

DATE IN 8/13/99	SUSPENSE 9/2/99	ENGINEER DC	LOGGED BY KN	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

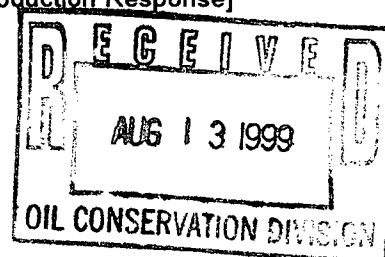
NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

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 (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.

Deborah Moore
Print or Type Name

Deborah Moore
Signature

Regulatory Analyst 8/12/99
Title Date

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

811 South First St., Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410

DISTRICT IV

2040 S. Pacheco, Santa Fe, NM 87505

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
Revised March 17, 1999

APPROVAL PROCESS:

☐ Administrative
☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

Conoco Inc.

P.O. Box 2197 DU 3066 Houston, TX 77252-2197

Operator

YeagerCom

#1

Address

C Section 6, T-30-N, R-11-W

San Juan

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County
Spacing Unit Lease Types: (check 1 or more)OGRID NO. 005073 Property Code 22426 API NO. 30-045-24015 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)	4397' - 5221'		6713' - 6837'
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: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 752 b. (Original) 1211	a. b.	a. 786 b. 2212
6. Oil Gravity (EAPI) or Gas BTU Content	1267		1237
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	Date: Rates: NA	Date: Rates:	Date: Rates: NA
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 06/01/99 Rates: 197 MCFD; 0 BOPD; 0 RWPD	Date: Rates:	Date: 06/01/99 Rates: 90 MCFD; 0.3 BOPD; 0 RWPD
8. Fixed Percentage Allocation Formula - % for each zone (total of %s to equal 100%)	Oil: 24 % Gas: 71 %	Oil: % Gas: %	Oil: 76 % Gas: 29 %

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). _____

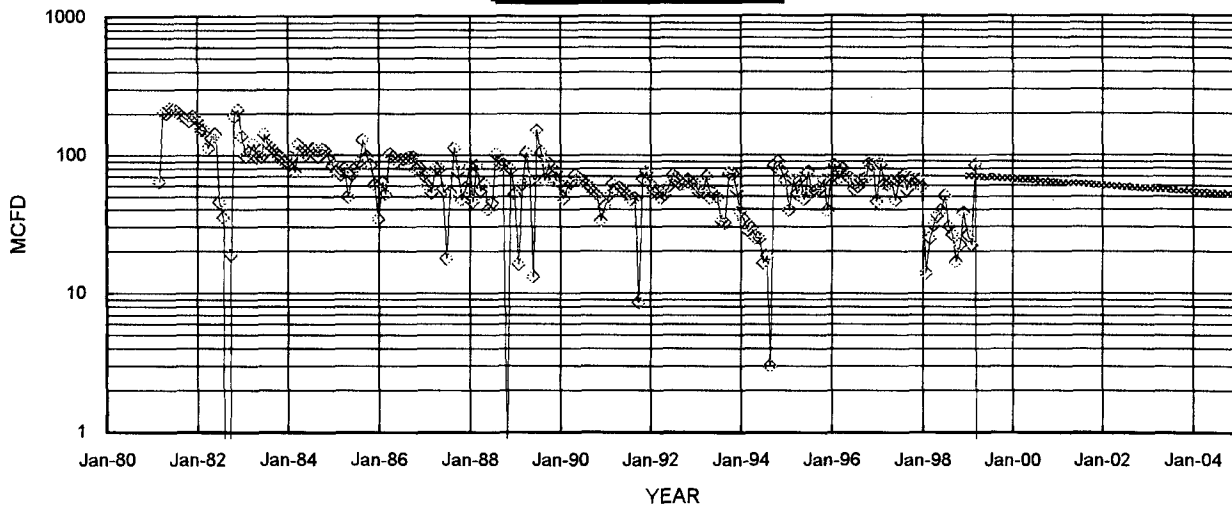
16. ATTACHMENTS:

- * 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 Deborah Moore TITLE Regulatory Analyst DATE 08/12/99TYPE OR PRINT NAME Deborah MooreTELEPHONE NO. (281) 293-1005

**YEAGER COM 1
DAKOTA PRODUCTION
SEC 6C-30N-11W**



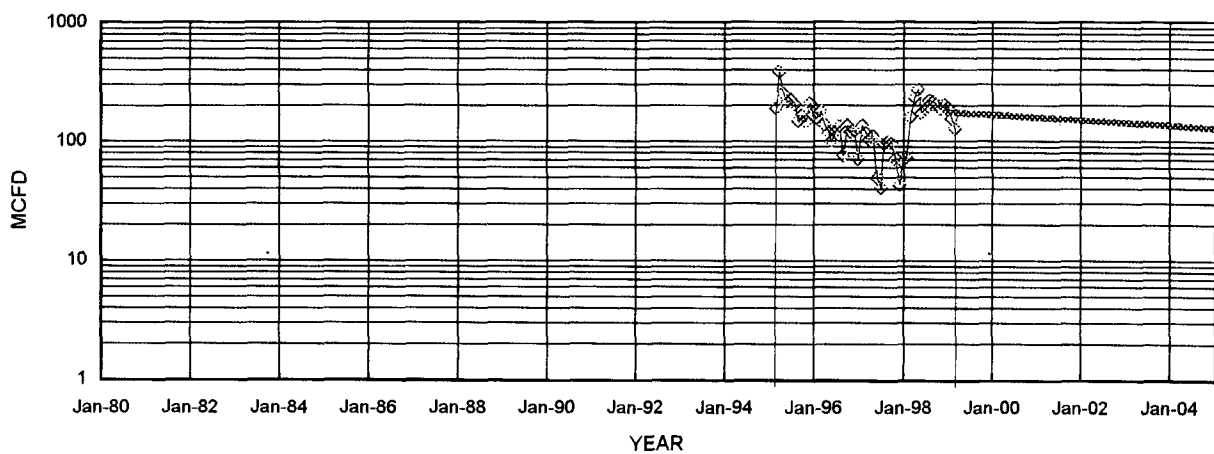
DAKOTA HISTORICAL DATA: 1ST PROD: 03/81

OIL CUM:	8.59	MBO
GAS CUM:	484.4	MMCF
OIL YIELD:	0.0177	BBL/MCF

DAKOTA PROJECTED DATA

1/1/99 Q1:	70	MCFD
DECLINE RATE:	5.0%	(EXPONENTIAL)

**YEAGER COM 1
MESAVERDE PRODUCTION
SEC 6C-30N-11W**



MESAVERDE HISTORICAL DATA: 1ST PROD: 03/95

OIL CUM:	0.5	MBO
GAS CUM:	222.9	MMCF
OIL YIELD:	0.002	BBL/MCF

MESAVERDE PROJECTED DATA

1/1/99 Q1:	175	MCFD
DECLINE RATE:	5.0%	(EXPONENTIAL)

FIXED COMMINGLE ALLOCATION FACTORS:

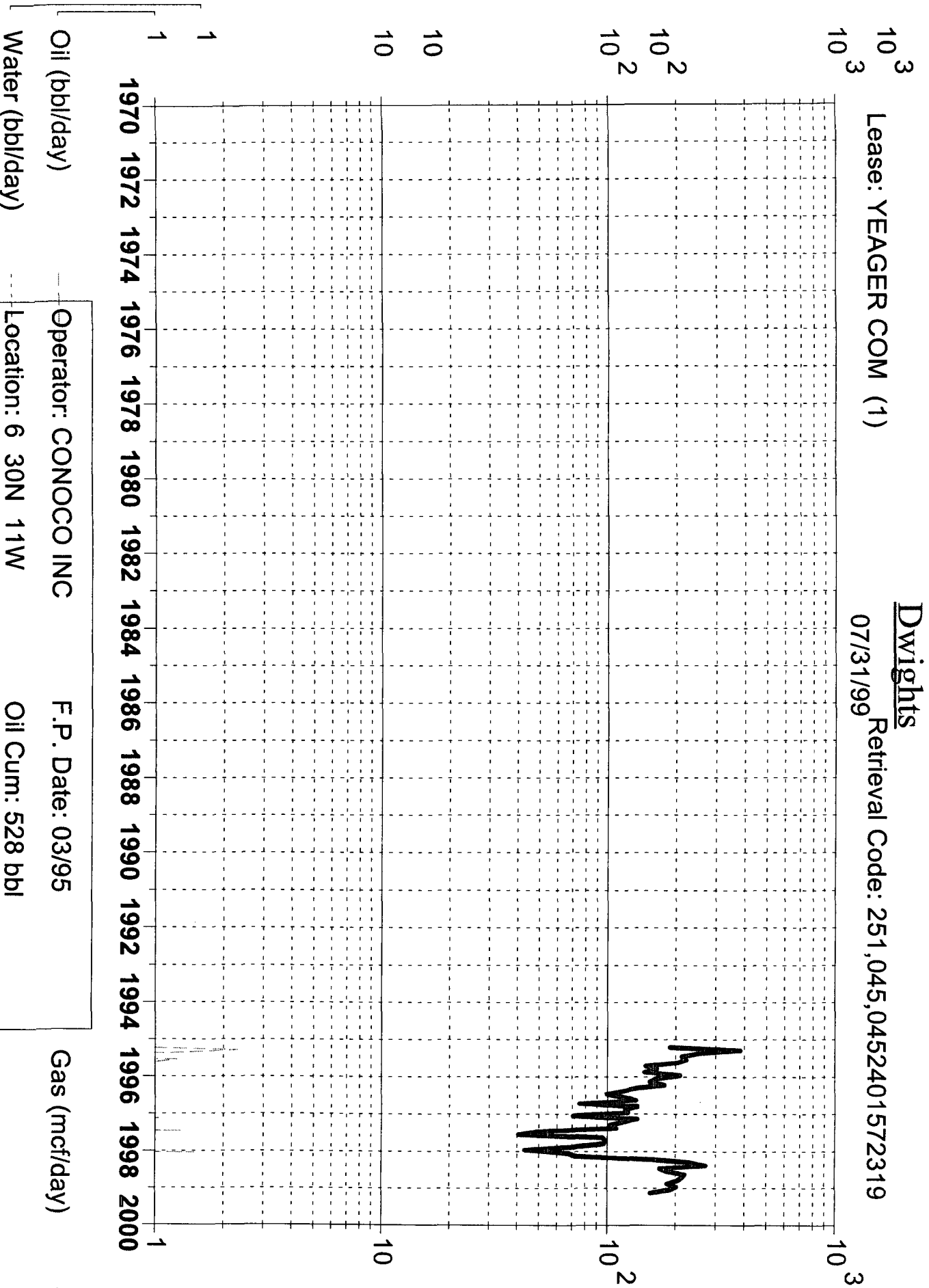
	GAS	OIL
DAKOTA	29%	76%
MESAVERDE	71%	24%

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGY DATA

Dwights

Lease: YEAGER COM (1)

07/31/99 Retrieval Code: 251,045,0452401572319



Oil (bbl/day)

Water (bbl/day)

Operator: CONOCO INC

Location: 6 30N 11W

F.P. Date: 03/95

Oil Cum: 528 bbl

Gas (mcf/day)

Lower Perf: 5221 ft

BLANCO MESA VERDE

Upper Perf: 4397 ft

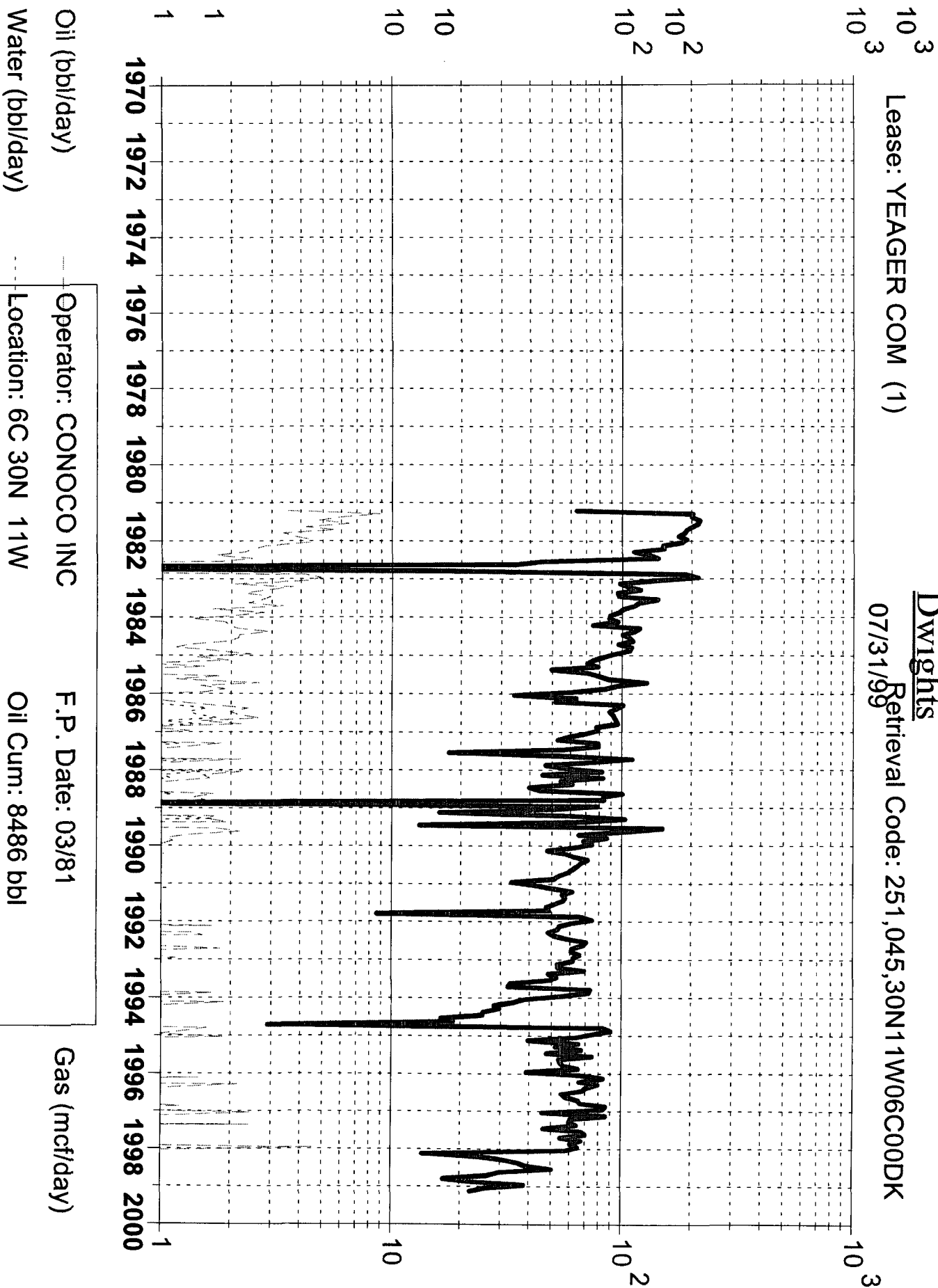
Gas Cum: 219.1 mmcf

L.P. Date: 02/99

Dwights

Lease: YEAGER COM (1)

Retrieval Code: 251,045,30N11W06C00DK
07/31/99



Oil (bbl/day)

Water (bbl/day)

Operator: CONOCO INC

Location: 6C 30N 11W

Lower Perf: 6906 ft

Upper Perf: 6713 ft

F.P. Date: 03/81

Oil Cum: 8486 bbl

Gas Cum: 481.9 mmcf

L.P. Date: 02/99

Gas (mcf/day)

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-24015	² Pool Code 72319 / 71599	³ Pool Name Blanco Mesaverde / Basin Dakota
⁴ Property Code 22426	⁵ Property Name Yeager Com	⁶ Well Number #1
⁷ OGRID No. 005073	⁸ Operator Name Conoco Inc.	⁹ Elevation 5820'

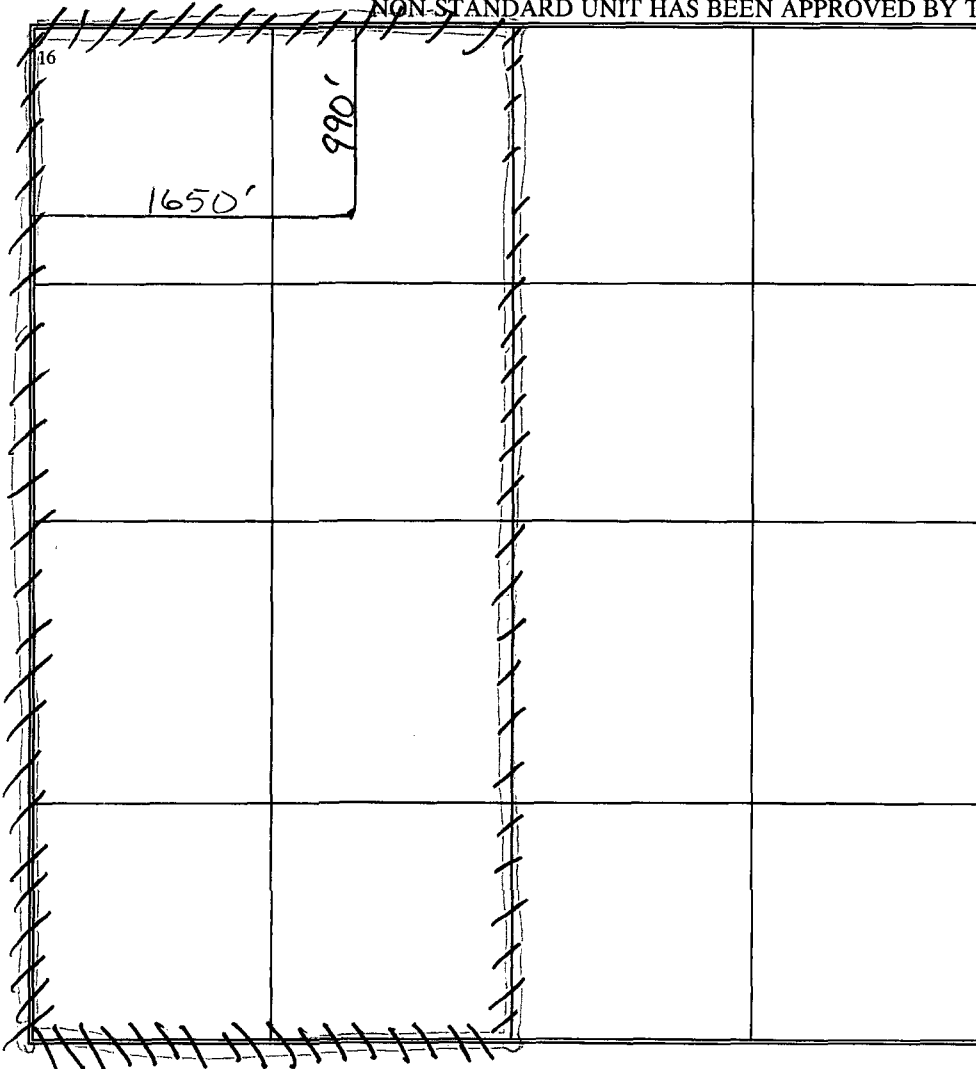
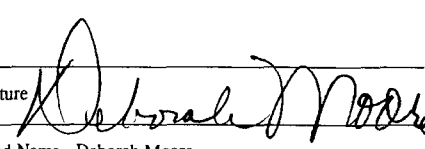
¹⁰ Surface Location

UL or lot no. C	Section 6	Township 30N	Range 11W	Lot Idn	Feet from the 990	North/South line North	Feet from the 1650	East/West line West	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. NA	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320	¹³ Joint or Infill Y	¹⁴ Consolidation Code C	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

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature </p> <p>Printed Name Deborah Moore</p> <p>Title Regulatory Analyst</p> <p>Date 08/12/99</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyer:</p> <p>Certificate Number</p>