

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
BLM

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

CONOCO INC.

3. Address and Telephone No.

10 DESTA DR. STE. 100W, MIDLAND, TX. 79705-4500 (915) 686-5424

4. Location of Well (Footage, Sec., T. R. M. or Survey Description)

Section 11, T-29-N, R-10-W, A  
110 FNL & 800 FEL

5. Lease Designation and Serial No.

SF 077092B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Houck #2

9. API Well No.

30-045-25805

10. Field and Pool, or Exploratory Area

Blanco Mesaverde, Basin Dakota

11. County or Parish, State

San Juan

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent  
☐ Subsequent Repon  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other Downhole Commingle  
☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracuring  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note: Repon result of multiple completion on well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

It is proposed to downhole commingle this well in the Mesaverde & the Dakota

SEE ATTACHED  
CONDITIONS OF APPROVAL

RECEIVED  
NOV 10 1993

OIL CON. DIV  
DEPT. 3

14. I hereby certify that the foregoing is true and correct

Signed

*Kay Maddox*

Title

Kay Maddox

Regulatory Agent

Date

2/24/98

(This space for Federal or State office use)

Approved by

*/s/ Duane W. Spencer*

Title

Date

NOV - 6 1998

Conditions of approval if any:

BLM(6), NMOCD(1), SHEAR, PONCA, COST ASST, FILE ROOM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

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

Operator Conoco Inc.

Address 10 Desta Dr. Ste 100W, Midland, Tx. 79705-4500

Lease Houck

Well No 2

Section 11, T29-N, R-10-W, A

County San Juan

OGRID NO. 005073

Property Code \_\_\_\_\_

API NO. \_\_\_\_\_

30-045-25805

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	Blanco Mesaverde 72319		Basin Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	4255-4800'		6670-6764'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow		Flowing
5. Bottomhole Pressure	a (Current)	a	a
Oil Zones - Artificial Lift: Estimated Current	432		501
Gas & Oil - Flowing: Measured Current	b (Original)	b	b
All Gas Zones: Estimated Or Measured Original	1195		1229
6. Oil Gravity (°API) or Gas BT Content	1200		
7. Producing or Shut-In?	To Be Completed		Producing
Production Marginal? (yes or no)	Yes		Yes
• If Shut-In give date and oil/gas/water rates of last production	Date Rates	Date Rates	Date Rates
Note: For new zones with no production history applicant shall be required to attach production estimates and supporting data.			
• If Producing, date and oil/gas/water rates of recent test (within 60 days)	Date Rates	Date Rates	Date Rates
	Production to be allocated by Subtraction - See Attached Table		EST 1/98 41 MCFD, .1 BOPD, 0 BOPD
8. Fixed Percentage Allocation Formula - % of 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. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S) \_\_\_\_\_

16. ATTACHMENTS

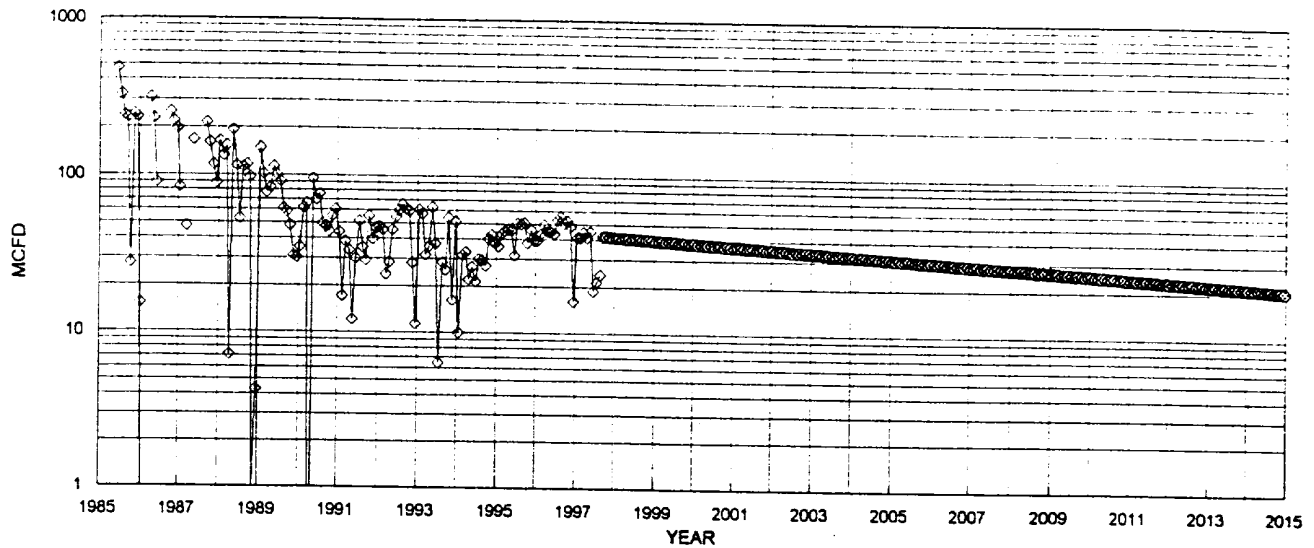
- \* C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- \* Production curve for each zone for at least one year. (If not available, attach explanation.)
- \* For zones with no production history, estimated production rates and supporting data.
- \* Data to support 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 Kay Maddox TITLE Regulatory Agent DATE 2/24/98

TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

**HOUCK 2 DAKOTA PRODUCTION  
SECTION 11A-29N-10W**



◆ DAKOTA MCFD ◆ FIT MCFD

DAKOTA HISTORICAL DATA		1ST PROD: 01/85	DAKOTA PROJECTED DATA	
OIL CUM:	1.3 MBO		1/1/98 Q1:	41 MCFD
GAS CUM:	288.8 MMCF		DECLINE RATE:	4.00% (EXPONENTIAL)
OIL YIELD:	0.0043 BBL/MCF		OIL YIELD:	0.0030 BBL/MCF, LAST 3 YEARS

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

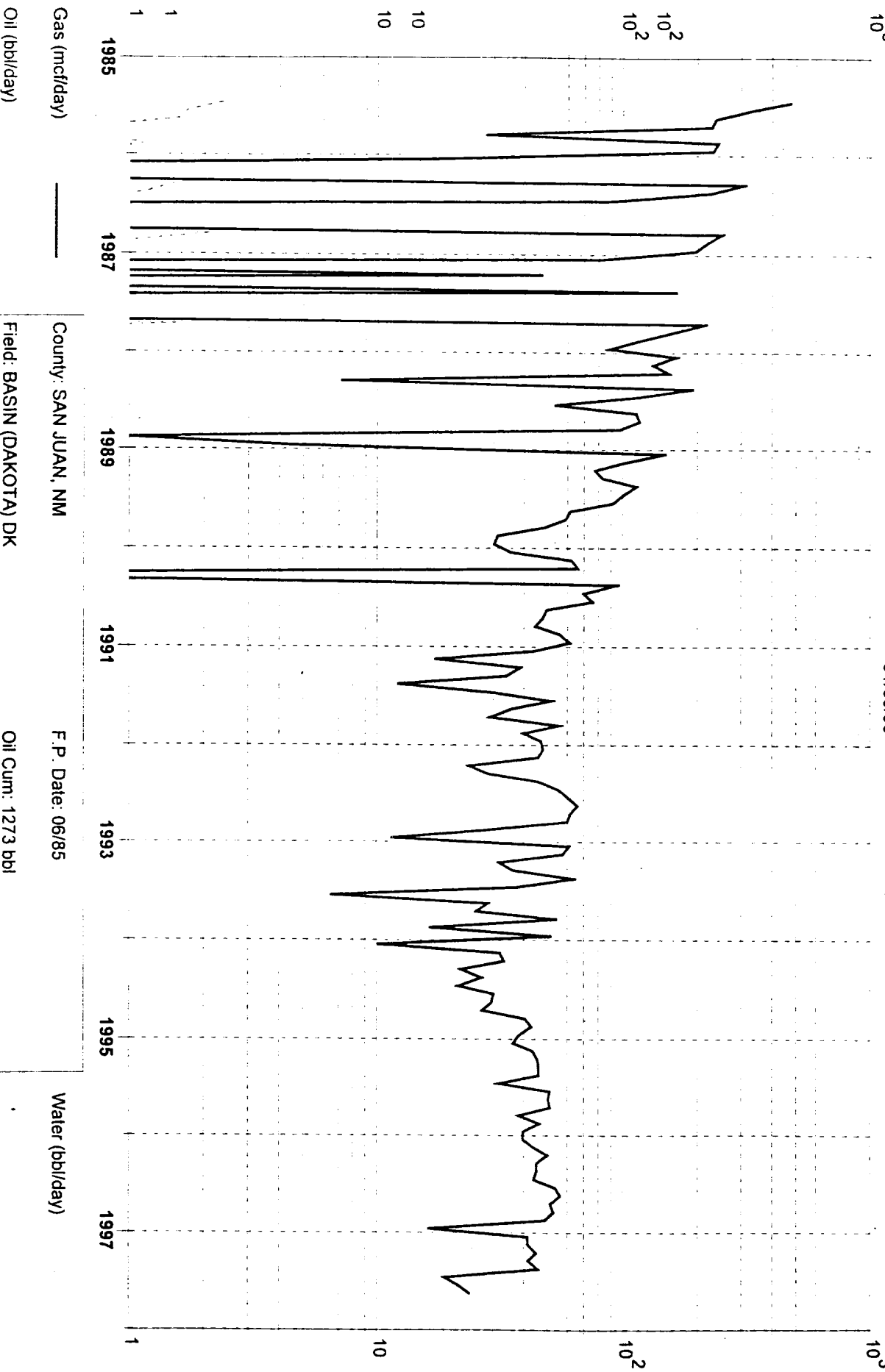
YEAR	MID-YEAR AVG MCFD	MID-YEAR AVG BOPO
1998	41	0.12
1999	38	0.12
2000	37	0.11
2001	36	0.11
2002	34	0.10
2003	33	0.10
2004	32	0.10
2005	31	0.09
2006	29	0.09
2007	28	0.08
2008	27	0.08
2009	26	0.08
2010	25	0.07
2011	24	0.07
2012	23	0.07
2013	22	0.07
2014	21	0.06
2015	20	0.06
2016	19	0.06
2017	19	0.06
2018	18	0.05
2019	17	0.05
2020	17	0.05
2021	16	0.05
2022	15	0.05
2023	15	0.04
2024	14	0.04
2025	13	0.04
2026	13	0.04
2027	12	0.04

# Dwights

Lease: HOUCK (2)

01/09/98

Retrieval Code: 251,045,29N10W11A00DK



County: SAN JUAN, NM  
Field: BASIN (DAKOTA) DK  
Reservoir: DAKOTA  
Operator: AMOCO PRODUCTION CO

F.P. Date: 06/85  
Oil Cum: 1273 bbl  
Gas Cum: 298.8 mmcf  
Location: 11A 29N 10W

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

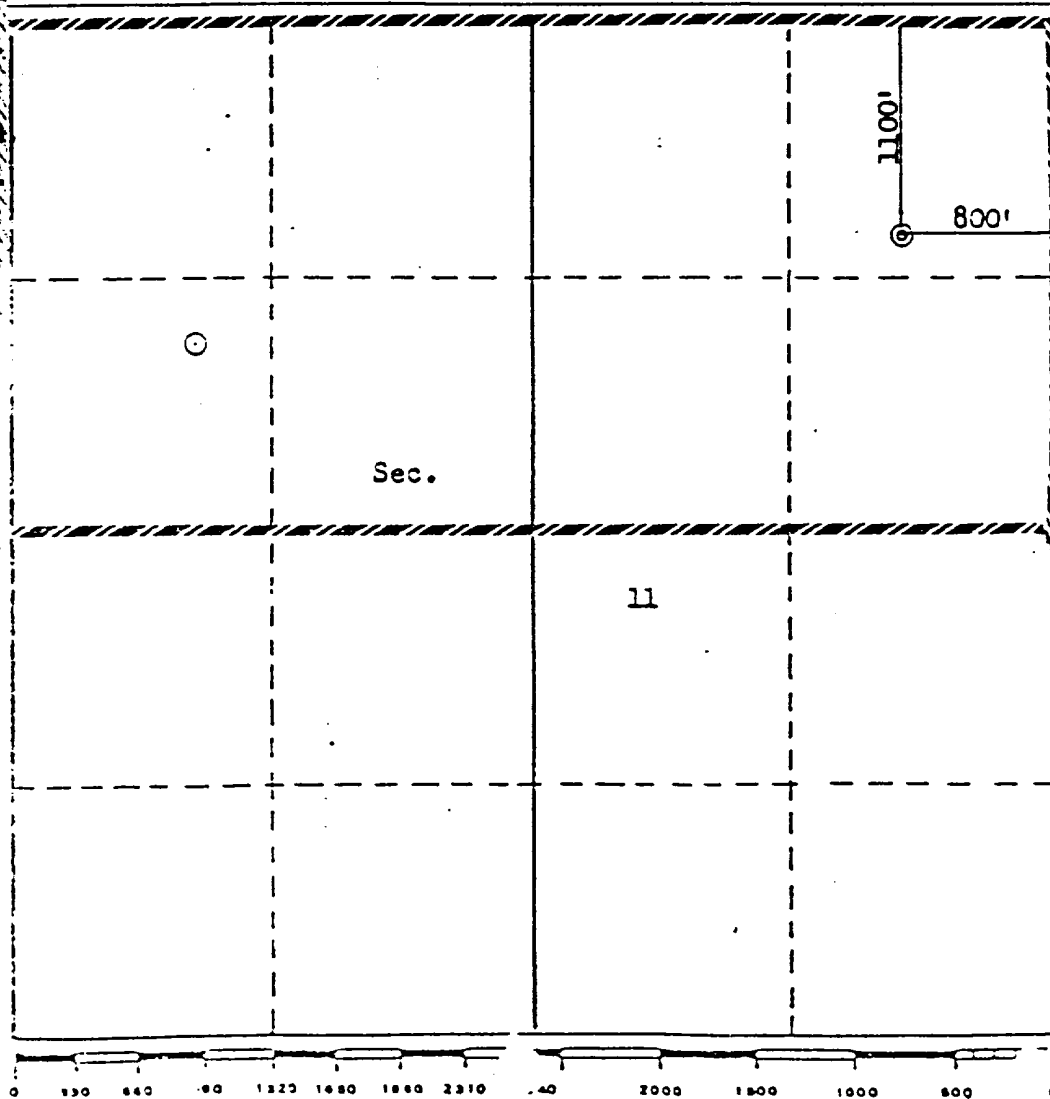
Operator <b>TENNECO OIL COMPANY</b>			Lease <b>HOUCK</b>		RECEIVED CLM	Well No. <b>2E</b>
Unit Letter <b>A</b>	Section <b>11</b>	Township <b>29N</b>	Range <b>10W</b>	County <b>San Juan</b>		
Actual Footage Location of Well: <b>1100</b> feet from the <b>North</b> line and <b>800</b> feet from the <b>East</b> line						
Ground Level Elev. <b>5333</b>	Producing Formation <b>Dakota</b>		Pool <b>Basin Dakota</b>	Dedicated Acreage: <b>3.20</b> 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.

FEB. 12. 1981  
CERTIFICATION

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

*R. A. Mishler*

Name

R. A. Mishler

Position

Sr. Production Analyst

Company

Tenneco Oil Company

Date

February 4, 1981

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.

Date Surveyed

August 23, 1950

Registered Professional Engineer and/or Land Surveyor

*Fred B. Karp*  
Fred B. Karp

Certificate No. 12.

3950

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

Form C-102

Revised February 21, 1994

instructions on back

OIL CONSERVATION DIVISION

PO Box 2088  
Santa Fe, NM 87504-2088

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

98 MAR -2 PM 1:38

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-25805	2 Pool Code 72319	3 Pool Name Blanco Mesaverde
4 Property Code	5 Property Name Houck	6 Well Number 2
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500	9 Elevation 5833'

10 Surface Location

UL or lot no. A	Section 11	Township 29N	Range 10W	Lot Idn	Feet from the 1100	North/South line North	Feet from the 800	East/West line East	County San Juan
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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	14 Consolidation Code	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				

17 OPERATOR CERTIFICATION

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

Signature

Kay Maddox

Printed Name

Regulatory Agent

Title

Date

18 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.

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number

Houck #2  
Section 11, T-29-N, R-10-W, A  
API # 30-045-25805  
San Juan County, New Mexico

RE: Downhole Commingle Application C-107A

**Notification of Offset Operators:**

Burlington Resources  
PO Box 4289  
Farmington, NM 87499

Amoco  
PO Box 800  
Denver, CO 80201

S&G Interests  
811 Dallas STE 1505  
Houston, TX 77002

## Conditions of Approval

Conoco Inc.  
Houck No. 2  
1100' FNL and 800' FEL  
Sec 11-29N-10W

- 1) Production allocation attributable to the Mesaverde Formation will be based on the **difference** in the established mid-year production forecast for the Dakota Formation and the commingled gas stream of both intervals. The established decline rate for the Dakota Formation is approximately 4.0% per year with a  $Q_i = 41$  Mcfgd (@1/1/98).

Commingled production from each zone must be reported in accordance with the allocation procedure authorized above. Any Oil production will also be allocated in accordance with this procedure. The effective date of commingling will be the date commingling of production first occurs.

- 2) Because there is a potential for cross flow between the Dakota and Mesaverde formations, contact this office in the event this well is shut-in for more than 30 days.

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Houck No. 2  
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