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5/7/97
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Bonneville Fuels Corporation
A Subsidiary of Bonneville Pacific Corporation

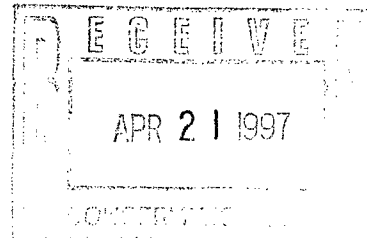
April 17, 1997

FAX 505 827-8177

TOTAL OF // PAGES

State of New Mexico
Oil Conservation Division
2040 S Pacheco
Santa Fe, NM 87505-6429

Re: Fullerton Federal #9



Dear Sirs:

Attached find our application for Downhole Commingling of the Basin Dakota and Kutz Gallup pools for the Fullerton Federal #9. Also find:

- 1.) Form C-102, Acreage Dedication Plat.
- 2.) Allocation method and estimated production rates
- 3.) Notification List of Offset Operators and Affidavit of Mailing.

Hard copy of applications and attachments will follow.

If you have any questions regarding this application please contact Alan L. Merrill, Operations Engineer, at the number listed below.

Sincerely

A handwritten signature in cursive script that reads "Doris Maly".

Doris Maly
Engineering Technician

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Asteo, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

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

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-8429

APPROVAL PROCESS:

Administrative Hearing

EXISTING WELLBORE

YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator BONNEVILLE FUELS CORPORATION Address 1660 Lincoln street Ste 1800 Denver CO 80264
Case Fullerton Federal # 9 Well No. M 13 27N 11W San Juan County
OGRID NO. 2678 Property Code API NO. 3004513047 Federal x State Land Fee Spacing Unit Lease Types: (check 1 or more)

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Kutz Gallup 36550		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	5684' - 5698'		6330' - 6340' 6386' - 6400'
3. Type of production (Oil or Gas)	Oil & Gas		Oil & Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 1200 psi (est.) b. (Original)	a. b.	a. 1000 psi (est.) b.
6. Oil Gravity (°API) or Gas BTU Content	40°API / 1200 BTU (est)		40°API / 1200 BTU (est)
7. Producing or Shut-In?	Not Completed		Not Completed
Production Marginal? (yes or no)	yes		yes
* If Shut-In, give date 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: New zone with Rates: no production	Date: Rates:	Date: New zone with Rates: no production
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: Rates:
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? x 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? x Yes No
11. Will cross-flow occur? Yes x 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? 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 Bureau of Land Management has been notified in writing of this application. x Yes No
15. NMOCD Reference Cases for Rule 303(C) 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 Alan L. Merrill TITLE Operations Engineer DATE 4/17/97
TYPE OR PRINT NAME Alan L Merrill TELEPHONE NO. (303) 863-1555

District I
PO Box 1990, Hobbs, NM 88241-1990
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 10, 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 3004513047	Pool Code 36550	Pool Name KUTZ GALLUP
Property Code	Property Name FULLERTON FEDERAL	Well Number #9
OGRID No. 002678	Operator Name BONNEVILLE FUELS CORPORATION	Elevation 6050' GR.

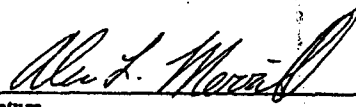
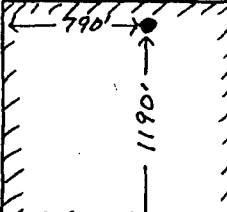
10 Surface Location

UL or lot no. M	Section 13	Township 27N	Range 11W	Lot Ida	Feet from the 1190	North/South line South	Feet from the 790	East/West line West	County San Juan
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11 Bottom Hole Location If Different From Surface

UL or lot no. Same	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40									

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 Alan L Merrill Printed Name Operations Engineer Title 4/4/97 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 Surveyer: Certificate Number				
 ACREAGE DEDICATION IN HACHURES									

Fullerton Federal #10
NESE Sec. 13-T27N-R11W
Production Data

Nearest Offset Dakota Producer

DATE (mm/yr)	OIL (bbls)	GAS (mscf)	GOR (mcf/bbl)
Jul-72	151	1157	7.662252
Aug-72	166	5023	30.25904
Sep-72	186	7492	40.27957
Oct-72	103	7367	71.52427
Nov-72	165	5816	35.24848
Dec-72	96	5059	52.69792
Jan-73	78	6274	80.4359
Feb-73	54	4688	86.81481
Mar-73	169	5539	32.77515
Apr-73	36	3772	104.7778
May-73	84	1240	14.7619
Jun-73	100	7010	70.1
Jul-73	59	6279	106.4237
Aug-73	90	5625	62.5
Sep-73	61	5355	87.78689
Oct-73	64	3903	60.98438
Nov-73	63	4824	76.57143
Dec-73	56	4387	78.33929
Jan-74	65	4248	65.35385
Feb-74	46	2845	61.84783
Mar-74	25	3983	159.32
Apr-74	57	2318	40.66667
May-74	94	4670	49.68085
Jun-74	35	2956	84.45714
Jul-74	109	4536	41.61468
Aug-74	108	4449	41.19444
Sep-74	70	4917	70.24286
Oct-74	55	3600	65.45455
Nov-74	96	5522	57.52083
Dec-74	98	5161	52.66327
Jan-75	83	4852	58.45783
Feb-75	54	3166	58.62963
Mar-75	51	3781	74.13725
Apr-75	80	2896	36.2
May-75	86	4793	55.73256
Jun-75	43	2482	57.72093
Jul-75	81	4324	53.38272
Aug-75	81	4554	56.22222
Sep-75	74	4663	63.01351
Oct-75	57	3327	58.36842

Allocation Method

Fullerton Federal #9 Reentry
SWSW Sec. 13-T27N-R11W
San Juan Co., New Mexico

The Dakota formation will be completed and tested for a period of time to establish a projected production rate (decline curve).

Once a decline curve is established for the Dakota formation, the zone will then be isolated. The Gallup formation will be completed and tested for a period of time to establish a projected production rate.

The allocation of oil and gas production will be based on the projected production rates (decline curves) of the two commingled zones.

Estimated Production Rates For Zones With No Production History

Estimated Dakota Production Rate

Production data from the Fullerton Federal #10 which was the nearest similar Dakota producer is attached.

Estimated Gallup Production Rate

Production data from the Fullerton Federal #8 which was the nearest similar Gallup producer is attached.

Fullerton Federal #8
SWNE Sec. 14-T27N-R11W
Production Data

DATE (mm/yr)	OIL (bbls)	GAS (mscf)	GOR (mcf/bbl)
May-65	56	1227	21.91071
Jun-65	68	2611	38.39706
Jul-65	62	2102	33.90323
Aug-65	49	1898	38.73469
Sep-65	90	2911	32.34444
Oct-65	38	1431	37.65789
Nov-65	75	2375	31.66667
Dec-65	89	2660	29.88764
Jan-66	64	2970	46.40625
Feb-66	49	3149	64.26531
Mar-66	40	1139	28.475
Apr-66	30	1078	35.93333
May-66	54	1904	35.25926
Jun-66	75	1654	22.05333
Jul-66	58	1467	25.2931
Aug-66	49	1467	29.93878
Sep-66	3	673	224.3333
Oct-66	0	55	ERR
Nov-66	0	28	ERR
Dec-66	0	298	ERR

Fullerton Federal #8
SWNE Sec. 14-T27N-R11W

Nearest Offset Gallup Producer

Production Data

DATE (mm/yr)	OIL (bbls)	GAS (mscf)	GOR (mcf/bbl)
Jan-62	194	7418	38.23711
Feb-62	175	4998	28.56
Mar-62	117	4950	42.30769
Apr-62	133	4771	35.87218
May-62	118	4866	41.23729
Jun-62	90	4243	47.14444
Jul-62	81	4443	54.85185
Aug-62	85	3909	45.98824
Sep-62	69	3456	50.08696
Oct-62	77	3543	46.01299
Nov-62	77	3703	48.09091
Dec-62	96	3514	36.60417
Jan-63	90	2978	33.08889
Feb-63	63	3811	60.49206
Mar-63	80	3088	38.6
Apr-63	69	3365	48.76812
May-63	58	3286	56.65517
Jun-63	9	1728	192
Jul-63	63	2748	43.61905
Aug-63	28	3481	124.3214
Sep-63	72	2739	38.04167
Oct-63	74	2523	34.09459
Nov-63	21	1932	92
Dec-63	56	2410	43.03571
Jan-64	68	2972	43.70588
Feb-64	96	3176	33.08333
Mar-64	37	2341	63.27027
Apr-64	57	2653	46.54386
May-64	109	3212	29.46789
Jun-64	48	2749	57.27083
Jul-64	53	2150	40.56604
Aug-64	37	2000	54.05405
Sep-64	30	1601	53.36667
Oct-64	12	1091	90.91667
Nov-64	6	595	99.16667
Dec-64	62	992	16
Jan-65	43	501	11.65116
Feb-65	70	2734	39.05714
Mar-65	74	1727	23.33784
Apr-65	58	1327	22.87931

Fullerton Federal #10**NESE Sec. 13-T27N-R11W****Production Data**

DATE (mm/yr)	OIL (bbls)	GAS (mscf)	GOR (mcf/bbl)
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Nov-75	71	3454	48.64789
Dec-75	65	4329	66.6
Jan-76	150	3848	25.65333
Feb-76	60	2988	49.8
Mar-76	35	2577	73.62857
Apr-76	53	2633	49.67925
May-76	50	3081	61.62
Jun-76	45	2801	62.24444
Jul-76	50	3339	66.78
Aug-76	10	135	13.5
Sep-76	0	0	ERR

AFFIDAVIT OF MAILING

STATE OF COLORADO

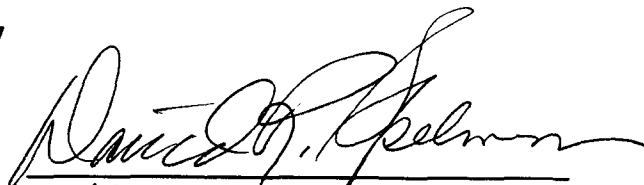
CITY & COUNTY OF DENVER

I, David R. Spelman, Land Manager, employed by Bonneville Fuels Corporation, being first duly sworn, deposes and says:

A Notice of Unorthodox Location and Intent to Commingle production from the Fullerton Federal #9 Well by Bonneville Fuels Corporation to the offset Operators was deposited on April 15, 1997, in the U. S. Mail for delivery, as certified mail, to each of the following named parties at the addresses shown below:

1. Amoco Production Company
Attn: West Div. Production Mgr.
P. O. Box 3092
Houston, TX 77253
2. Amoco Production
P. O. Box 3092
Houston, TX 77253
3. Burlington Resources Oil & Gas Company
801 Cherry Street, Suite 200
Ft. Worth, TX 76102
4. Universal Resources
P. O. Box 11070
Salt Lake City, UT 84147

Affiant Further Sayeth Not.


David R. Spelman
Land Manager

SUBSCRIBED AND SWORN TO BEFORE ME, IN MY PRESENCE, THIS 2nd day of April, 1997, a Notary Public in and for the State of Colorado.


Deborah A. Geary

My Commission Expires: September 30, 2000.

Bonneville Fuels Corporation
A Subsidiary of Bonneville Pacific Corporation

April 15, 1997

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

SEE ATTACHED MAILING LIST

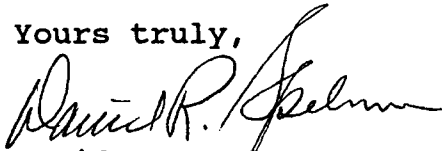
RE: Notice of Unorthodox Location and
Intent to Commingle
Fullerton Federal #9
1190' FSL, 790' FWL Sec. 13, T27N-R11W
Basin DK/Kutz
San Juan County, New Mexico

Dear Offset Owners:

Notice is hereby given, pursuant to the applicable State of New Mexico Oil Conservation Division Regulations, that Bonneville Fuels Corporation is seeking administrative approval to re-enter the Gov't Fullerton #9 Well, which was drilled and subsequently plugged and abandoned in March, 1961. Bonneville plans to use an existing well pad which coincides with the Fullerton Federal #13-14 Well. The proposed spacing for the Dakota is the S/2 and for the Gallup is the SW/4SW/4. This would be an unorthodox location for the Gallup. Bonneville is also seeking approval to commingle the production from the Gallup and Dakota in the event they are both productive.

Should you have any objections, you should file such statements with the Commission within 30 days. If you have any technical questions, please contact Mr. Alan Merrill, the project engineer, at the letterhead address.

Yours truly,


David R. Spelman
Land Manager

Mailing List

Burlington Resources Oil & Gas Company
801 Cherry Street, Suite 200
Ft. Worth, TX 76102

Amoco Production
P. O. Box 3092
Houston, TX 77253

Marathon Oil Company
P. O. Box 3128
Houston, TX 77253

Universal Resources
P. O. Box 11070
Salt Lake City, UT 84147

District I
PO Box 1900, Hobbs, NM 88241-1900
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 10, 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 3004513047		Pool Code -71599	Pool Name BASIN DAKOTA
Property Code	Property Name FULLERTON FEDERAL		Well Number #9
OGRID No. 002678	Operator Name BONNEVILLE FUELS CORPORATION		Elevation 6050' GR

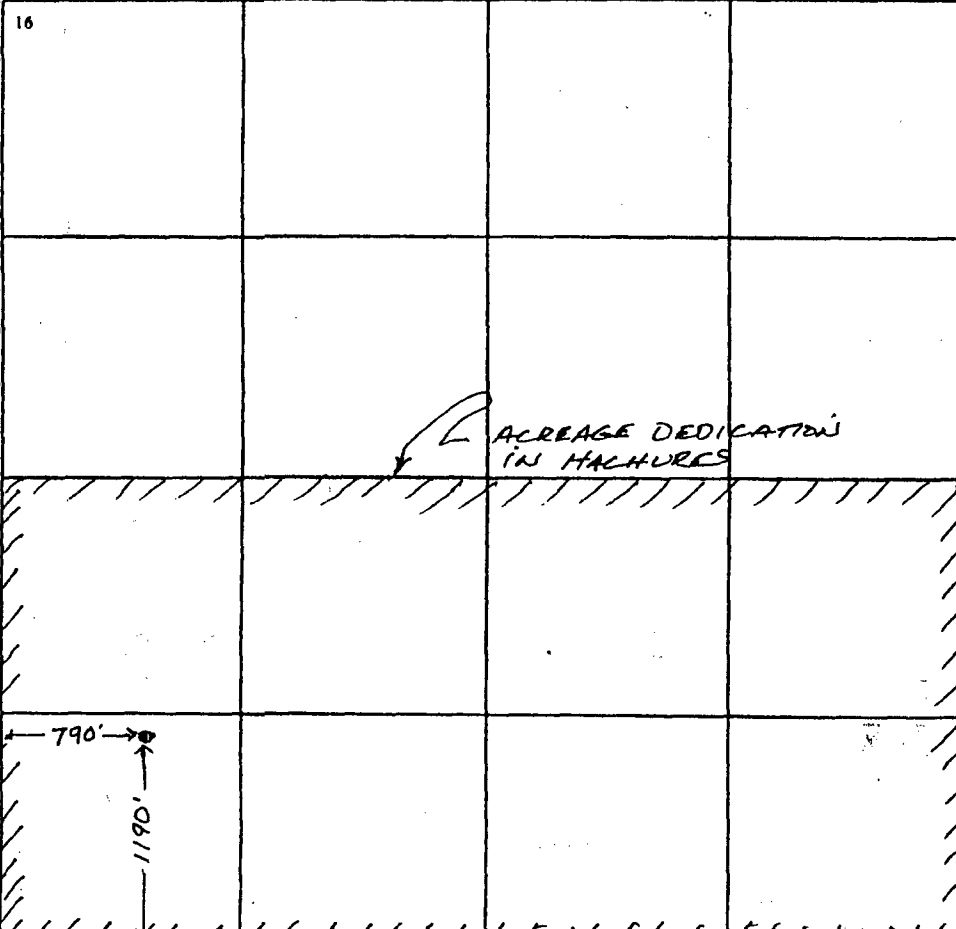
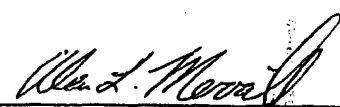
10 Surface Location

UL or lot no. M	Section 13	Township 27N	Range 11W	Lot Ida	Feet from the 1190	North/South line South	Feet from the 790	East/West line West	County San Juan
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11 Bottom Hole Location If Different From Surface

UL or lot no. Same	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 320									
13 Joint or Infill									
14 Consolidation Code									
15 Order No.									

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 Alan L. Merrill Printed Name Operations Engineer Title 4/4/97 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	