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

APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107-A
New 3-12-96

APPROVAL PROCESS :
_X_ Administrative ___Hearing

EXISTING WELLBORE
__ YES _x NO

Burlington Resources Oil & Gas Company — PO Box 4289, Farmington, NM 87499
Operator — Address

SAN JUAN 29-7 UNIT | 128M | D 27--29N-7W | Rio Arriba
Lease | Well No. | Unit Ltr. - Sec - Twp - Rge | County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. _14538_____ Property Code ___7465_____ API NO.30-039-25652__Federal __X___ , 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)	will be supplied upon completion		will be supplied upon completion
3. Type of production (Oil or Gas)	gas		gas
4. Method of Production (Flowing or Artificial Lift)	flowing		flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	(Current) a. 637 psi (see attachment)	a.	a. 905 psi (see attachment)
	(Original) b. 1248 psi (see attachment)	b.	b. 3157 psi (see attachment)
6. Oil Gravity (°API) or Gas BTU Content	BTU 1155		BTU 1027
7. Producing or Shut-In?	shut-in		shut-in
Production Marginal? (yes or no)	no		yes
* If Shut-In 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	Date: n/a Rates:	Date: Rates:	Date: n/a Rates:
* If Producing, give data and oil/gas/water water of recent test (within 60 days)	Date: n/a Rates:	Date: Rates:	Date: n/a Rates:
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: % Gas: % will be supplied upon completion	Oil: % Gas: %	Oil: % Gas: % will be supplied upon completion

RECEIVED
JUN - 3 1997
OIL CON. DIV.
DIST. 3

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, subm 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 __x__No
If not, have all working, overriding, and royalty interests been notified by certified mail? ___Yes __x__No
Have all offset operators been given written notice of the proposed downhole commingling? _x_Yes ____No

11. Will cross-flow occur? _x__ Yes __ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowe 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 Burea of Land Management has been notified in writing of this application. _X_Yes ___ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). _R-10697_____

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 Sean Woolverton TITLE Production Engineer DATE 05/27/97

TYPE OR PRINT NAME Sean C. Woolverton TELEPHONE NO. (505) 326-9700

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-039-	72319/71599	Blanco Mesaverde/Basin Dakota

Property Code	Property Name	Well Number
7465	San Juan 29-7 Unit	128M

OGRID No.	Operator Name	Elevation
14538	BURLINGTON RESOURCES OIL & GAS COMPANY	6856'

Surface Location

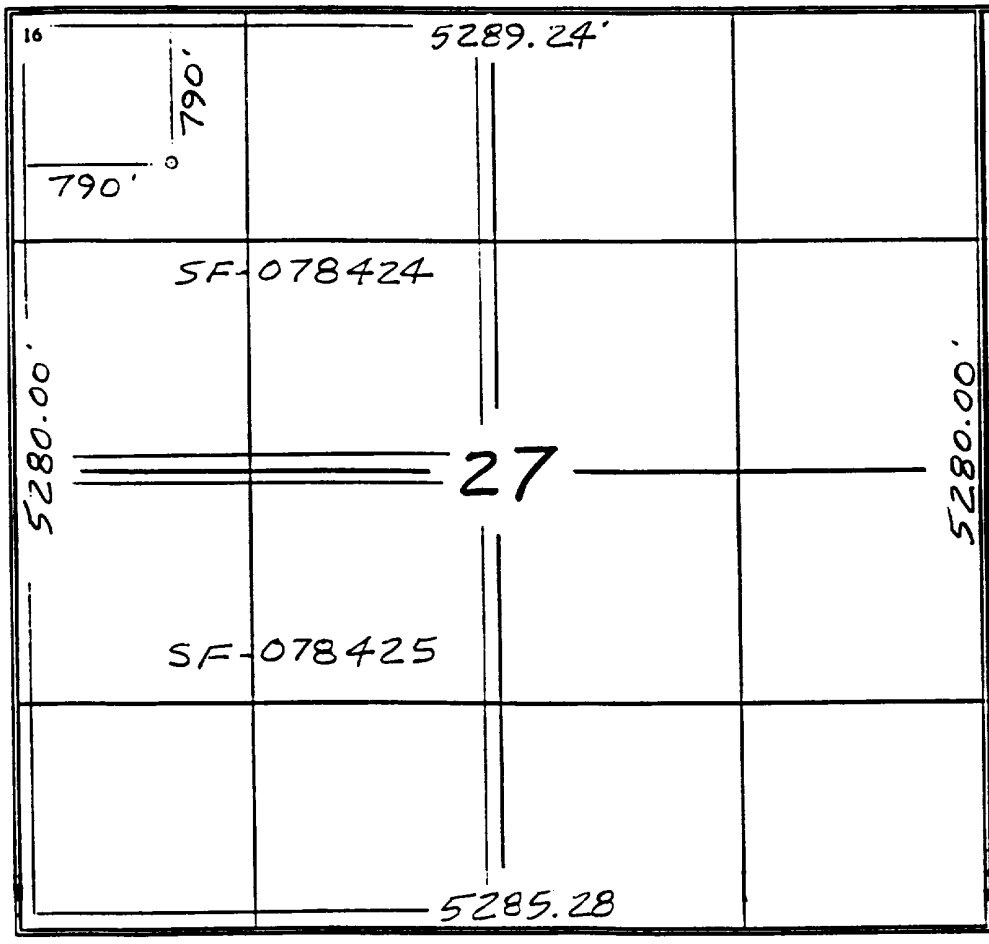
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	27	29-N	7-W		790	North	790	West	R.A.

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
MV-W/320 DK-W/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



OPERATOR CERTIFICATION

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

Signature

Peggy Bradfield

Printed Name

Regulatory Administrator

Title

Date

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.

11/22/96

Date of Survey

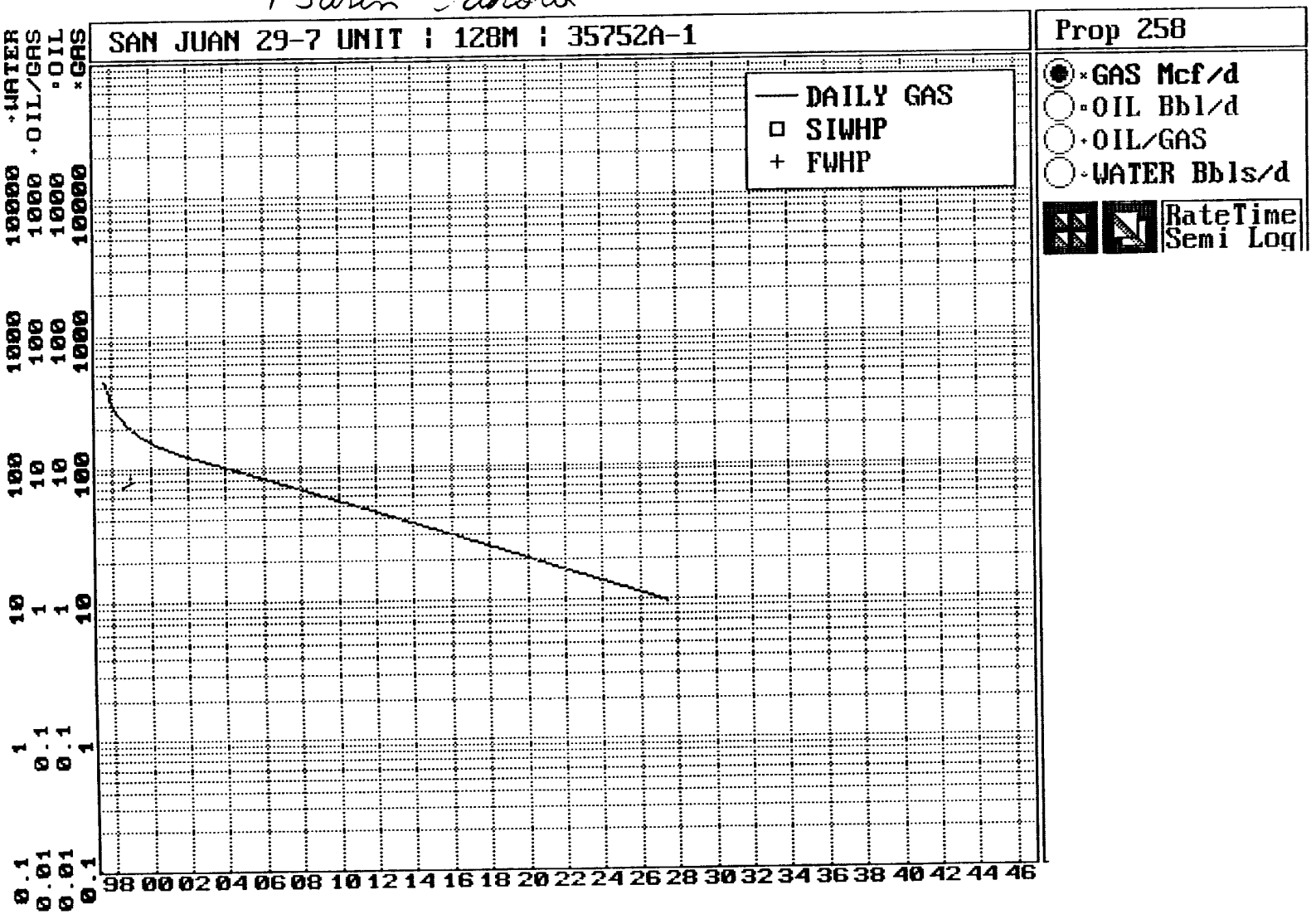
Signature and Seal of Professional Surveyor

NEALE C. EDWARDS
NEW MEXICO
6857
REGISTERED PROFESSIONAL SURVEYOR

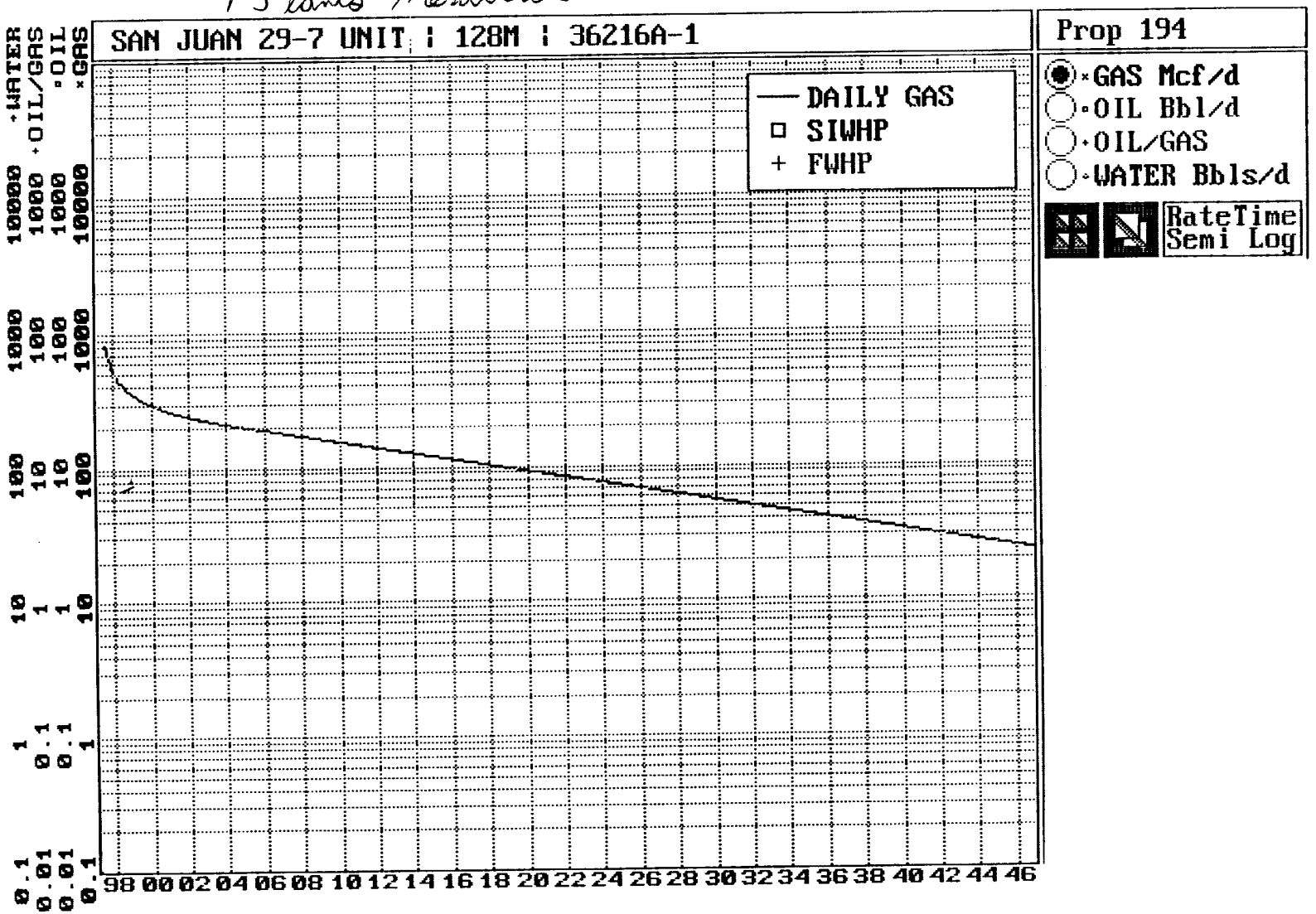
6857

Certificate Number

Basin Dakota



Blanco Mesaverde

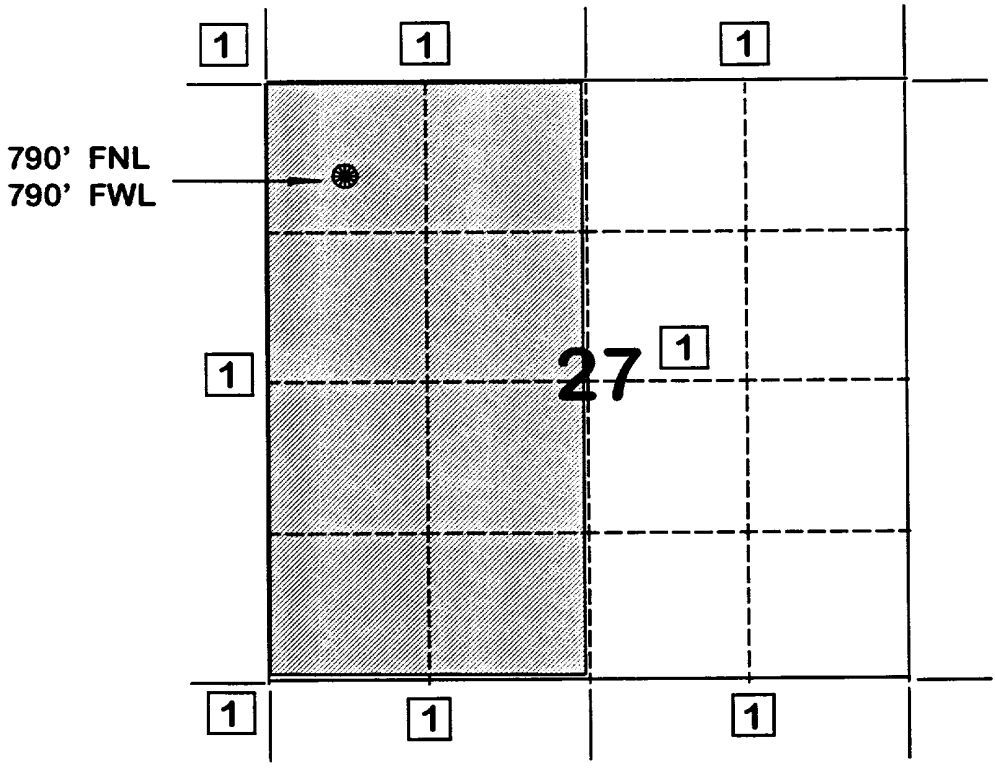


BURLINGTON RESOURCES OIL AND GAS COMPANY

San Juan 29-7 Unit #128M
OFFSET OPERATOR \ OWNER PLAT

Mesaverde/Dakota Formations Commingle Well

Township 29 North, Range 7 West



1) Burlington Resources Oil and Gas Company

REQUESTED RECORD NOT FOUND (NEXT RECORD DISPLAYED)
OPR008M1 S001 O008 CHROMATOGRAPH TEST MAIN SCREEN 20:05:04.5 05/20/97

FUNCTION (A,C,D,I) i ** DATA AT TEST PRESSURE UNLESS NOTED **
MP NUMBER 95441 SAN JUAN 29-7 UNIT 128
EFFECTIVE DATE 19960701
REGION CD 42 SAN JUAN
MP TYPE CODE 10 GAS METER - WELLHEAD SALES

SAMPLE TYPE CODE (GAS,LIQ,BTU) GAS ------- BTU/CF -------
SAMPLE DATE 19951102 --- (AT 14.73 PSIG) --
SAMPLE LINE PRESSURE (PSIG) WET 1046.484 DRY 1065.000
SAMPLE LINE TEMPERATURE (DEG F)
TEST DATE ------- BTU/CF -------
TEST PRESSURE (PSIG) 14.730 WET 1046.484 DRY 1065.000
TEST TEMPERATURE (DEG F) 60 VAPOR FACTOR
TEST LIFE (MONTHS) 6
TESTER SOURCE BA NUMBER 098795 EL PASO FIELD SERVICES
TEST PURPOSE CODE

03=DETAIL SCR 04=MP-NM BRWS 06=MP/DS LST 07=MP/WN LST
11=PREV SCR 12=MAIN MENU 20=NEXT REC
21=REFRESH SCR 22=PREV MENU 24=HELP PA1=TERMINATE
B MY JOB LU #3

OPR008M2 S001 O008 CHROMATOGRAPH GAS SAMPLE DETAIL 20:05:08.6 05/20/9

	MOL %	GPM (AT 14.73)
HYDROGEN		
HELIUM		
NITROGEN	0.11	
OXYGEN		
HYDROGEN SULFIDE		
CARBON DIOXIDE	1.51	
METHANE	92.75	
ETHANE	4.02	1.0754
PROPANE	0.79	0.2177
ISO-BUTANE	0.24	0.0785
N-BUTANE	0.16	0.0504
ISO-PENTANE	0.12	0.0439
N-PENTANE	0.05	0.0181
HEXANE		
HEXANE PLUS	0.25	0.1091
HEPTANE PLUS		
TOTALS	100.00	1.5931

** DATA AT 14.730 PSIG UNLESS NOTED **

MP NUMBER 95441
EFFECTIVE DATE 19960701

-- GASOLINE CONTENT (GPM) --
26/70 GASOLINE
100% PROPANE
EXCESS BUTANES
TOTAL

----- SPECIFIC GRAVITY -----
CALCULATED 0.6120
MEASURED

SULPHER GRAINS / 100 CU FT

03=MAIN SCREEN 24=HELP PA1=TERMINATE
B MY JOB NUM LU #3

REQUESTED RECORD NOT FOUND (NEXT RECORD DISPLAYED)
OPR008M1 S001 O008 CHROMATOGRAPH TEST MAIN SCREEN 20:06:04.5 05/20/97

FUNCTION (A,C,D,I) i ** DATA AT TEST PRESSURE UNLESS NOTED **
MP NUMBER 72142 SAN JUAN 29-7 UNIT 59
EFFECTIVE DATE 19960701
REGION CD 42 SAN JUAN
MP TYPE CODE 10 GAS METER - WELLHEAD SALES

SAMPLE TYPE CODE (GAS,LIQ,BTU) GAS ------- BTU/CF -------
SAMPLE DATE 19960510 --- (AT 14.73 PSIG) --
SAMPLE LINE PRESSURE (PSIG) WET 1169.310 DRY 1190.000
SAMPLE LINE TEMPERATURE (DEG F)
TEST DATE ------- BTU/CF -------
TEST PRESSURE (PSIG) 14.730 WET 1169.310 DRY 1190.000
TEST TEMPERATURE (DEG F) 60 VAPOR FACTOR
TEST LIFE (MONTHS) 6
TESTER SOURCE BA NUMBER 098795 EL PASO FIELD SERVICES
TEST PURPOSE CODE

03=DETAIL SCR 04=MP-NM BRWS 06=MP/DS LST 07=MP/WN LST
11=PREV SCR 12=MAIN MENU 20=NEXT REC
21=REFRESH SCR 22=PREV MENU 24=HELP PA1=TERMINATE
B MY JOB LU #3

OPR008M2 S001 O008 CHROMATOGRAPH GAS SAMPLE DETAIL 20:06:09.4 05/20/9

	MOL %	GPM (AT 14.73)
HYDROGEN		
HELIUM		
NITROGEN	0.17	
OXYGEN		
HYDROGEN SULFIDE		
CARBON DIOXIDE	1.06	
METHANE	84.73	
ETHANE	7.72	2.0651
PROPANE	3.53	0.9729
ISO-BUTANE	0.69	0.2257
N-BUTANE	0.97	0.3058
ISO-PENTANE	0.38	0.1390
N-PENTANE	0.30	0.1087
HEXANE		
HEXANE PLUS	0.45	0.1963
HEPTANE PLUS		
TOTALS	100.00	4.0135

** DATA AT 14.730 PSIG UNLESS NOTED **

MP NUMBER 72142
EFFECTIVE DATE 19960701

-- GASOLINE CONTENT (GPM) --
26/70 GASOLINE
100% PROPANE
EXCESS BUTANES
TOTAL

----- SPECIFIC GRAVITY -----
CALCULATED 0.6870
MEASURED

SULPHER GRAINS / 100 CU FT

03=MAIN SCREEN 24=HELP PA1=TERMINATE
B MY JOB NUM LU #3

San Juan 29-7 Unit #128M
Bottom Hole Pressures
Flowing and Static BHP
Cullender and Smith Method

Version 1.0 3/13/94

Mesaverde		Dakota	
MV-Current		**DK-Current**	
GAS GRAVITY	0.687	GAS GRAVITY	0.612
COND. OR MISC. (C/M)	C	COND. OR MISC. (C/M)	C
%N2	0.17	%N2	0.11
%CO2	1.06	%CO2	1.51
%H2S	0.00	%H2S	0.00
DIAMETER (IN)	2.375	DIAMETER (IN)	2.375
DEPTH (FT)	5434	DEPTH (FT)	7997
SURFACE TEMPERATURE (DEG F)	60	SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	142	BOTTOMHOLE TEMPERATURE (DEG F)	197
FLOWRATE (MCFPD)	0	FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	555	SURFACE PRESSURE (PSIA)	762
BOTTOMHOLE PRESSURE (PSIA)	636.9	BOTTOMHOLE PRESSURE (PSIA)	905.0
MV-Original		**DK-Original**	
GAS GRAVITY	0.687	GAS GRAVITY	0.612
COND. OR MISC. (C/M)	C	COND. OR MISC. (C/M)	C
%N2	0.17	%N2	0.11
%CO2	1.06	%CO2	1.51
%H2S	0.00	%H2S	0.00
DIAMETER (IN)	2.375	DIAMETER (IN)	2.375
DEPTH (FT)	5434	DEPTH (FT)	7997
SURFACE TEMPERATURE (DEG F)	60	SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	142	BOTTOMHOLE TEMPERATURE (DEG F)	197
FLOWRATE (MCFPD)	0	FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	1074	SURFACE PRESSURE (PSIA)	2621
BOTTOMHOLE PRESSURE (PSIA)	1247.9	BOTTOMHOLE PRESSURE (PSIA)	3156.8

DIC

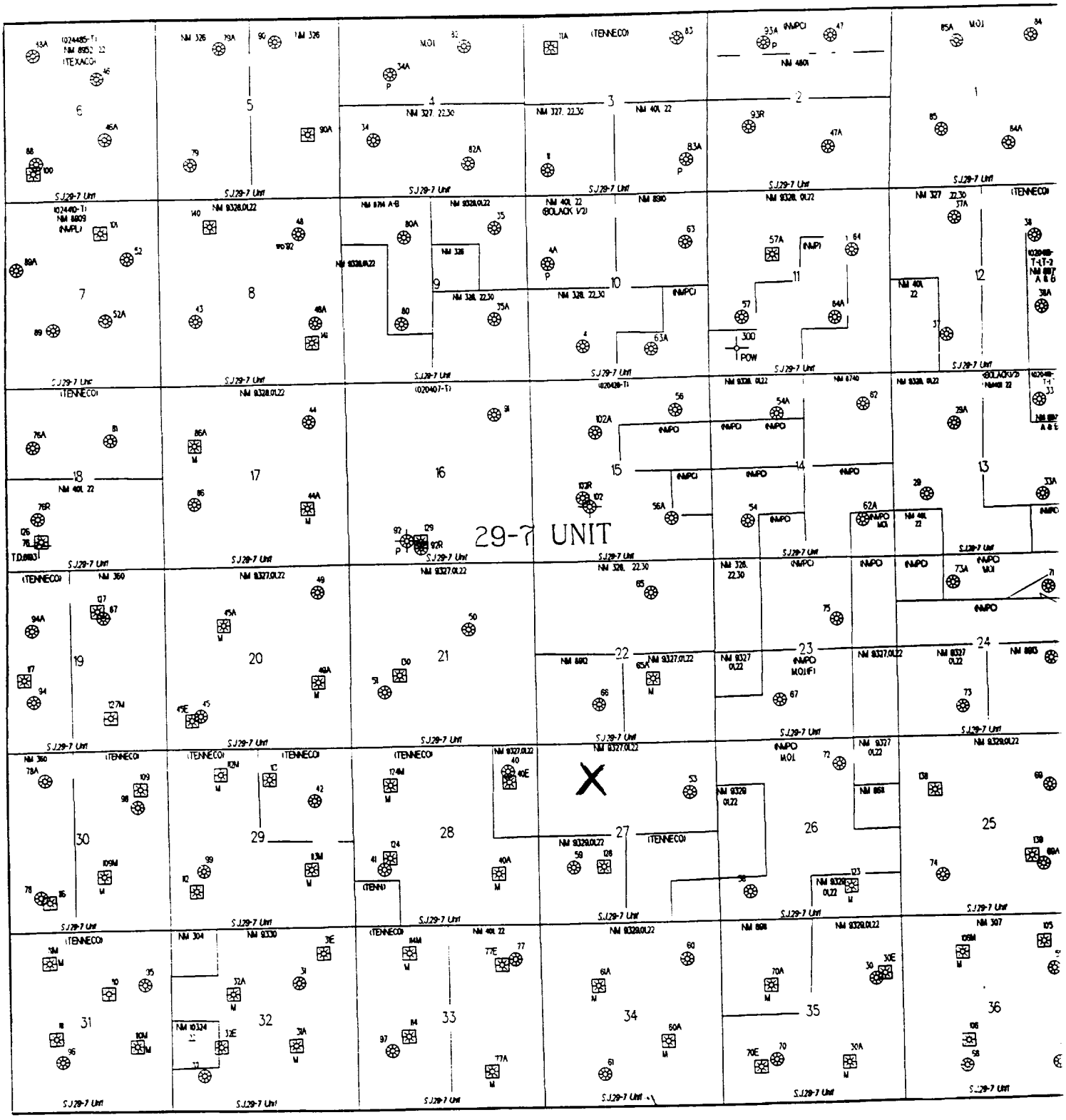
Page No.: 1
Print Time: Tue May 20 10:17:46 1997
Property ID: 2096
Property Name: SAN JUAN 29-7 UNIT | 128 | 1474-1
Table Name: K:\ARIES\RR98PDP\TEST.DBF

--DATE--	---CUM_GAS-- Mcf	M_SIWHP Psi	
09/20/85	0	2621.0	← initial
12/09/85	45737	1425.0	
10/04/86	76784	1339.0	
11/23/87	156265	1012.0	
10/10/88	199995	900.0	
07/31/90	265515	833.0	
05/28/92	329433	826.0	
11/02/92	350683	762.0	← current

MV

Page No.: 1
Print Time: Tue May 20 10:15:41 1997
Property ID: 4444
Property Name: SAN JUAN 29-7 UNIT | 59 | 69656-1
Table Name: K:\ARIES\RR98PDP\TEST.DBF

--DATE--	---CUM_GAS-- Mcf	M_SIWHP Psi	
07/09/57	0	1074.0	← initial
09/26/57	0	1073.0	
12/06/58	75000	832.0	
03/29/59	106000	757.0	
09/06/60	266000	657.0	
10/05/61	362000	616.0	
03/13/62	386000	668.0	
02/12/63	448000	690.0	
02/07/64	519000	630.0	
02/25/65	578000	646.0	
02/28/66	631000	652.0	
01/10/67	0	0.0	
03/03/67	690000	614.0	
03/05/68	755000	604.0	
05/27/69	826023	583.0	
08/18/70	911787	533.0	
03/30/71	941027	571.0	
06/12/72	989933	627.0	
08/21/74	1055421	652.0	
04/20/76	1100007	651.0	
05/16/78	1179653	596.0	
07/29/80	1324662	466.0	
05/13/82	1416864	492.0	
07/05/84	1495661	474.0	
10/04/86	1558511	494.0	
05/21/89	1649163	514.0	
07/10/91	1694881	567.0	
07/30/91	1694881	555.0	← current


29-7 UNIT
SJ29-7 Unit
(TENNECO)
(NMPO)
NM 326
NM 327, 22.30
NM 328, 22.30
NM 328.0122
NM 327.0122
NM 329.0122
NM 330
NM 324
NM 360
NM 401, 22
NM 8740
NM 8890
NM 8910
NM 8915
NM 8927
NM 8928
NM 8929
NM 8931
NM 8932
NM 8933
NM 8934
NM 8935
NM 8936
NM 8937
NM 8938
NM 8939
NM 8940
NM 8941
NM 8942
NM 8943
NM 8944
NM 8945
NM 8946
NM 8947
NM 8948
NM 8949
NM 8950
NM 8951
NM 8952
NM 8953
NM 8954
NM 8955
NM 8956
NM 8957
NM 8958
NM 8959
NM 8960
NM 8961
NM 8962
NM 8963
NM 8964
NM 8965
NM 8966
NM 8967
NM 8968
NM 8969
NM 8970
NM 8971
NM 8972
NM 8973
NM 8974
NM 8975
NM 8976
NM 8977
NM 8978
NM 8979
NM 8980
NM 8981
NM 8982
NM 8983
NM 8984
NM 8985
NM 8986
NM 8987
NM 8988
NM 8989
NM 8990
NM 8991
NM 8992
NM 8993
NM 8994
NM 8995
NM 8996
NM 8997
NM 8998
NM 8999
NM 9000
NM 9001
NM 9002
NM 9003
NM 9004
NM 9005
NM 9006
NM 9007
NM 9008
NM 9009
NM 9010
NM 9011
NM 9012
NM 9013
NM 9014
NM 9015
NM 9016
NM 9017
NM 9018
NM 9019
NM 9020
NM 9021
NM 9022
NM 9023
NM 9024
NM 9025
NM 9026
NM 9027
NM 9028
NM 9029
NM 9030
NM 9031
NM 9032
NM 9033
NM 9034
NM 9035
NM 9036
NM 9037
NM 9038
NM 9039
NM 9040
NM 9041
NM 9042
NM 9043
NM 9044
NM 9045
NM 9046
NM 9047
NM 9048
NM 9049
NM 9050
NM 9051
NM 9052
NM 9053
NM 9054
NM 9055
NM 9056
NM 9057
NM 9058
NM 9059
NM 9060
NM 9061
NM 9062
NM 9063
NM 9064
NM 9065
NM 9066
NM 9067
NM 9068
NM 9069
NM 9070
NM 9071
NM 9072
NM 9073
NM 9074
NM 9075
NM 9076
NM 9077
NM 9078
NM 9079
NM 9080
NM 9081
NM 9082
NM 9083
NM 9084
NM 9085
NM 9086
NM 9087
NM 9088
NM 9089
NM 9090
NM 9091
NM 9092
NM 9093
NM 9094
NM 9095
NM 9096
NM 9097
NM 9098
NM 9099
NM 9100
NM 9101
NM 9102
NM 9103
NM 9104
NM 9105
NM 9106
NM 9107
NM 9108
NM 9109
NM 9110
NM 9111
NM 9112
NM 9113
NM 9114
NM 9115
NM 9116
NM 9117
NM 9118
NM 9119
NM 9120
NM 9121
NM 9122
NM 9123
NM 9124
NM 9125
NM 9126
NM 9127
NM 9128
NM 9129
NM 9130
NM 9131
NM 9132
NM 9133
NM 9134
NM 9135
NM 9136
NM 9137
NM 9138
NM 9139
NM 9140
NM 9141
NM 9142
NM 9143
NM 9144
NM 9145
NM 9146
NM 9147
NM 9148
NM 9149
NM 9150
NM 9151
NM 9152
NM 9153
NM 9154
NM 9155
NM 9156
NM 9157
NM 9158
NM 9159
NM 9160
NM 9161
NM 9162
NM 9163
NM 9164
NM 9165
NM 9166
NM 9167
NM 9168
NM 9169
NM 9170
NM 9171
NM 9172
NM 9173
NM 9174
NM 9175
NM 9176
NM 9177
NM 9178
NM 9179
NM 9180
NM 9181
NM 9182
NM 9183
NM 9184
NM 9185
NM 9186
NM 9187
NM 9188
NM 9189
NM 9190
NM 9191
NM 9192
NM 9193
NM 9194
NM 9195
NM 9196
NM 9197
NM 9198
NM 9199
NM 9200
NM 9201
NM 9202
NM 9203
NM 9204
NM 9205
NM 9206
NM 9207
NM 9208
NM 9209
NM 9210
NM 9211
NM 9212
NM 9213
NM 9214
NM 9215
NM 9216
NM 9217
NM 9218
NM 9219
NM 9220
NM 9221
NM 9222
NM 9223
NM 9224
NM 9225
NM 9226
NM 9227
NM 9228
NM 9229
NM 9230
NM 9231
NM 9232
NM 9233
NM 9234
NM 9235
NM 9236
NM 9237
NM 9238
NM 9239
NM 9240
NM 9241
NM 9242
NM 9243
NM 9244
NM 9245
NM 9246
NM 9247
NM 9248
NM 9249
NM 9250
NM 9251
NM 9252
NM 9253
NM 9254
NM 9255
NM 9256
NM 9257
NM 9258
NM 9259
NM 9260
NM 9261
NM 9262
NM 9263
NM 9264
NM 9265
NM 9266
NM 9267
NM 9268
NM 9269
NM 9270
NM 9271
NM 9272
NM 9273
NM 9274
NM 9275
NM 9276
NM 9277
NM 9278
NM 9279
NM 9280
NM 9281
NM 9282
NM 9283
NM 9284
NM 9285
NM 9286
NM 9287
NM 9288
NM 9289
NM 9290
NM 9291
NM 9292
NM 9293
NM 9294
NM 9295
NM 9296
NM 9297
NM 9298
NM 9299
NM 9300
NM 9301
NM 9302
NM 9303
NM 9304
NM 9305
NM 9306
NM 9307
NM 9308
NM 9309
NM 9310
NM 9311
NM 9312
NM 9313
NM 9314
NM 9315
NM 9316
NM 9317
NM 9318
NM 9319
NM 9320
NM 9321
NM 9322
NM 9323
NM 9324
NM 9325
NM 9326
NM 9327
NM 9328
NM 9329
NM 9330
NM 9331
NM 9332
NM 9333
NM 9334
NM 9335
NM 9336
NM 9337
NM 9338
NM 9339
NM 9340
NM 9341
NM 9342
NM 9343
NM 9344
NM 9345
NM 9346
NM 9347
NM 9348
NM 9349
NM 9350
NM 9351
NM 9352
NM 9353
NM 9354
NM 9355
NM 9356
NM 9357
NM 9358
NM 9359
NM 9360
NM 9361
NM 9362
NM 9363
NM 9364
NM 9365
NM 9366
NM 9367
NM 9368
NM 9369
NM 9370
NM 9371
NM 9372
NM 9373
NM 9374
NM 9375
NM 9376
NM 9377
NM 9378
NM 9379
NM 9380
NM 9381
NM 9382
NM 9383
NM 9384
NM 9385
NM 9386
NM 9387
NM 9388
NM 9389
NM 9390
NM 9391
NM 9392
NM 9393
NM 9394
NM 9395
NM 9396
NM 9397
NM 9398
NM 9399
NM 9400
NM 9401
NM 9402
NM 9403
NM 9404
NM 9405
NM 9406
NM 9407
NM 9408
NM 9409
NM 9410
NM 9411
NM 9412
NM 9413
NM 9414
NM 9415
NM 9416
NM 9417
NM 9418
NM 9419
NM 9420
NM 9421
NM 9422
NM 9423
NM 9424
NM 9425
NM 9426
NM 9427
NM 9428
NM 9429
NM 9430
NM 9431
NM 9432
NM 9433
NM 9434
NM 9435
NM 9436
NM 9437
NM 9438
NM 9439
NM 9440
NM 9441
NM 9442
NM 9443
NM 9444
NM 9445
NM 9446
NM 9447
NM 9448
NM 9449
NM 9450
NM 9451
NM 9452
NM 9453
NM 9454
NM 9455
NM 9456
NM 9457
NM 9458
NM 9459
NM 9460
NM 9461
NM 9462
NM 9463
NM 9464
NM 9465
NM 9466
NM 9467
NM 9468
NM 9469
NM 9470
NM 9471
NM 9472
NM 9473
NM 9474
NM 9475
NM 9476
NM 9477
NM 9478
NM 9479
NM 9480
NM 9481
NM 9482
NM 9483
NM 9484
NM 9485
NM 9486
NM 9487
NM 9488
NM 9489
NM 9490
NM 9491
NM 9492
NM 9493
NM 9494
NM 9495
NM 9496
NM 9497
NM 9498
NM 9499
NM 9500
NM 9501
NM 9502
NM 9503
NM 9504
NM 9505
NM 9506
NM 9507
NM 9508
NM 9509
NM 9510
NM 9511
NM 9512
NM 9513
NM 9514
NM 9515
NM 9516
NM 9517
NM 9518
NM 9519
NM 9520
NM 9521
NM 9522
NM 9523
NM 9524
NM 9525
NM 9526
NM 9527
NM 9528
NM 9529
NM 9530
NM 9531
NM 9532
NM 9533
NM 9534
NM 9535
NM 9536
NM 9537
NM 9538
NM 9539
NM 9540
NM 9541
NM 9542
NM 9543
NM 9544
NM 9545
NM 9546
NM 9547
NM 9548
NM 9549
NM 9550
NM 9551
NM 9552
NM 9553
NM 9554
NM 9555
NM 9556
NM 9557
NM 9558
NM 9559
NM 9560
NM 9561
NM 9562
NM 9563
NM 9564
NM 9565
NM 9566
NM 9567
NM 9568
NM 9569
NM 9570
NM 9571
NM 9572
NM 9573
NM 9574
NM 9575
NM 9576
NM 9577
NM 9578
NM 9579
NM 9580
NM 9581
NM 9582
NM 9583
NM 9584
NM 9585
NM 9586
NM 9587
NM 9588
NM 9589
NM 9590
NM 9591
NM 9592
NM 9593
NM 9594
NM 9595
NM 9596
NM 9597
NM 9598
NM 9599
NM 9600
NM 9601
NM 9602
NM 9603
NM 9604
NM 9605
NM 9606
NM 9607
NM 9608
NM 9609
NM 9610
NM 9611
NM 9612
NM 9613
NM 9614
NM 9615
NM 9616
NM 9617
NM 9618
NM 9619
NM 9620
NM 9621
NM 9622
NM 9623
NM 9624
NM 9625
NM 9626
NM 9627
NM 9628
NM 9629
NM 9630
NM 9631
NM 9632
NM 9633
NM 9634
NM 9635
NM 9636
NM 9637
NM 9638
NM 9639
NM 9640
NM 9641
NM 9642
NM 9643
NM 9644
NM 9645
NM 9646
NM 9647
NM 9648
NM 9649
NM 9650
NM 9651
NM 9652
NM 9653
NM 9654
NM 9655
NM 9656
NM 9657
NM 9658
NM 9659
NM 9660
NM 9661
NM 9662
NM 9663
NM 9664
NM 9665
NM 9666
NM 9667
NM 9668
NM 9669
NM 9670
NM 9671
NM 9672
NM 9673
NM 9674
NM 9675
NM 9676
NM 9677
NM 9678
NM 9679
NM 9680
NM 9681
NM 9682
NM 9683
NM 9684
NM 9685
NM 9686
NM 9687
NM 9688
NM 9689
NM 9690
NM 9691
NM 9692
NM 9693
NM 9694
NM 9695
NM 9696
NM 9697
NM 9698
NM 9699
NM 9700
NM 9701
NM 9702
NM 9703
NM 9704
NM 9705
NM 9706
NM 9707
NM 9708
NM 9709
NM 9710
NM 9711
NM 9712
NM 9713
NM 9714
NM 9715
NM 9716
NM 9717
NM 9718
NM 9719
NM 9720
NM 9721
NM 9722
NM 9723
NM 9724
NM 9725
NM 9726
NM 9727
NM 9728
NM 9729
NM 9730
NM 9731
NM 9732
NM 9733
NM 9734
NM 9735
NM 9736
NM 9737
NM 9738
NM 9739
NM 9740
NM 9741
NM 9742
NM 9743
NM 9744
NM 9745
NM 9746
NM 9747
NM 9748
NM 9749
NM 9750
NM 9751
NM 9752
NM 9753
NM 9754
NM 9755
NM 9756
NM 9757
NM 9758
NM 9759
NM 9760
NM 9761
NM 9762
NM 9763
NM 9764
NM 9765
NM 9766
NM 9767
NM 9768
NM 9769
NM 9770
NM 9771
NM 9772
NM 9773
NM 9774
NM 9775
NM 9776
NM 9777
NM 9778
NM 9779
NM 9780
NM 9781
NM 9782
NM 9783
NM 9784
NM 9785
NM 9786
NM 9787
NM 9788
NM 9789
NM 9790
NM 9791
NM 9792
NM 9793
NM 9794
NM 9795
NM 9796
NM 9797
NM 9798
NM 9799
NM 9800
NM 9801
NM 9802
NM 9803
NM 9804
NM 9805
NM 9806
NM 9807
NM 9808
NM 9809
NM 9810
NM 9811
NM 9812
NM 9813
NM 9814
NM 9815
NM 9816
NM 9817
NM 9818
NM 9819
NM 9820
NM 9821
NM 9822
NM 9823
NM 9824
NM 9825
NM 9826
NM 9827
NM 9828
NM 9829
NM 9830
NM 9831
NM 9832
NM 9833
NM 9834
NM 9835
NM 9836
NM 9837
NM 9838
NM 9839
NM 9840
NM 9841
NM 9842
NM 9843
NM 9844
NM 9845
NM 9846
NM 9847
NM 9848
NM 9849
NM 9850
NM 9851
NM 9852
NM 9853
NM 9854
NM 9855
NM 9856
NM 9857
NM 9858
NM 9859
NM 9860
NM 9861
NM 9862
NM 9863
NM 9864
NM 9865
NM 9866
NM 9867
NM 9868
NM 9869
NM 9870
NM 9871
NM 9872
NM 9873
NM 9874
NM 9875
NM 9876
NM 9877
NM 9878
NM 9879
NM 9880
NM 9881
NM 9882
NM 9883
NM 9884
NM 9885
NM 9886
NM 9887
NM 9888
NM 9889
NM 9890
NM 9891
NM 9892
NM 9893
NM 9894
NM 9895
NM 9896
NM 9897
NM 9898
NM 9899
NM 9900
NM 9901
NM 9902
NM 9903
NM 9904
NM 9905
NM 9906
NM 9907
NM 9908
NM 9909
NM 9910
NM 9911
NM 9912
NM 9913
NM 9914
NM 9915
NM 9916
NM 9917
NM 9918
NM 9919
NM 9920
NM 9921
NM 9922
NM 9923
NM 9924
NM 9925
NM 9926
NM 9927
NM 9928
NM 9929
NM 9930
NM 9931
NM 9932
NM 9933
NM 9934
NM 9935
NM 9936
NM 9937
NM 9938
NM 9939
NM 9940
NM 9941
NM 9942
NM 9943
NM 9944
NM 9945
NM 9946
NM 9947
NM 9948
NM 9949
NM 9950
NM 9951
NM 9952
NM 9953
NM 9954
NM 9955
NM 9956
NM 9957
NM 9958
NM 9959
NM 9960
NM 9961
NM 9962
NM 9963
NM 9964
NM 9965
NM 9966
NM 9967
NM 9968
NM 9969
NM 9970
NM 9971
NM 9972
NM 9973
NM 9974
NM 9975
NM 9976
NM 9977
NM 9978
NM 9979
NM 9980
NM 9981
NM 9982
NM 9983
NM 9984
NM 9985
NM 9986
NM 9987
NM 9988
NM 9989
NM 9990
NM 9991
NM 9992
NM 9993
NM 9994
NM 9995
NM 9996
NM 9997
NM 9998
NM 9999

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. 11629
ORDER NO. R-10697

APPLICATION OF BURLINGTON RESOURCES
OIL & GAS COMPANY FOR THE ESTABLISHMENT
OF A DOWNHOLE COMMINGLING "REFERENCE
CASE" FOR ITS SAN JUAN 29-7 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 8th 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 29-7 Unit, San Juan County, New Mexico.

(3) Division Rule No. 303.E., amended by Order No. R-10470-A, currently states:

"If sufficient data exists on a lease, pool, formation, geographic area, etc., so as to render it unnecessary to repeatedly provide such data on Form C-107-A, an operator may except any of the various criteria required under Paragraph 303.D. of this rule by establishing a "reference case". The Division, upon its own motion, or by application from an operator, may establish "reference cases" either administratively or by hearing. Upon Division approval of such "reference cases" for specific criteria, subsequent applications to downhole commingle (Form C-107-A) will be required only to cite the Division order number which established such exceptions and shall not be required to submit data for those criteria."

(4) The applicant is the current operator of the San Juan 29-7 Unit which encompasses some 22.500 acres in Township 29 North, Range 7 West, NMPM, San Juan County, New Mexico.

(5) Within the San Juan 29-7 Unit, the applicant currently operates fifty-five (55) Basin-Dakota Gas Pool wells, one hundred thirty-one (131) Blanco-Mesaverde Gas Pool wells, thirteen (13) Blanco-Pictured Cliffs and South Blanco-Pictured Cliffs Gas Pool wells, and forty-nine (49) Basin-Fruitland Coal Gas Pool wells.

(6) According to its evidence and testimony, Burlington seeks to:

a) establish a "reference case" for marginal economic criteria in the Dakota and Pictured Cliffs formations whereby these formations and/or pools may be identified as "marginal" on Form C-107-A's subsequently filed for wells within the San Juan 29-7 Unit. The applicant further proposes that the data provided in the immediate case serve as supplemental data or confirmation that these formations and/or pools should be classified as "marginal";

b). establish a "reference case" for pressure criteria in the Dakota and Pictured Cliffs formations whereby the Division may utilize data provided in the immediate case to verify the pressure data provided on Form C-107-A's subsequently filed for wells within the San Juan 29-7 Unit;

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 29-7 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 29-7 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 29-7 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 245 MMCFG and 76 MMCFG, respectively;

c) the average initial producing rate for a newly drilled or recompleted Dakota and Pictured Cliffs gas well is approximately 218 MCFGD and 238 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 29-7 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 29-7 Unit, the applicant presented engineering evidence and testimony which indicates that:

a) the average shut-in bottomhole pressure within the Dakota and Pictured Cliffs formations at the time of initial development was approximately 3,209 psi and 1,148 psi, respectively; and,

b) the average current shut-in bottomhole pressure within the Dakota and Pictured Cliffs formations is approximately 952 psi and 655 psi, respectively.

(10) There is sufficient pressure data available within the San Juan 29-7 Unit so as to except pressure criteria as proposed by the applicant.

(11) The applicant testified that various allocation methods will be utilized for downhole commingled wells within the San Juan 29-7 Unit depending on the circumstances. Some of the methods and circumstances are described as follows:

a) the subtraction method will likely be utilized in those instances involving the Basin-Fruitland Coal Gas Pool and in those instances where a zone with a well established decline rate is commingled with a newly completed zone;

b) a fixed allocation formula will be utilized in those instances where production history for both zones is available, or in those instances where newly completed zones are tested and stabilized flow rates obtained.

(12) The allocation methods proposed by the applicant are routinely utilized by industry and approved by the Division and therefore, the proposal to except allocation formulas should be approved.

(13) In support of its request to establish a "reference case" or administrative procedure for providing notice within the San Juan 29-7 Unit the applicant presented evidence and testimony which indicates that:

a) the interest ownership between two zones within a given wellbore in the San Juan 29-7 Unit is generally not common;

b) pursuant to Division Rule No. 303.D., applicant is currently required to notify all interest owners within the San Juan 29-7 Unit every time a Form C-107-A is submitted to the Division. There are a considerable number of such interest owners within the unit;

c) providing notice to each interest owner within the San Juan 29-7 Unit of subsequent downhole commingling is unnecessary and is an excessive burden on the applicant;

d) the downhole commingling of wells within the San Juan 29-7 Unit Area will benefit working, royalty, and overriding royalty interest owners. In addition, the downhole commingling of wells within the San Juan 29-7 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 29-7 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 29-7 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 29-7 Unit, San Juan County, New Mexico, is hereby approved.

(2) Upon filing of Division Form No. C-107-A's for wells subsequently downhole commingled within the San Juan 29-7 Unit Area, the applicant shall not be required to submit supporting data to justify the classification of the Pictured Cliffs and Dakota formations as "marginal", supporting data to verify the Pictured Cliffs and Dakota pressure information provided, and support or justification for utilizing a given method or formula for allocation of production, provided however, in the event any of the data described above appearing on Form C-107-A appears to be beyond the data range provided in this case, the Division may require the submittal of additional supporting data.

(3) In order to obtain Division authorization to downhole commingle wells within the San Juan 29-7 Unit, the applicant shall file a Form C-107-A with the Santa Fe and Aztec Offices of the Division. Such application shall contain all the information required under Rule No. 303.C. of the Division Rules and Regulations, provided however that the applicant shall not be required to provide notice to all interest owners within the San Juan 29-7 Unit of such proposed commingling.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LeMAY
Director

S E A L