0.6
2006	113	0.5
2007	109	0.5
2008	105	0.5
2009	100	0.5
2010	96	0.5
2011	92	0.4
2012	89	0.4
2013	85	0.4
2014	82	0.4
2015	79	0.4
2016	75	0.4
2017	72	0.3
2018	70	0.3
2019	67	0.3
2020	64	0.3
2021	61	0.3
2022	59	0.3
2023	57	0.3
2024	54	0.3
2025	52	0.2
2026	50	0.2
2027	48	0.2

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State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised October 18, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-07446	² Pool Code 72359	³ Pool Name BLANCO PICTURED CLIFFS
⁴ Property Code 016608	⁵ Property Name SAN JUAN 28-7 #20	⁶ Well Number 20
⁷ OGRID No. 005073	⁸ Operator Name CONOCO, INC.	⁹ Elevation

¹⁰ Surface Location

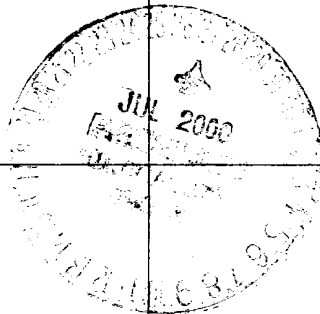
UL or lot no. M	Section 8	Township 28N	Range 7W	Lot Idn	Feet from the 925'	North/South line SOUTH	Feet from the 875'	East/West line WEST	County RIO ARRIBA
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¹¹ Bottom Hole Location If Different From Surface

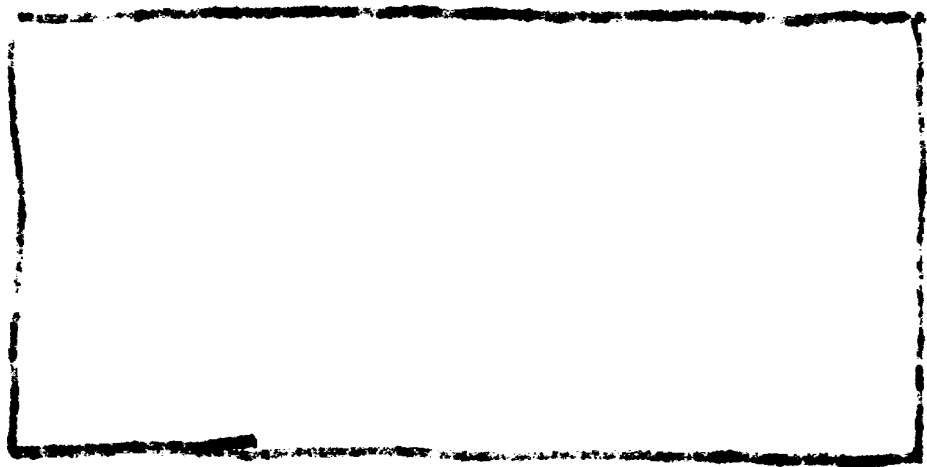
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 320	¹³ Joint or Infill I	¹⁴ Consolidation Code U	¹⁵ Order No.
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NO 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					<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature <u>Deborah Marberry</u></p> <p>Printed Name DEBORAH MARBERRY</p> <p>Title REGULATORY ANALYST</p> <p>Date 07/12/2000</p>
<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys made by me or under</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>Certificate Number</p>					

Handwritten plot area with dimensions: 875' (horizontal), 925' (vertical), and well number 20.



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⁴ Property Code 016608	⁵ Property Name SAN JUAN 28-7 #20	⁶ Well Number 20
⁷ OGRID No. 005073	⁸ Operator Name CONOCO, INC.	⁹ Elevation

¹⁰ Surface Location

UL or lot no. M	Section 8	Township 28N	Range 7W	Lot Idn	Feet from the 925'	North/South line SOUTH	Feet from the 875'	East/West line WEST	County RIO ARRIBA
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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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					¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under</i> _____ Date of Survey _____ Signature and Seal of Professional Surveyer _____ Certificate Number	

875'
925'



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⁴ Property Code 016608	⁵ Property Name SAN JUAN 28-7 #20	⁶ Well Number 20
⁷ OGRID No. 005073	⁸ Operator Name CONOCO, INC.	⁹ Elevation

¹⁰ Surface Location

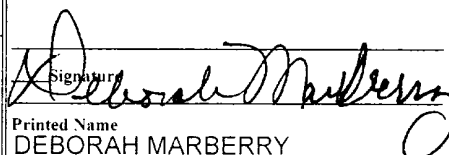
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875' #20
925'

