

DATE IN 5/12/98	SUSPENSE 6/1/98	ENGINEER DC	LOGGED M	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1963

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]

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

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

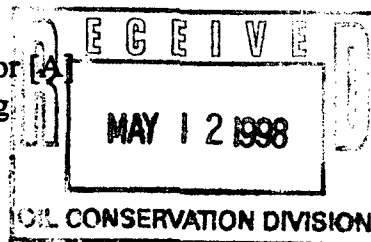
Check One Only for [B] and [C]

[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 (WRI, 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.

Peggy Bradfield
 Print or Type Name

Signature

Regulatory/Compliance Administrator

Title

Date

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

APPLICATION FOR DOWNHOLE COMMINGLING

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

APPROVAL PROCESS :

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

BURLINGTON RESOURCES OIL & GAS COMPANY

PO Box 4289, Farmington, NM 87499

Operator

Address

Huerfanito Unit

#90

B 1-26-9

San Juan, New Mexico

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 14538 Property Code 7137 API NO. 30-045-60296 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)	4234' - 4327'		6314' - 6452'
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. 486 psia (Original) b. 1274 psia	a. b.	Measured a. 352 psia b. 2498 psia
6. Oil Gravity (^o API) or Gas BTU Content	1237		1212
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 <small>Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data</small>	Date: N/A Rates:	Date: Rates:	Date: N/A Rates:
* If Producing, give data and oil/gas/water of recent test (within 60 days)	Date: 4/98 Rates: 0.00 BOD / 45 MCFD	Date: Rates:	Date: 4/98 Rates: 0.00 BOD / 0 MCFD
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: Gas: will be supplied upon completion	Oil: % Gas: %	Oil: Gas: will be supplied upon completion

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 Midkiff TITLE Production Engineer DATE 05-09-98TYPE OR PRINT NAME Kevin Midkiff TELEPHONE NO. (505) 326-9700

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION 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.

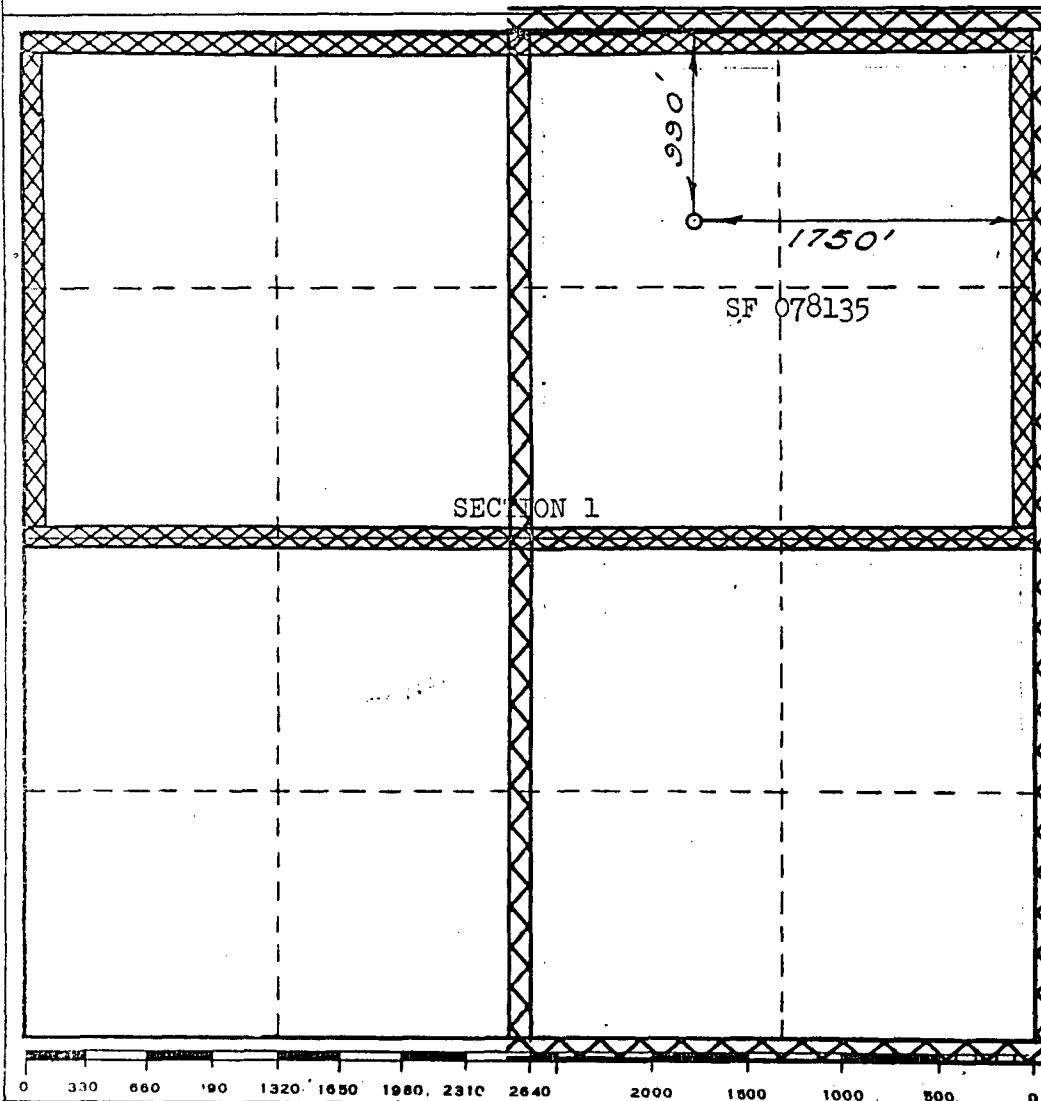
Operator EL PASO NATURAL GAS COMPANY			Lease HUERFANITO SF078135		Well No. 90 (MD)
Unit Letter B	Section 1	Township 26 NORTH	Range 9 WEST	County SAN JUAN	
Actual Footage Location of Well:					
990 feet from the NORTH line and		1750 feet from the EAST line			
Ground Level Elev. 6145	Producing Formation MESA VERDE-DAKOTA	Pool BLANCO MESA VERDE-BASIN DAKOTA		Dedicated Acreage: 320.06 MV 320.24 Dak. 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.

ORIGINAL SIGNED E.S. OBERLY

Name
Petroleum Engineer

Position
El Paso Natural Gas Co.

Company
July 27, 1965

Date

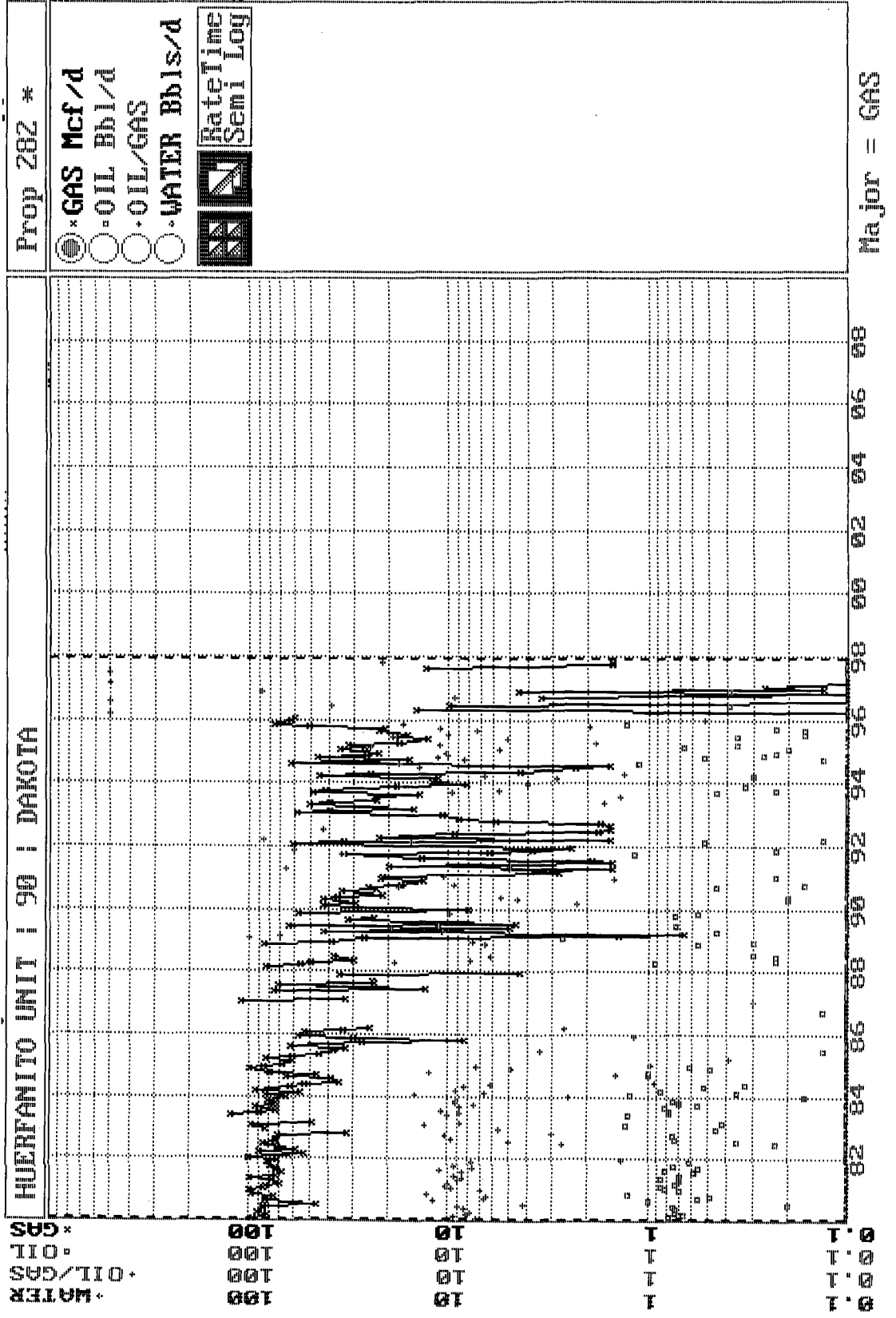
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

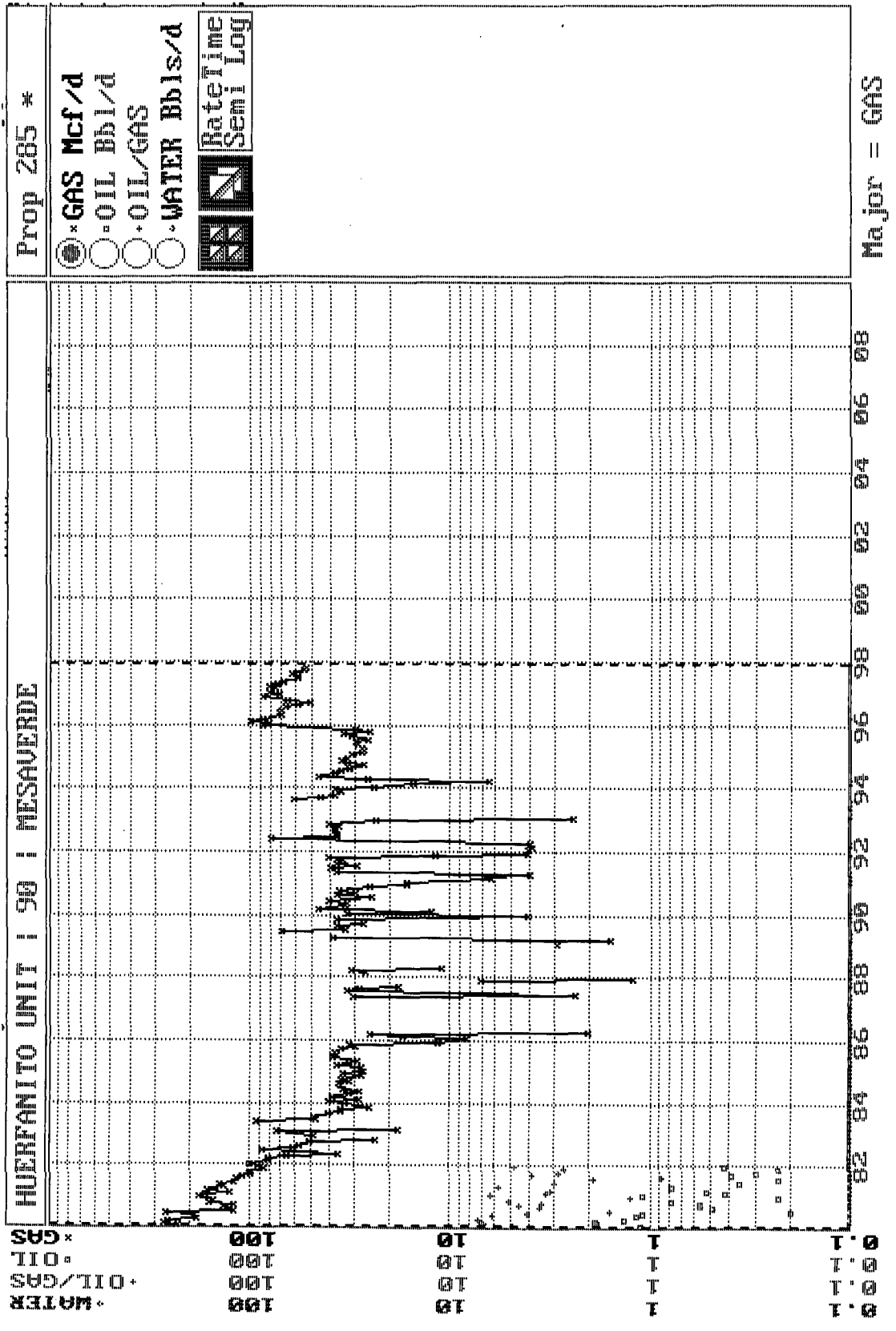
Date Surveyed
March 4, 1965

Registered Professional Engineer and/or Land Surveyor

Russell H. McNease
 Certificate No.

1500





Huerfanito Unit #90
Bottom Hole Pressures
Flowing and Static BHP
Cullender and Smith Method
Version 1.0 3/13/94

Mesaverde		Dakota	
<u>MV-Current</u>		<u>DK-Current</u>	
GAS GRAVITY	0.731	GAS GRAVITY	0.717
COND. OR MISC. (C/M)	C	COND. OR MISC. (C/M)	C
%N2	0.59	%N2	0.33
%CO2	0.82	%CO2	1.12
%H2S	0	%H2S	0
DIAMETER (IN)	5.5	DIAMETER (IN)	2.375
DEPTH (FT)	4281	DEPTH (FT)	6383
SURFACE TEMPERATURE (DEG F)	60	SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	129	BOTTOMHOLE TEMPERATURE (DEG F)	163
FLOWRATE (MCFPD)	0	FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	433	SURFACE PRESSURE (PSIA)	300
BOTTOMHOLE PRESSURE (PSIA)	485.9	BOTTOMHOLE PRESSURE (PSIA)	351.6
<u>MV-Original</u>		<u>DK-Original</u>	
GAS GRAVITY	0.731	GAS GRAVITY	0.717
COND. OR MISC. (C/M)	C	COND. OR MISC. (C/M)	C
%N2	0.59	%N2	0.33
%CO2	0.82	%CO2	1.12
%H2S	0	%H2S	0
DIAMETER (IN)	5.5	DIAMETER (IN)	2.375
DEPTH (FT)	4281	DEPTH (FT)	6383
SURFACE TEMPERATURE (DEG F)	60	SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	129	BOTTOMHOLE TEMPERATURE (DEG F)	163
FLOWRATE (MCFPD)	0	FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	1116	SURFACE PRESSURE (PSIA)	2050
BOTTOMHOLE PRESSURE (PSIA)	1273.7	BOTTOMHOLE PRESSURE (PSIA)	2498.4

Page No.: 5
 Print Time: Wed Dec 24 14:16:37 1997
 Property ID: 285
 Property Name: HUERFANITO UNIT | 90 | MESAVERDE
 Table Name: S:\ARIES\1ROS\TEST.DBF

<u>--DATE--</u>	<u>---CUM_GAS--</u> Mcf	<u>M SIWHP</u> Psi	
08/19/65	0	1116.0	ORIGINAL
09/21/65	0	0.0	
06/04/70	1284919	622.0	
07/09/71	1545183	572.0	
07/03/72	1758492	536.0	
05/02/73	1942299	463.0	
04/19/74	2120613	432.0	
05/18/76	2454927	381.0	
05/10/78	2707644	338.0	
05/28/80	2900002	339.0	
05/21/82	2990666	393.0	
05/05/89	3048948	433.0	
07/15/91	3068353	450.0	
10/31/97	3160674	433.0	CURRENT Estimated from P/z data.

Page No.: 2

Print Time: Wed Dec 24 14:16:36 1997

Property ID: 282

Property Name: HUERFANITO UNIT | 90 | DAKOTA

Table Name: S:\ARIES\1ROS\TEST.DBF

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

08/19/65	0	2050.0	ORIGINAL
09/21/65	0	0.0	
10/13/65	0	2038.0	
07/27/66	96000	1486.0	
02/20/67	165000	1215.0	
07/24/68	322000	1050.0	
02/17/69	377000	988.0	
06/04/70	483570	882.0	
07/09/71	565013	809.0	
07/03/72	638465	717.0	
05/02/73	693881	682.0	
06/25/75	806332	615.0	
00/12/77	879755	665.0	
00/12/77	879755	665.0	
00/12/77	879755	665.0	
10/12/77	912239	665.0	
03/02/78	932170	338.0	
06/25/79	977457	632.0	
07/13/81	1042524	565.0	
11/21/83	1101365	465.0	
10/31/97	1233915	300.0	current Estimated from P/Z data

Package Preparation Volume Data

DPNo: 30030 HUERFANITO UNIT 90 Form: MV

Supt: 60 KEN RAYBON **FF:** 337 STEVE FLOREZ **MS:** 373 SHAWN FINCHER
Pipeline: EPNG **Plunger:** No **Dual:** Yes **Compressor:** No

<u>Ownership (No Trust)</u>			<u>Prior Year</u>			<u>Current Year</u>			
	<u>Gas</u>	<u>Oil</u>			<u>Days</u>			<u>Days</u>	
				<u>MCF/M</u>	<u>BOPM</u>	<u>On</u>	<u>MCF/M</u>	<u>BOPM</u>	<u>On</u>
GWl:	86.2081%	86.2081%	Jan	2,365	0.0	31	1,479	0.0	31
GNI:	71.3425%	71.8053%	Feb	2,237	0.0	28	1,276	0.0	28
			Mar	2,415	0.0	31	0	0.0	31
			Apr	2,162	0.0	30	0	0.0	0
			May	2,001	0.0	31	0	0.0	0
			Jun	1,720	0.0	26.1	0	0.0	0
			Jul	1,716	0.0	26.2	0	0.0	0
			Aug	1,793	0.0	31	0	0.0	0
			Sept	1,563	0.0	30	0	0.0	0
			Oct	1,524	0.0	30.3	0	0.0	0
			Nov	1,455	0.0	27.7	0	0.0	0
			Dec	1,540	0.0	31	0	0.0	0
			Total	22,491	0.0		2,755	0.0	
<u>Volumes (Days On)</u>									
	<u>MCFD</u>	<u>BOPD</u>							
7 Day Avg	45	0.0							
30 Day Avg	45	0.0							
60 Day Avg	45	0.0							
3 Mo Avg	48	0.0							
6 Mo Avg	50	0.0							
12 MoAvg	58	0.0							
<u>Volumes (Days in Month)</u>									
	<u>MCFD</u>	<u>BOPD</u>							
30 Day Avg	45	0.0							
60 Day Avg	45	0.0							
3 Mo Avg	48	0.0							
6 Mo Avg	48	0.0							
12 Mo Avg	57	0.0							

Print Form

Exit Volumes Data

4/29/1998

Package Preparation Volume Data

DPNo: 30055

HUERFANITO UNIT

90

Form: DK

Supt: 60 KEN RAYBON

FF: 337 STEVE FLOREZ

MS: 373 SHAWN FINCHER

Pipeline: EPNG

Plunger: No

Dual: Yes

Compressor: No

<u>Ownership (No Trust)</u>			<u>Prior Year</u>			<u>Current Year</u>		
	<u>Gas</u>	<u>Oil</u>			<u>Days</u>			<u>Days</u>
				<u>MCF/M</u>	<u>BOPM</u>	<u>On</u>	<u>MCF/M</u>	<u>BOPM</u>
GWI:	95.2909%	95.2909%	Jan	6	0.0	1	0	0.0
GNI:	77.3850%	78.2635%	Feb	0	1.0	1	0	0.0
			Mar	0	0.0	0	0	0.0
			Apr	1	0.0	1	0	0.0
			May	0	0.0	0	0	0.0
			Jun	0	1.0	1	0	0.0
			Jul	0	0.0	0	0	0.0
			Aug	364	0.0	31	0	0.0
			Sept	0	0.0	30	0	0.0
			Oct	0	1.0	30.3	0	0.0
			Nov	0	0.0	0	0	0.0
			Dec	0	0.0	0	0	0.0
			Total	371	3.0		0	0.0
<u>Volumes</u>								
<u>(Days On)</u>	<u>MCFD</u>	<u>BOPD</u>						
7 Day Avg	0	0.0						
30 Day Avg	0	0.0						
60 Day Avg	0	0.0						
3 Mo Avg	0	0.0						
6 Mo Avg	0	0.0						
12 MoAvg	4	0.0						
<u>Volumes</u>								
<u>(Days in Month)</u>	<u>MCFD</u>	<u>BOPD</u>						
30 Day Avg	0	0.0						
60 Day Avg	0	0.0						
3 Mo Avg	0	0.0						
6 Mo Avg	0	0.0						
12 Mo Avg	1	0.0						

Print Form

Exit Volumes Data

4/29/1998

FARMINGTON

ANNUAL PRODUCTION FOR 30055

PHS020M1

HUERFANITO UNIT 90

BASIN DAKOTA (PRORATED GAS) FIELD

DAKOTA ZONE

===== OIL CUM =====

===== GAS CUM =====

===== WATER CUM =====

PC DATE BBLS

PC DATE

MCF

DATE

BBLS

02 6912

6772

01 6912

442750

YEAR	OIL	OIL CUM	GAS	GAS CUM	WATER	WATER CUM
1990	34	12361	10309	1190395	4	18
1991	56	12417	3453	1193848	1	19
1992	22	12439	4897	1198745	2	21
1993	35	12474	11583	1210328	6	27
1994	81	12555	8326	1218654	3	30
1995	111	12666	11923	1230577	5	35
1996	27	12693	2827	1233404	1	36
1997	3	12696	511	1233915		36
1998		12696	2	1233917		36

POSITION CURSOR BY YEAR AND PRESS ENTER TO DISPLAY MONTHLY PRODUCTION

ENTER - CONTINUES ANNUAL DISPLAY

PF3 - TRANSFER TO UPDATE

PF6 - RETURN TO WELL-INFO DISPLAY

PF9 - ANNUAL INJECTION DISPLAY

PF10 - HELP INFORMATION

00/00/00 00:00:00:0

D03 09/02/89

FARMINGTON

ANNUAL PRODUCTION FOR 30030

PHS020M1

HUERFANITO UNIT 90

BLANCO MESAVERDE (PRORATED GAS FIELD

MESAVERDE ZONE

===== OIL CUM =====

===== GAS CUM =====

===== WATER CUM =====

PC DATE BBLs

PC DATE

MCF

DATE

BBLs

02 6912

5687

01 6912

1151482

=====

YEAR	OIL	OIL CUM	GAS	GAS CUM	WATER	WATER CUM
1990		13501	11300	3064764	10	23
1991		13501	8191	3072955	6	29
1992		13501	10532	3083487	9	38
1993		13501	6711	3090198	6	44
1994		13501	10758	3100956	10	54
1995		13501	12493	3113449	14	68
1996		13501	26910	3140359	26	94
1997		13501	23490	3163849	23	117
1998		13501	2941	3166790	3	120

POSITION CURSOR BY YEAR AND PRESS ENTER TO DISPLAY MONTHLY PRODUCTION

ENTER - CONTINUES ANNUAL DISPLAY

PF3 - TRANSFER TO UPDATE

PF6 - RETURN TO WELL-INFO DISPLAY

PF9 - ANNUAL INJECTION DISPLAY

PF10 - HELP INFORMATION

00/00/00 00:00:00:0 D03 09/02/89

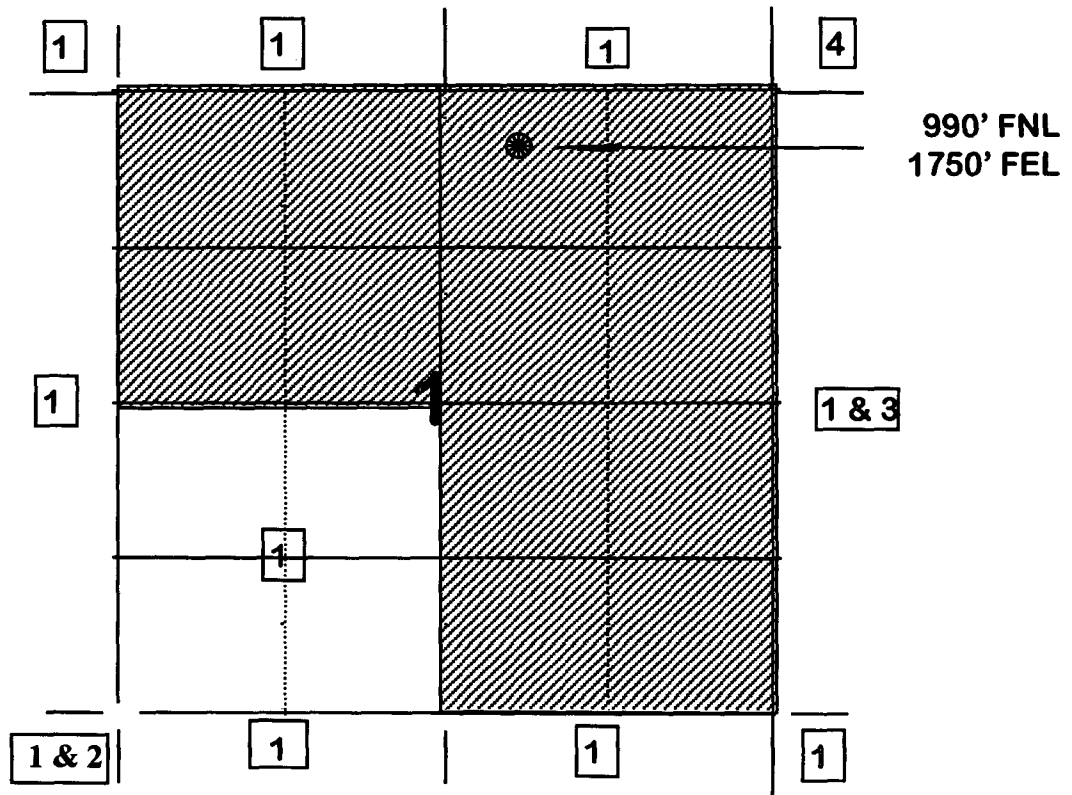
BURLINGTON RESOURCES OIL AND GAS COMPANY

Huerfanito Unit #90

OFFSET OPERATOR \ OWNER PLAT

Mesaverde (E/2) / Dakota (N/2) Formations Commingle Well

Township 26 North, Range 9 West



1) Burlington Resources
2) Dugan Production Corp.
P.O. Box 420
Farmington, NM 87499

3) Taurus Exploration USA, Inc.
2101 6th Avenue North
Birmingham, Alabama 35203-2784
4) Chateau Oil & Gas Inc.
P.O. Box 2038
Farmington, NM 87499

85 ⊗	82 ⊗	5 ⊗ 4 ⊗	13 ⊗
98 ⊗ 35 99 ⊗ 98M ⊗	86A ⊗ 78 ⊗ 36 86 ⊗ 78M ⊗	1A ⊗ 9 ⊗ 31 2 ⊗ 5 ⊗ 1 ⊗	5 ⊗ 3 ⊗
76 ⊗ 2	HUERFANITO UNIT #90 87A ⊗ 1 87 ⊗		6 ⊗ 6E ⊗ 4 ⊗ 8E ⊗ 4A ⊗ 8 ⊗ 3M ⊗ 20 ⊗
81 ⊗ 11 6	91 ⊗ 12 92 ⊗	9 ⊗ 7 2 ⊗	7 ⊗

PLH 1/8/98

HUERFANITO UNIT #90
SEC. 1, T26N, R9W
MESAVERDE/DAKOTA