

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -

938

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

**Application Acronyms:**

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
[DD-Directional Drilling] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

APR 29 1998  
OIL CONSERVATION DIV.

**[1] TYPE OF APPLICATION - Check Those Which Apply for [A]**

[A] Location - Spacing Unit - Directional Drilling

☐ NSL    ☐ NSP    ☐ DD    ☐ SD

Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

☒ DHC    ☐ CTB    ☐ PLC    ☐ PC    ☐ OLS    ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX    ☐ PMX    ☐ SWD    ☐ IPI    ☐ EOR    ☐ PPR

**[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply**

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

**[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Kay Maddox  
Print or Type Name

Kay Maddox  
Signature

Regulatory Agent  
Title

4/27/98  
Date

DISTRICT I  
P.O. Box 1280, 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 Cole A Well No # 1E Unit Ltr Sec Twp Rge Section 35, T-28-N, R-10-W, 1 County San Juan

OGRID NO. 005073 Property Code                      API NO. 30-045-24117 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	Otero Chacra 82329		Basin Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	2967-3235'		6256-6417'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure	a (Current)	a.	a.
Oil Zones - Artificial Lift: Estimated Current	534		593
Gas & Oil - Flowing: Measured Current	b (Original)	b.	b.
All Gas Zones: Estimated Or Measured Original	683		2203
6. Oil Gravity ("API) or Gas BT Content	1150		1200
7. Producing or Shut-In?	Producing		Producing
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.  • If Producing, date and oil/gas/water rates of recent test (within 60 days)	Date Rates	Date Rates	Date Rates
	3/15/98 24 MCFD, 0 BOPD, 1.9 BWPD	3/15/98 41 MCFD, .05 BOPD, 0.7 BWPD	
8. Fixed Percentage Allocation Formula - % or each zone	Oil: 0 % Gas 34 %	Oil: % Gas %	Oil: 100 % Gas 66 %

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? X 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. X Yes      No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each others 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(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 4/27/98

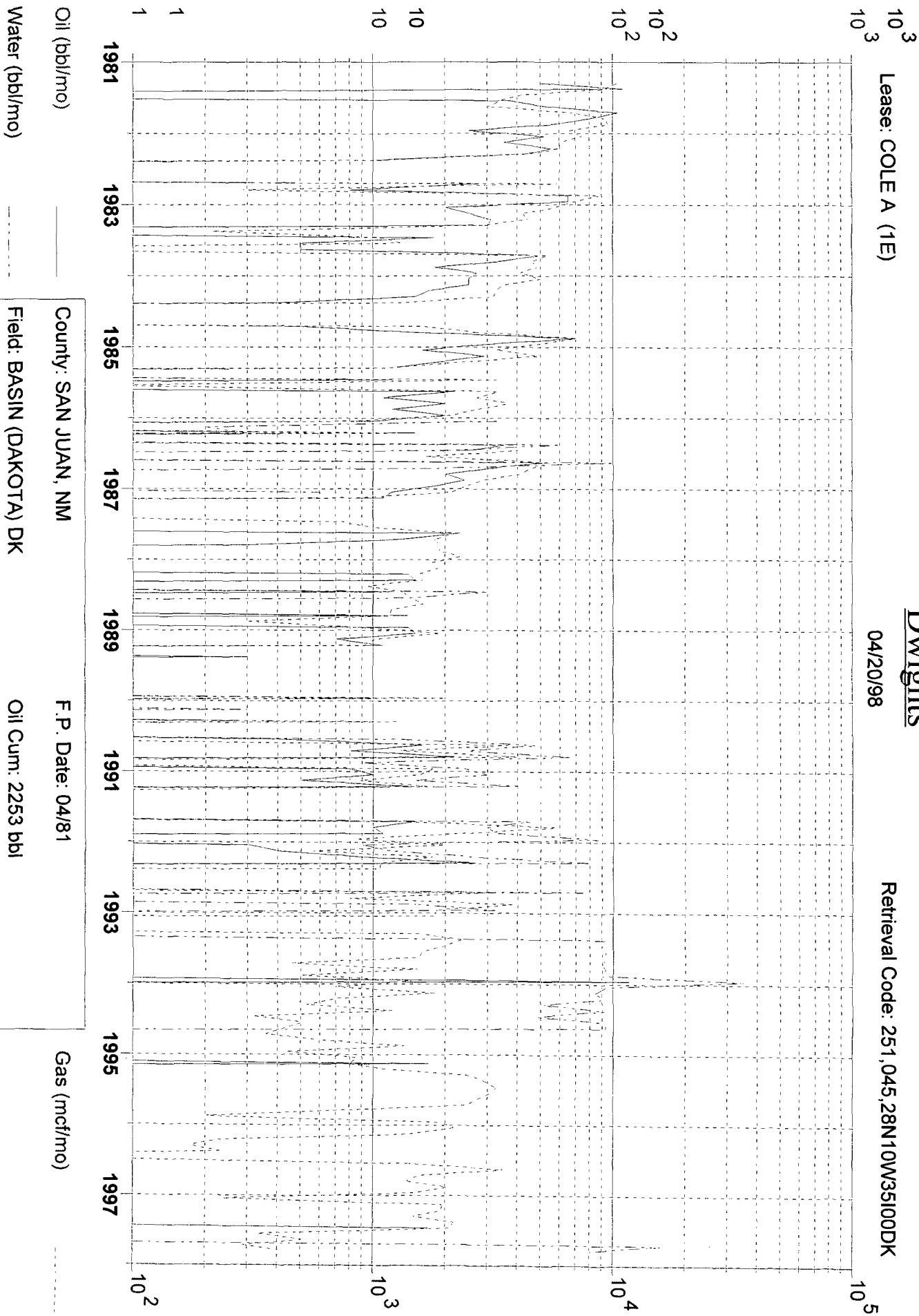
TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

# Dwights

Lease: COLE A (1E)

04/20/98

Retrieval Code: 251,045,28N10W35I00DK



Oil (bbl/mo)

Water (bbl/mo)

County: SAN JUAN, NIM

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

Operator: AMOCO PRODUCTION CO

F.P. Date: 04/81

Oil Cum: 2253 bbl

Gas Cum: 393.4 mmcf

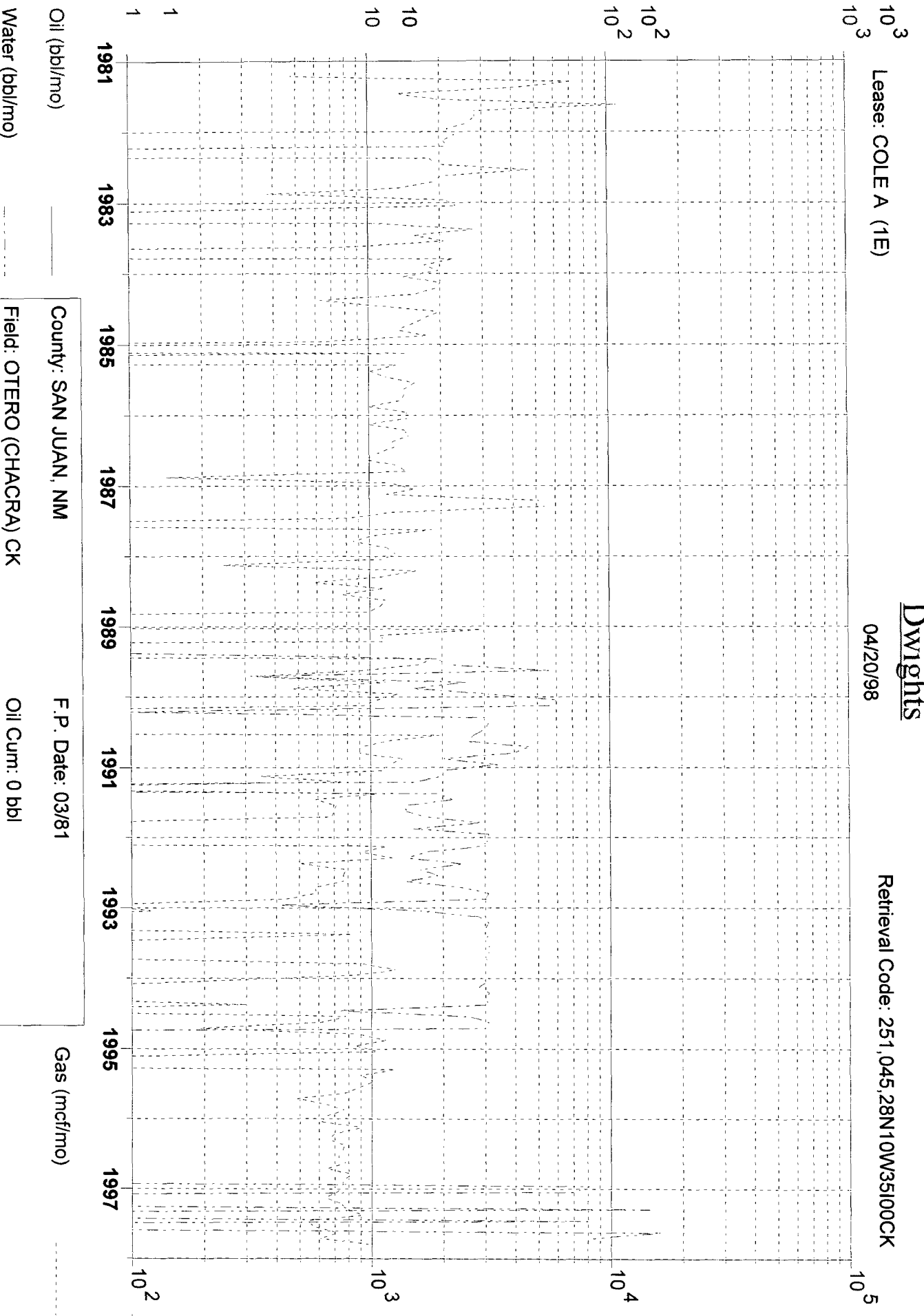
Location: 35I 28N 10W

Gas (mcf/mo)

Lease: COLE A (1E)

Dwights  
04/20/98

Retrieval Code: 251,045,28N10W35I00CK



County: SAN JUAN, NM

Field: OTERO (CHACRA) CK

Reservoir: CHACRA

Operator: AMOCO PRODUCTION CO

F.P. Date: 03/81

Oil Cum: 0 bbl

Gas Cum: 221.4 mmcf

Location: 35I 28N 10W

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Revised February 21, 1994  
instructions on back

District II  
PO Drawer DD, Artesia, NM 88211-0719

## OIL CONSERVATION DIVISION

Submit to Appropriate District Office

District III  
1000 Rio Brazos Rd. Aztec, NM 87410

PO Box 2088  
Santa Fe, NM 87504-2088

State Lease - 4 Copies

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

Fee Lease - 3 Copies

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-24117		2 Pool Code 82329		3 Pool Name Otero Chacra	
4 Property Code		5 Property Name Cole A			6 Well Number # 1E
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 5889'

## 10 Surface Location

UL or lot no. I	Section 35	Township 28N	Range 10W	Lot Idn	Feet from the 1750	North/South line South	Feet from the 890	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
12 Dedicated Acres 160	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 <i>Kay Maddox</i>		
							Printed Name Kay Maddox		
						Title Regulatory Agent			
						Date 4/20/98			
						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			

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

Operator <b>TENNECO OIL COMPANY</b>			Lease <b>COLE "A"</b>		Well No. <b>1-E</b>
Unit Letter <b>I</b>	Section <b>35</b>	Township <b>28N</b>	Range <b>10W</b>	County <b>San Juan</b>	
Actual Postage Location of Well:					
<b>1750</b>		feet from the <b>South</b> line and <b>890</b>		feet from the <b>East</b> line	
Ground Level Elev. <b>5889</b>	Producing Formation <b>Dakota</b>		Pool <b>Basin Dakota</b>		Dedicated Acreage: <b>320.00</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.

Sec.			
<p><b>USA SF-089508</b></p> <p><b>TOC-1/2</b></p> <p><b>Cardco-1/2</b></p> <p><b>320.00 acres</b></p>			

CERTIFICATION

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

Name \_\_\_\_\_

Position \_\_\_\_\_

Company \_\_\_\_\_

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.

ADMN 73362

Date Surveyed

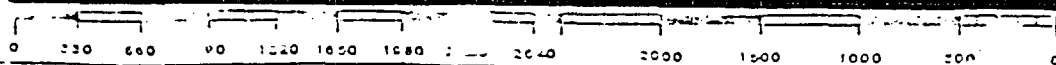
**September 28, 1979**

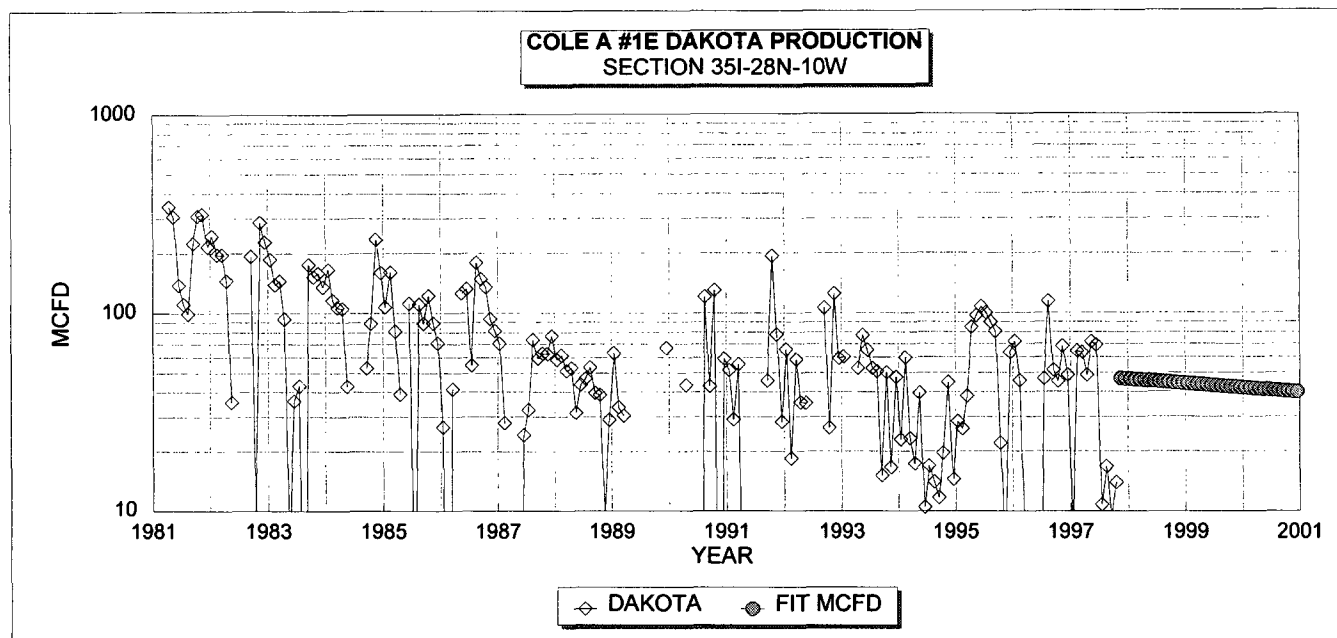
Registered Professional Engineer and/or Land Surveyor

**Fred E. Warr Jr.**

Certificate No.

**3950**



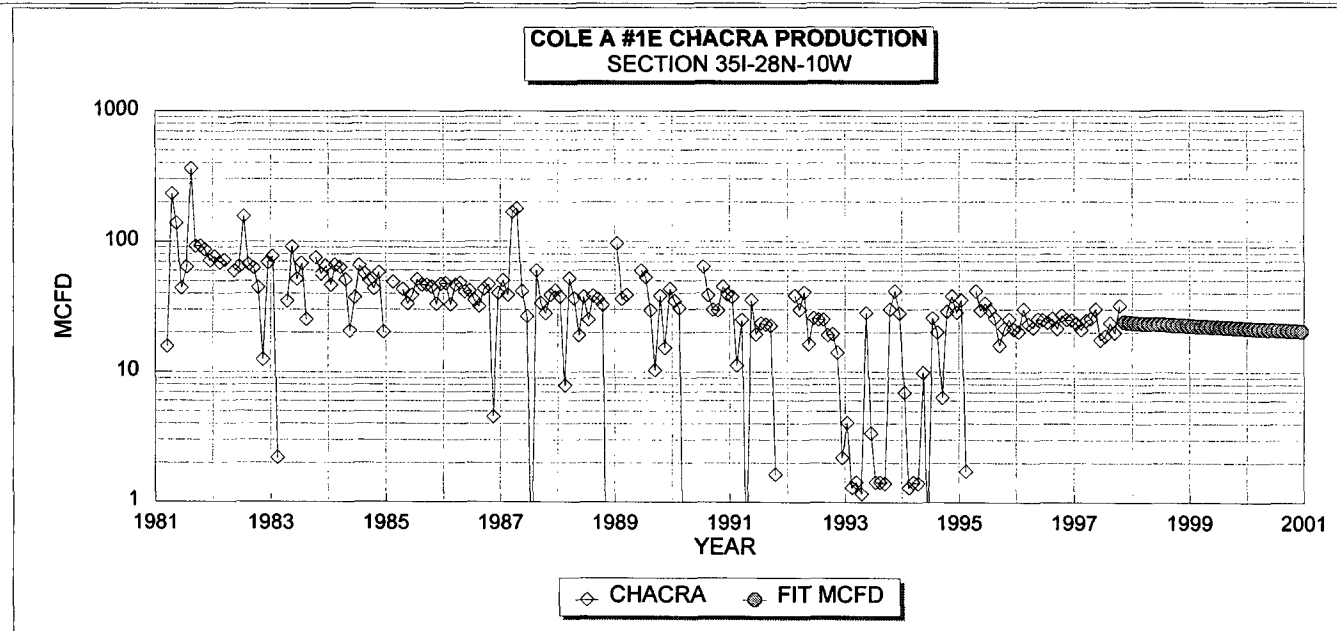


**DAKOTA HISTORICAL DATA: 1ST PROD: 04/81**

OIL CUM: 2.25 MBO  
GAS CUM: 393.4 MMCF  
OIL YIELD: 0.0057 BBL/MCF

**DAKOTA PROJECTED DATA**

1/1/98 Qi: 46 MCFD 0.27 BOPD  
DECLINE RATE: 5.0% (EXPONENTIAL)



**CHACRA HISTORICAL DATA 1ST PROD: 03/81**

OIL CUM: 0.0 MBO  
GAS CUM: 221.4 MMCF  
OIL YIELD: 0.0000 BBL/MCF

**CHACRA PROJECTED DATA**

1/1/98 Qi: 24 MCFD 0.00 BOPD  
DECLINE RATE: 5.0% (EXPONENTIAL)

**FIXED COMMINGLE ALLOCATION FACTORS:**

	GAS	OIL
DAKOTA	66%	100%
CHACRA	34%	0%

GAS ALLOCATION BASED ON PROJECTED 1998 RATES  
OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGYDATA

April 27, 1998

Cole A #1E  
Section 35, T-28-N, R-10-W, I  
San Juan County, New Mexico  
API # 30-045-24117

RE: Application to Downhole Commingle C-107A

**Offset Operators:**

Amoco  
PO Box 800  
Denver, CO 80201

Burlington Resources  
PO Box 4289  
Farmington, New Mexico 87499

Breck Operating Co.  
PO Box 911  
Breckenridge, TX 76024-0911

Redwolf Production Inc  
PO Box 356  
Farmington, New Mexico 87499

Koch Exploration Co.  
PO Box 2256  
Wichita, KS 67201

Kukui Operating Co,  
1415 Louisiana STE 3650  
Wedge Intl Tower  
Houston, TX 77002