

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241 1980

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

DISTRICT II  
811 South First St. Artesia NM 88210 2835

APR 22 1997

OIL CONSERVATION DIVISION

2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429

DISTRICT III  
1000 Rio Brazos Rd. Aztec, NM 87410 1693

APPLICATION FOR DOWNHOLE COMMINGLING

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

Conoco Inc.

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

San Juan 28-7

227

A-36-T28N-R7W

Rio Arriba

Lease

Well No

Unit Ltr Sec Twp Rge

County

OGRID NO. 005073 Property Code 16608 API NO. 30-039-20887 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	Mesa Verde 72319		Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	4981- - 5890' OA		
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Expected to be Flowing		Flowing
5. Bottomhole Pressure	a (Current)	a.	a.
Oil Zones - Artificial Lift: Estimated Current	800 psia		680 psia
Gas & Oil - Flowing: Measured Current	b(Original)	b.	b.
All Gas Zones: Estimated Or Measured Original	1192		2925
6. Oil Gravity (*API) or Gas BT Content	1230		1129
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
	Incremental Production by Subtraction		Mid-Year avg. rates - see table
8. Fixed Percentage Allocation Formula - % for 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 ☐  
\* Conoco is offset operator to all San Juan 28-7 Unit wells.

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

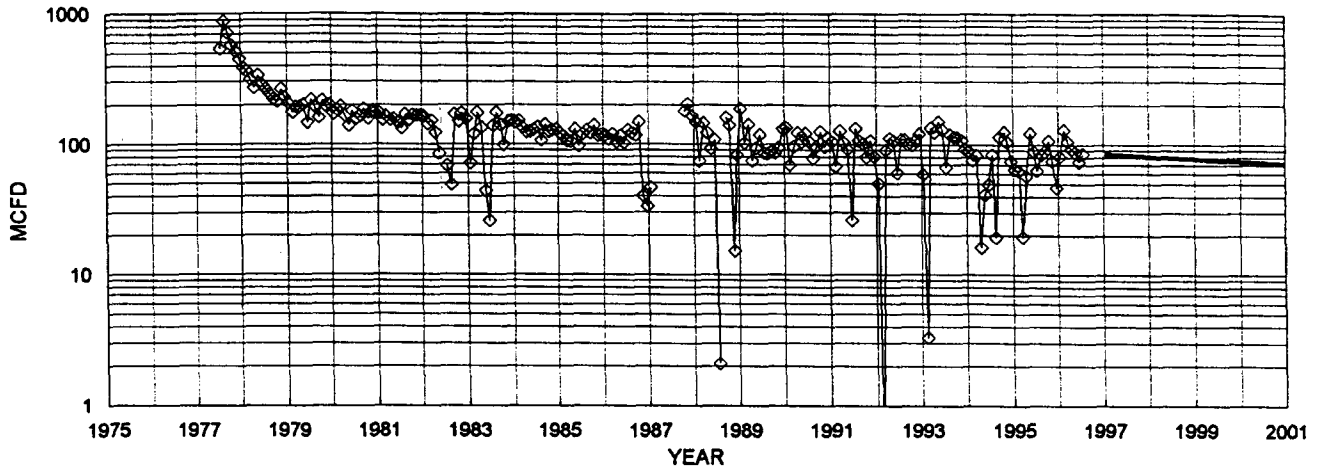
- \* C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- \* Production curve for each zone for at least one year. (If not available, attach explanation.)
- \* For zones with no production history, estimated production rates and supporting data.
- \* Data to support 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 Jerry W. Hoover TITLE Sr. Conservation Coord DATE 1/27/97

TYPE OR PRINT NAME Jerry W. Hoover TELEPHONE NO. (915) 686-6548

**SAN JUAN 28-7 UNIT NO. 227 DAKOTA PRODUCTION  
SECTION 36A-28N-07W**



◇ DAKOTA MCFD    — FIT MCFD

**DAKOTA HISTORICAL DATA:    1ST PROD: 7/77**

**OIL CUM:**                    2.85 MBO

**GAS CUM:**                    922.9 MMCF

**CUM OIL YIELD**            0.0031 BBL/MCF

**OIL YIELD:**                0.0021 BBL/MCF, LAST 3 YRS

**DAKOTA PROJECTED DATA**

**1/1/97 Qi:**                    85 MCFD

**DECLINE RATE:**            4.1% (EXPONENTIAL)

**PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION**

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
1996	83	0.2
1997	80	0.2
1998	77	0.2
1999	73	0.2
2000	70	0.1
2001	68	0.1
2002	65	0.1
2003	62	0.1
2004	60	0.1
2005	57	0.1
2006	55	0.1
2007	53	0.1
2008	50	0.1
2009	48	0.1
2010	46	0.1
2011	44	0.1
2012	43	0.1
2013	41	0.1
2014	39	0.1
2015	38	0.1
2016	36	0.1
2017	35	0.1
2018	33	0.1
2019	32	0.1
2020	30	0.1
2021	29	0.1
2022	28	0.1
2023	27	0.1
2024	26	0.1
2025	25	0.1
2026	24	0.0
2027	23	0.0
2028	22	0.0
2029	21	0.0
2030	20	0.0

## NEW MEXICO OIL CONSERVATION COMMISSION

UNITIZATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

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

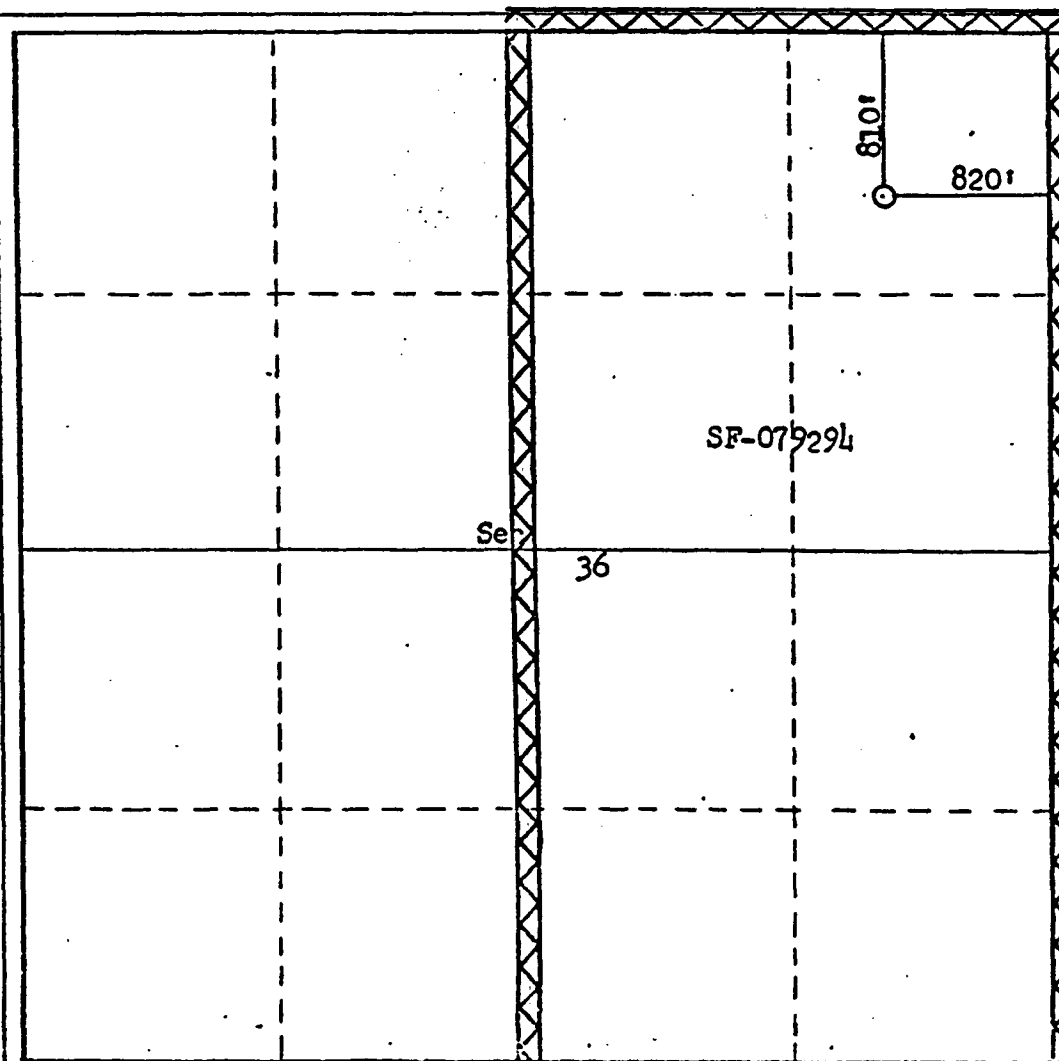
Operator <b>El Paso Natural Gas Company</b>			Lease <b>San Juan 28-7 Unit (SF-079294)</b>		Well No. <b>227</b>
Unit Letter <b>A</b>	Section <b>36</b>	Township <b>28N</b>	Range <b>7W</b>	County <b>Rio Arriba</b>	
Actual Footage Location of Well: <b>810</b> feet from the <b>North</b> line and <b>820</b> feet from the <b>East</b> line					
Ground Level Elev. <b>6626</b>	Producing Formation <b>Dakota</b>		Pool <b>Basin Dakota</b>		Dedicated Acreage: <b>328.06</b> Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 Unitization

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.

*M. G. Bisco*

Name  
Drilling Clerk

Position  
El Paso Natural Gas Co.

Company  
April 25, 1974

Date

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

March 25, 1974

Registered Professional Engineer and/or Land Surveyor

*Fred B. Kerr Jr.*  
Fred B. Kerr Jr.

Certificate No.

3050