



*Expected Production Curve*

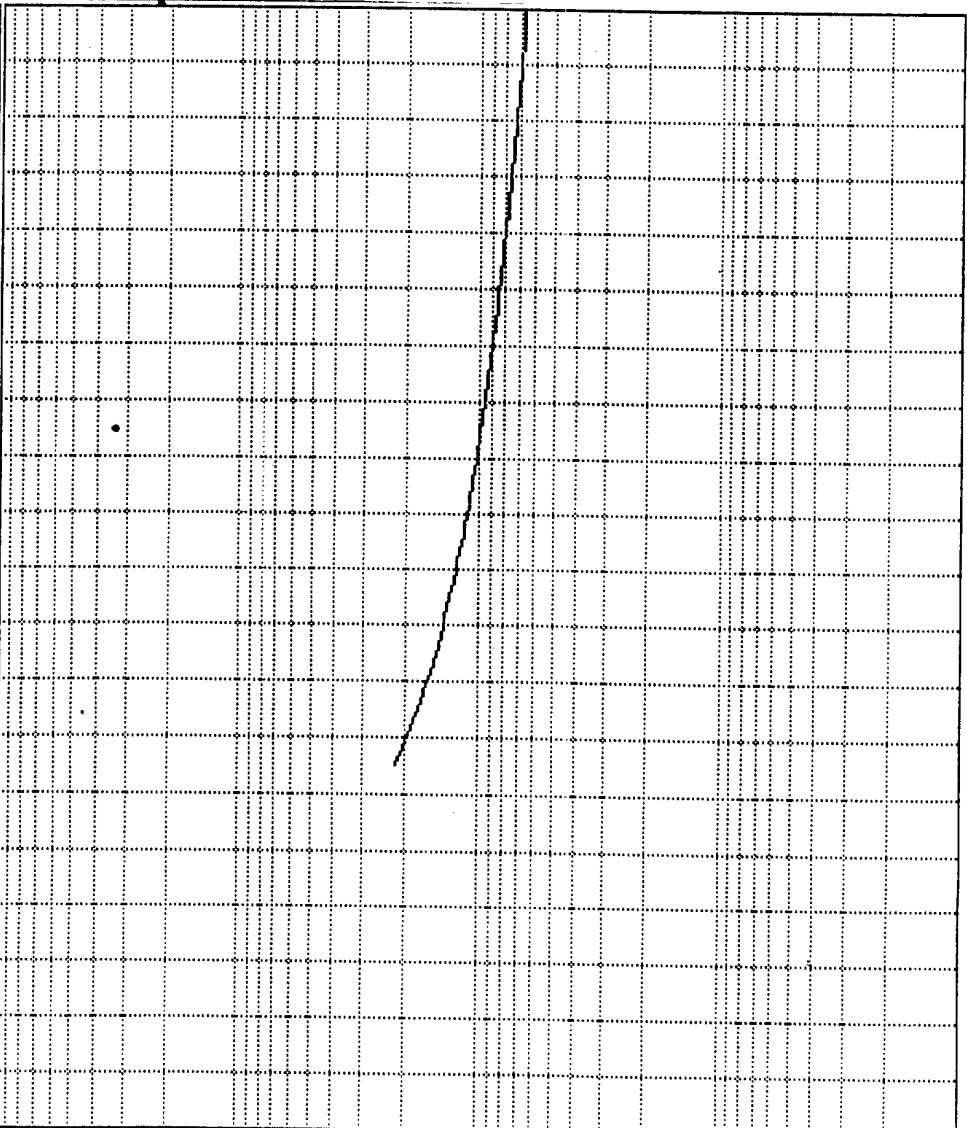
SAN JUAN 28-6 UNIT : 213M : 35585A-1 Dakota

• OIL  
• WATER/GAS  
• GAS  
• WATER

Prop 250

- WATER Bbls/d
- GAS Mcf/d
- WATER/GAS
- OIL Bbl/d

Rate Time  
 Rate  
 Time  
 Rate  
 Time



RECEIVED  
 MAR 11 1997

94 95 96 97 98 99 00 01 02 03

1  
1  
10  
10  
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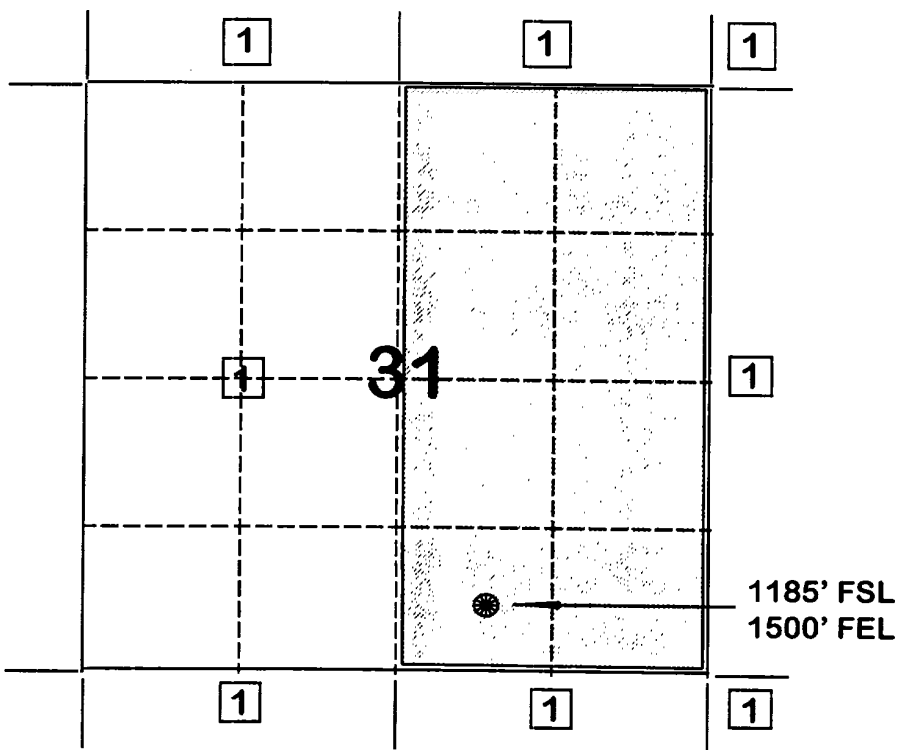


**BURLINGTON RESOURCES OIL AND GAS COMPANY**

**San Juan 28-6 Unit #213M  
OFFSET OPERATOR \ OWNER PLAT**

**Mesaverde/Dakota Formations Commingle Well**

**Township 28 North, Range 6 West**



1) Burlington Resources Oil and Gas Company

**FLOWING AND STATIC BHP  
CULLENDER AND SMITH METHOD**

VERSION 1.0 3/13/94

GAS GRAVITY	0.641
COND. OR MISC. (C/M)	C
%N2	0.14
%CO2	1.09
%H2S	0
DIAMETER (IN)	1.5
DEPTH (FT)	7741
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	200
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	2646
BOTTOMHOLE PRESSURE (PSIA)	3202.6

**FLOWING AND STATIC BHP  
CULLENDER AND SMITH METHOD**

VERSION 1.0 3/13/94

GAS GRAVITY	0.641
COND. OR MISC. (C/M)	C
%N2	0.14
%CO2	1.09
%H2S	0
DIAMETER (IN)	1.5
DEPTH (FT)	7741
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	200
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	712
BOTTOMHOLE PRESSURE (PSIA)	847.3

**FLOWING AND STATIC BHP  
CULLENDER AND SMITH METHOD**

VERSION 1.0 3/13/94

GAS GRAVITY	<u>0.683</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.29</u>
%CO2	<u>0.74</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>2</u>
DEPTH (FT)	<u>5520</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>150</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>1098</u>
BOTTOMHOLE PRESSURE (PSIA)	<u>1276.5</u>

**FLOWING AND STATIC BHP  
CULLENDER AND SMITH METHOD**

VERSION 1.0 3/13/94

GAS GRAVITY	0.683
COND. OR MISC. (C/M)	C
%N2	0.29
%CO2	0.74
%H2S	0
DIAMETER (IN)	2
DEPTH (FT)	5520
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	150
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	577
BOTTOMHOLE PRESSURE (PSIA)	662.5



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Print Time: Tue Mar 04 08:32:10 1997

Property ID: 4035

Property Name: SAN JUAN 28-6 UNIT | 52 | 49511A-1

Table Name: K:\ARIES\RR97PDP\TEST.DBF

SJ 28-6 # 213m  
Inesa Verde Offset

--DATE-- ---CUM\_GAS-- M SIWHP  
Mcf Psi

03/15/56	0	1098.0	← Original
05/09/56	0	1097.0	
08/24/56	66000	812.0	
04/24/57	153000	774.0	
11/22/58	317000	756.0	
08/22/59	384000	692.0	
09/06/60	456000	716.0	
03/28/61	498000	683.0	
04/23/62	569000	665.0	
02/22/63	614000	675.0	
02/24/64	667000	678.0	
02/25/65	725000	657.0	
01/04/66	776000	646.0	
01/23/67	843000	612.0	
01/02/68	896000	602.0	
09/09/69	985991	569.0	
04/21/70	1022287	561.0	
05/10/71	1085190	521.0	
08/08/72	1152469	516.0	
09/12/73	1204029	506.0	
04/16/74	1227889	522.0	
06/08/76	1318639	522.0	
05/03/78	1383496	524.0	
06/20/80	1456045	529.0	
05/27/82	1517569	530.0	
07/27/84	1576827	538.0	
04/16/87	1644122	521.0	
10/08/89	1706462	577.0	← current

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Print Time: Tue Mar 04 08:27:34 1997

Property ID: 1896

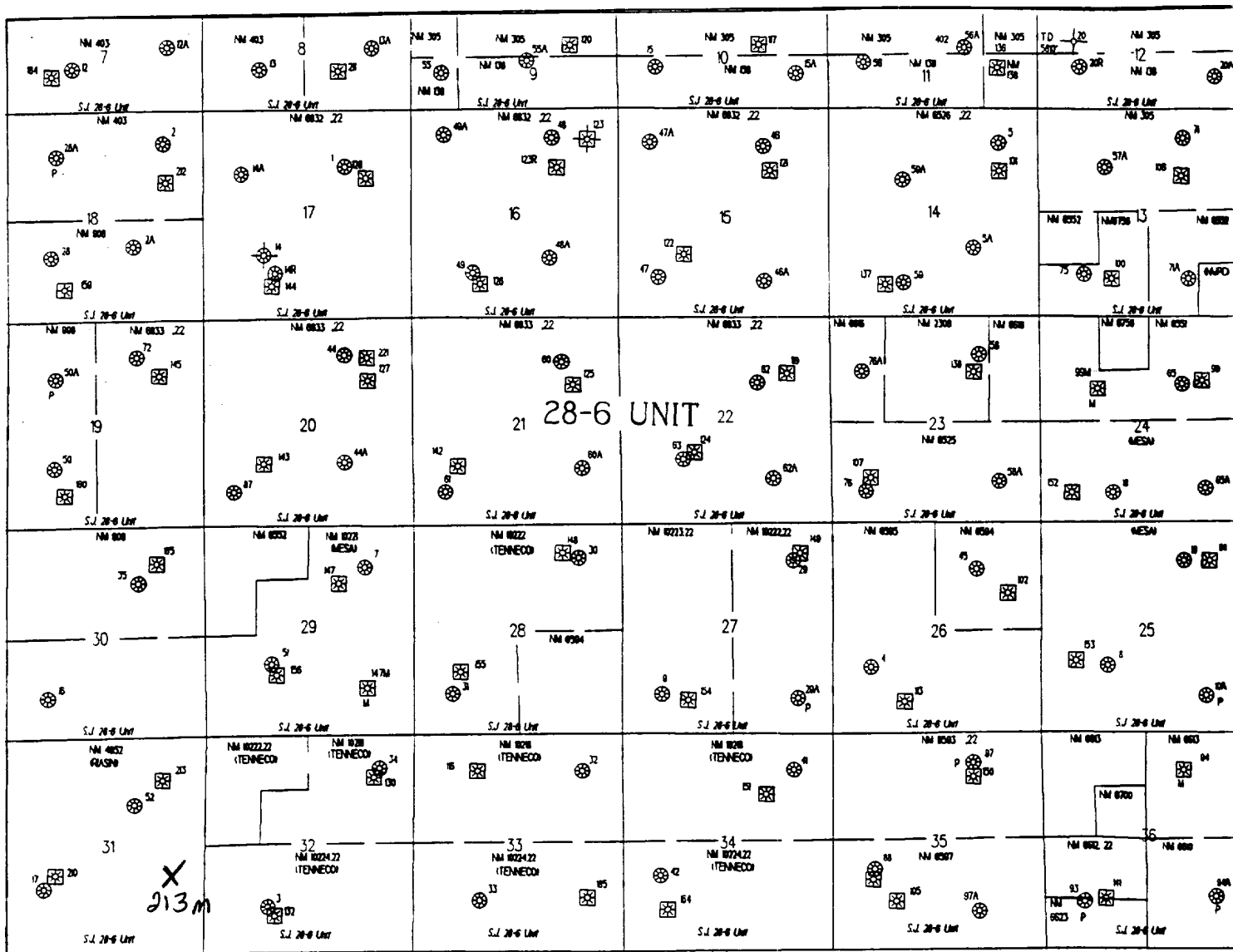
Property Name: SAN JUAN 28-6 UNIT | 210 | 44852A-1

Table Name: K:\ARIES\RR97PDP\TEST.DBF

SJ 28-6 #213M  
Dakota Offsets

--DATE-- ---CUM GAS-- M SIWHP  
Mcf Psi

07/17/79	0	2646.0	← original
07/18/79	0	2647.0	
10/04/79	61304	1562.0	
06/20/80	163740	969.0	
07/13/81	256312	810.0	
10/12/83	375867	826.0	
06/27/85	466660	730.0	
10/04/88	589876	777.0	
05/08/90	656030	752.0	
05/28/92	722598	712.0	← current



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 11628  
ORDER NO. R-10696

APPLICATION OF BURLINGTON RESOURCES  
OIL & GAS COMPANY FOR THE ESTABLISHMENT  
OF A DOWNHOLE COMMINGLING "REFERENCE  
CASE" FOR ITS SAN JUAN 28-6 UNIT PURSUANT  
TO DIVISION RULE 303.E. AND THE ADOPTION  
OF SPECIAL ADMINISTRATIVE RULES THEREFOR,  
SAN JUAN COUNTY, NEW MEXICO..

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on October 17 and November 7, 1996, at Santa Fe, New Mexico, before Examiners David R. Catanach and Michael E. Stogner, respectively.

NOW, on this 12th day of November, 1996, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Burlington Resources Oil & Gas Company (Burlington), pursuant to the provisions of Division Rule 303.E., seeks to establish a downhole commingling "reference case" to provide exceptions for (a) marginal economic criteria, (b) pressure criteria, (c) allocation formulas and (d) modification of notification rules on a unit-wide basis for downhole commingling of Dakota, Mesaverde, Fruitland Coal and Pictured Cliffs gas production within existing or future drilled wells within the San Juan 28-6 Unit, San Juan County, New Mexico.
- (3) Division Rule No. 303.E., amended by Order No. R-10470-A, currently states:

- c) establish a "reference case" whereby the Division utilizes the data presented in the immediate case to endorse or approve certain methods of allocating production whereby the applicant need not submit additional data or justification when proposing a certain method of allocating production on Form C-107-A's subsequently filed for wells within the San Juan 28-6 Unit; and,
- d) establish a "reference case" or an administrative procedure for authorizing the downhole commingling of existing or future drilled wells within the San Juan 28-6 Unit without additional notice to each affected interest owner as required by Division Rule No. 303.D.

(7) In support of its request to except marginal economic criteria, the applicant presented geologic and engineering evidence and testimony which indicates that within the San Juan 28-6 Unit:

- a) the structure and thickness of the Dakota and Pictured Cliffs formations are very consistent;
- b) the average recoverable Dakota and Pictured Cliffs gas reserves underlying an undeveloped drill block are approximately 449 MMCFG and 186 MMCFG, respectively;
- c) the average initial producing rate for a newly drilled or recompleted Dakota and Pictured Cliffs gas well is approximately 254 MCFGD and 216 MCFGD, respectively; and,
- d) the estimated ultimate gas recoveries and initial producing rates from the Dakota and Pictured Cliffs formations are insufficient to justify drilling stand alone wells and/or dually completed wells to recover such gas reserves.

(8) The evidence and testimony presented by the applicant indicates that the Dakota and Pictured Cliffs formations within the San Juan 28-6 Unit should be properly classified as "marginal".

(9) In support of its request to except pressure criteria within the Dakota and Pictured Cliffs formations within the San Juan 28-6 Unit, the applicant presented engineering evidence and testimony which indicates that:

- c) providing notice to each interest owner within the San Juan 28-6 Unit of subsequent downhole comminglings is unnecessary and is an excessive burden on the applicant;
- d) the downhole commingling of wells within the San Juan 28-6 Unit Area will benefit working, royalty, and overriding royalty interest owners. In addition, the downhole commingling of wells within the San Juan 28-6 Unit should not violate the correlative rights of any interest owner;
- e) no interest owner appeared at the hearing in opposition to the establishment of a "reference case" or administrative procedure for notice.

(14) An administrative procedure should be established within the San Juan 28-6 Unit for obtaining approval for subsequent downhole commingled wells without notice to Unit interest owners, provided however that, all other provisions contained within Division Rule No. 303.C. are complied with.

(15) Approval of the proposed "reference cases" for marginal economic criteria, pressure criteria, allocation formulas and notice will lessen the burden on the applicant insofar as providing the data required pursuant to Division Rule No. 303.D. and Form C-107-A, will provide the applicant a streamlined method for obtaining downhole commingling approvals within the San Juan 28-6 Unit, and will not violate correlative rights.

**IT IS THEREFORE ORDERED THAT:**

(1) The application of Burlington Resources Oil & Gas Company to establish a "reference case" for (a) marginal economic criteria, (b) pressure criteria, (c) allocation formulas and (d) modification of notification rules on a unit-wide basis for downhole commingling of Dakota, Mesaverde, Fruitland Coal and Pictured Cliffs gas production within existing or future drilled wells within the San Juan 28-6 Unit, San Juan County, New Mexico, is hereby approved.