

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 87505-6429Form C-107-A
New 3-12-96

APPROVAL PROCESS :

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

BURLINGTON RESOURCES OIL & GAS COMPANY

PO Box 4289, Farmington, NM 87499

Operator

Address

Zachry

17E

O, Sec. 35, T29N, R10W

San Juan

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 14538 Property Code 7654 API NO. 30-045-24801 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	Chacra - 82329		Dakota - 71599
2. Top and Bottom of Pay Section (Perforations)	3023' - 3152'		6447' - 6618'
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. 467 psia @ 3038' (Original) b. 1059 psia @ 3038'	a. b.	a. 486 Psia @ 6533' b. 1272 Psia @ 6533'
6. Oil Gravity (°API) or Gas BTU Content	1163 BTU		1248 BTU
7. Producing or Shut-In?	Producing		Producing
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: Rates:	Date: Rates:	Date: Rates:
* If Producing, give data and oil/gas/water of recent test (within 60 days)	Date: 5/28/98 Rates: 18 MCFD, 0 BOD, 0 BWD	Date: Rates:	Date: 5/28/98 Rates: 125 MCFD, 0.4 BOD, 0 BWD
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: Will supply after commingling	Oil: Gas:	Oil: Gas: Will supply after commingling

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 ☐ No11. 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 other? ☒ Yes ☐ No13. 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). _____

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 Kevin L. Midkiff TITLE Operations Engineer DATE 06-18-98TYPE OR PRINT NAME Kevin L. Midkiff TELEPHONE NO. (505) 326-9700

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-12
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

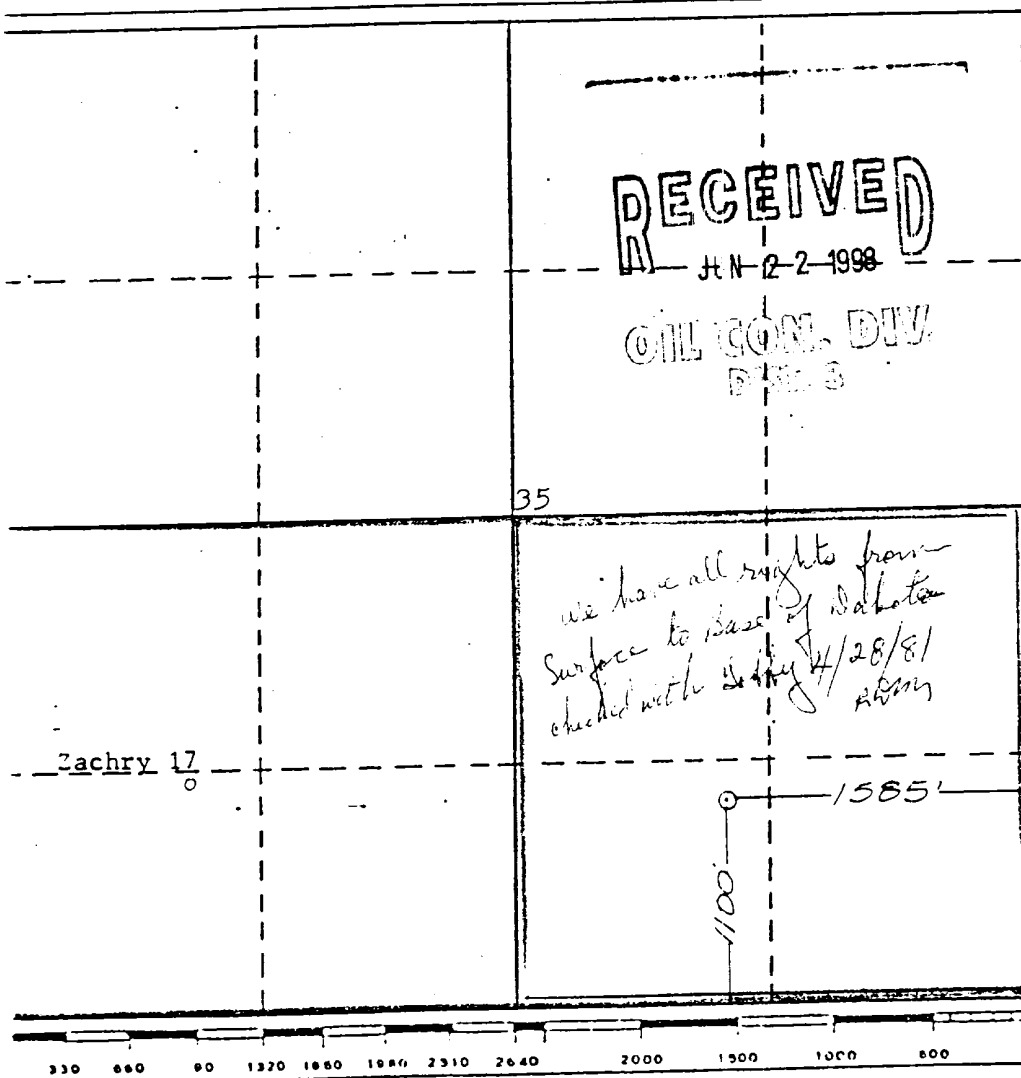
Owner SUPRON ENERGY CORPORATION			Lease ZACHRY		Well No. 17-E
Unit Letter 0	Section 35	Township 29 NORTH	Range 10 WEST	County SAN JUAN	
Actual Footage Location of Well: 1100 feet from the SOUTH line and 1585 feet from the EAST line					
Ground Level Elev. 5801	Producing Formation Chacra Dakota		Pool Dloomfield Extention Basin		Dedicated Acreage: 54 328.00 Acres

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 Commission.



CERTIFICATION

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

Rudy D. Motto

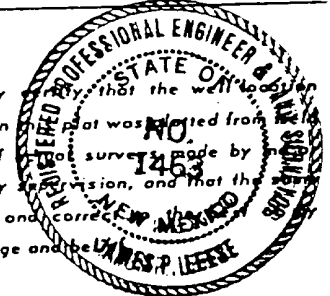
Name
Rudy D. Motto

Position
Area Superintendent

Company
SUPRON ENERGY CORPORATION

Date
October 13, 1980

I hereby certify that the well location shown on this plat was located from the notes of a survey made by me under my supervision, and that the same is true and correct to the best of my knowledge and belief.



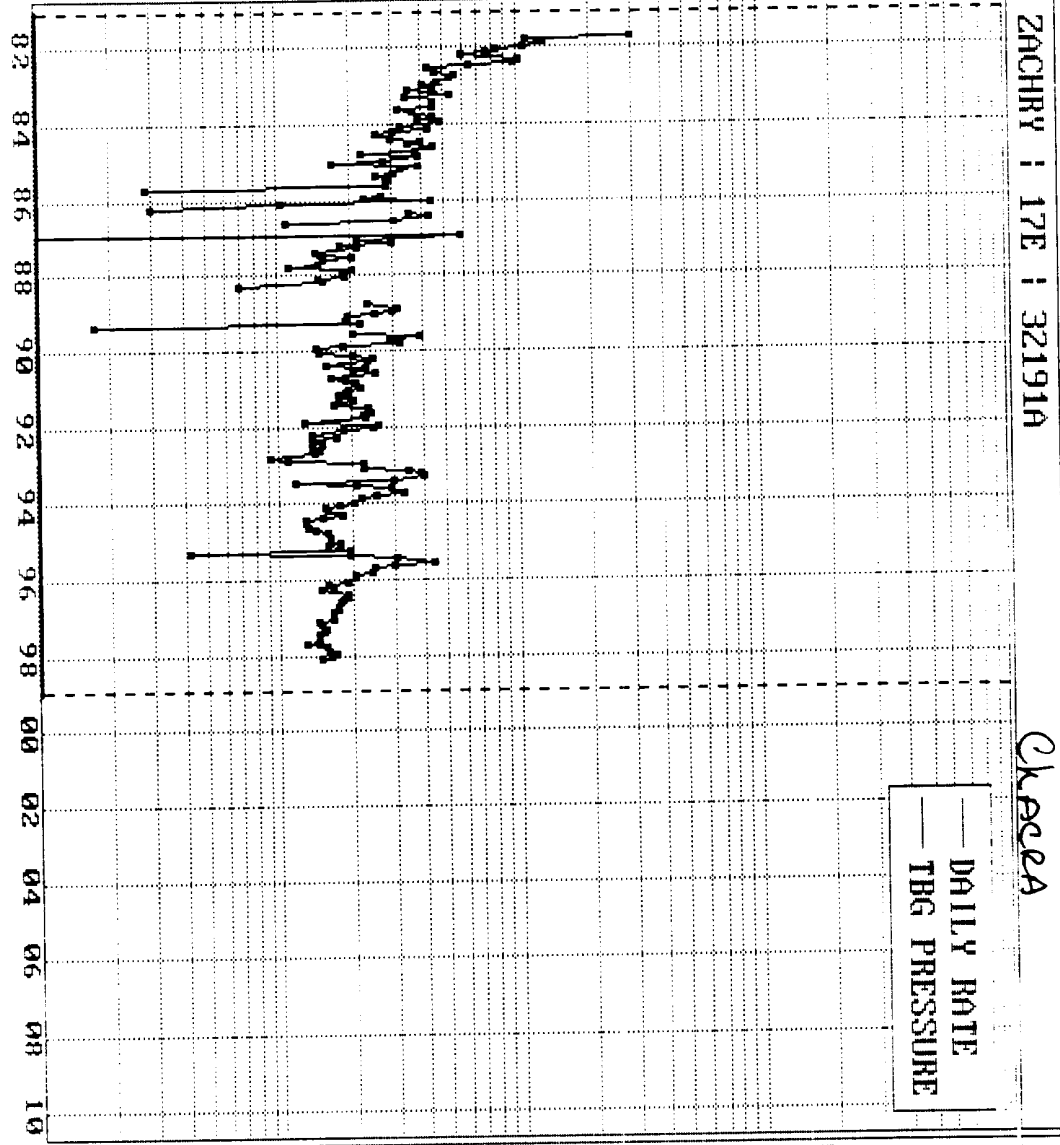
Date Surveyed
September 30, 1980

Registered Professional Engineer and/or Land Surveyor

James P. Leese
James P. Leese

Certificate No.
1463

8.1 1 1 1
 1 10 10 100
 10 100 1000 10000
 100 1000 10000 100000
 Mcf OIL
 OIL/GAS
 GAS
 *WATER



Chace

Prop 189 *

- ☐ *WATER Bbls/d
 - ☒ GAS Mcf/d
 - ☐ OIL/GAS Bbl/M
 - ☐ OIL Bbl/d
- ☒ RateTime
☒ Semi Log

Major = GAS

Zachry #17E
BHP
Cullender and Smith Method
Version 1.0 3/13/94

Chacra		Dakota	
<u>CH - Current</u>		<u>DK-Current</u>	
GAS GRAVITY	0.6699	GAS GRAVITY	0.7465
COND. OR MISC. (C/M)	M	COND. OR MISC. (C/M)	M
%N2	0.025	%N2	0.31
%CO2	0.27	%CO2	1.54
%H2S	0	%H2S	0
DIAMETER (IN)	4.5	DIAMETER (IN)	4.5
DEPTH (FT)	3038	DEPTH (FT)	6533
SURFACE TEMPERATURE (DEG F)	60	SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	98	BOTTOMHOLE TEMPERATURE (DEG F)	141
FLOWRATE (MCFPD)	0	FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	432	SURFACE PRESSURE (PSIA)	407
BOTTOMHOLE PRESSURE (PSIA)	466.6	BOTTOMHOLE PRESSURE (PSIA)	486.4
<u>CH - Original</u>		<u>DK-Original</u>	
GAS GRAVITY	0.6699	GAS GRAVITY	0.7465
COND. OR MISC. (C/M)	M	COND. OR MISC. (C/M)	M
%N2	0.25	%N2	0.31
%CO2	0.27	%CO2	1.54
%H2S	0	%H2S	0
DIAMETER (IN)	4.5	DIAMETER (IN)	4.5
DEPTH (FT)	3038	DEPTH (FT)	6533
SURFACE TEMPERATURE (DEG F)	60	SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	98	BOTTOMHOLE TEMPERATURE (DEG F)	141
FLOWRATE (MCFPD)	0	FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	972	SURFACE PRESSURE (PSIA)	1036
BOTTOMHOLE PRESSURE (PSIA)	1059.0	BOTTOMHOLE PRESSURE (PSIA)	1272.3

Page No.: 1

Print Time: Thu May 28 11:15:51 1998

Property ID: 189

Property Name: ZACHRY | 17E | 32191A *Chacia*

Table Name: S:\ARIES\KLMWORK\TEST.DBF

<u>--DATE--</u>	<u>---CUM_GAS--</u>	<u>M SIWHP</u>
	Mcf	Psi

05/16/81	0	960.0 - INITIAL PRESSURE
10/16/81	12491	607.0
04/24/82	29632	543.0
04/16/83	48518	541.0
07/11/93	132502	461.0

4/1/98 162768 420.00 *CURRENT BASED ON PRESSURE
VS. CUM GAS Plot*

Page No.: 1

Print Time: Thu May 28 11:16:09 1998

Property ID: 190

Property Name: ZACHRY | 17E | 32191B

DALOTIA

Table Name: S:\ARIES\KLMWORK\TEST.DBF

--DATE--	---CUM_GAS-- Mcf	M SIWHP Psi
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05/23/81	0	1024.0 - Initial Pressure
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04/24/82	64519	738.0
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04/16/83	124437	683.0
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07/02/85	203597	551.0
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08/17/88	272569	549.0
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07/13/93	307928	301.0
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4/1/98	377315	395.0
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Current based on Pressure vs Cum Gas Plot

Package Preparation Volume Data

DPNo: 32191A ZACHRY 17E Form: CH

Supt: 60 KEN RAYBON FF: 338 JOHNNY ELLIS MS: 389 JOE BECKER
 Pipeline: MOI Plunger: No Dual: Yes Compressor: No

Ownership (No Trust)			Prior Year			Current Year		
	Gas	Oil			Days			Days
				MCF/M	BOPM	On	MCF/M	BOPM
GWl:	100.0000%	100.0000%	Jan	520	0.0	31	502	0.0
GNI:	82.0000%	82.0000%	Feb	447	0.0	28	463	0.0
			Mar	466	0.0	31	469	0.0
<u>Volumes</u>			Apr	489	0.0	30	0	0.0
<u>(Days On)</u>	<u>MCFD</u>	<u>BOPD</u>	May	473	0.0	31	0	0.0
7 Day Avg	15	0.0	Jun	452	0.0	30	0	0.0
30 Day Avg	18	0.0	Jul	450	0.0	31	0	0.0
60 Day Avg	16	0.0	Aug	447	0.0	31	0	0.0
3 Mo Avg	16	0.0	Sept	399	0.0	30	0	0.0
6 Mo Avg	17	0.0	Oct	487	0.0	21.2	0	0.0
12 MoAvg	16	0.0	Nov	498	0.0	30	0	0.0
			Dec	536	0.0	31	0	0.0
<u>Volumes</u>			Total	5,664	0.0		1,434	0.0
<u>(Days in Month)</u>	<u>MCFD</u>	<u>BOPD</u>						
30 Day Avg	15	0.0						
60 Day Avg	15	0.0						
3 Mo Avg	16	0.0						
6 Mo Avg	16	0.0						
12 Mo Avg	16	0.0						

Print Form

Exit Volumes Data

5/28/98

Package Preparation Volume Data

DPNo: 32191B

ZACHRY

17E

Form: DK

Supt: 60 KEN RAYBON

FF: 338 JOHNNY ELLIS

MS: 389 JOE BECKER

Pipeline: MOI

Plunger: No

Dual: Yes

Compressor: No

Ownership (No Trust)

Prior Year

Current Year

						<u>Days</u>			<u>Days</u>		
						<u>On</u>			<u>On</u>		

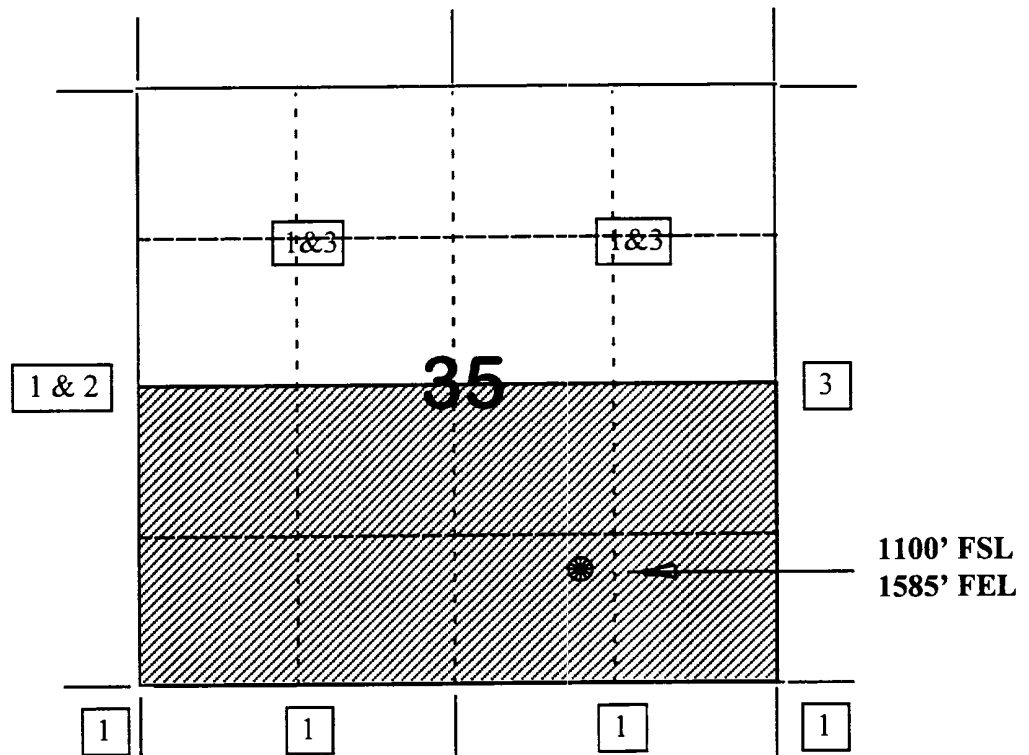
BURLINGTON RESOURCES OIL AND GAS COMPANY

Zachry #17E

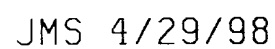
OFFSET OPERATOR/OWNER PLAT

Chacra (SE/4) /Dakota (S/2) Formations Commingle Well

Township 29 North, Range 10 West



- 1) Burlington Resources
- 2) Taurus Exploration
Attn: Rich Corcoran
2198 Bloomfield Hwy.
Farmington, NM 87401
- 3) Conoco Inc.
Attn: Lori Thorpe
10 Desta Drive, Ste. 100W
Midland, TX 79705-4500



Zachry 17E