

DATE IN <u>10/12/99</u>	SUSPENSE <u>11/1/99</u>	ENGINEER <u>DC</u>	LOGGED BY <u>M</u>	TYPE <u>DHC</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2503

### 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

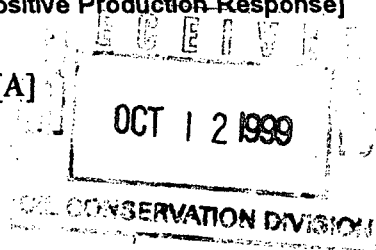
Check One Only for [B] and [C]

[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 (281) 293-1005  
 Print or Type Name

Deborah Moore  
 Signature

Regulatory Analyst  
 Title

10/11/99  
 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

San Juan 28-7 #1

Address

A, Sec. 33, T-28N, R-7W

Rio Arriba

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County  
Spacing Unit Lease Types: (check 1 or more)OGRID NO. 005073 Property Code 016608 API NO. 30-039-07274 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 Pictured Cliff S. 72439		Blanco Mesaverde 72319
2. Top and Bottom of Pay Section (Perforations)	2658' - 3696'		4886' - 4958'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure	a. (Current) 381	a.	a. 562
Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	b. (Original) 1227	b.	b. 1305
6. Oil Gravity (EAPI) or Gas BTU Content	1190		1254
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	No		No
* If Shut-In, give date and oil/gas/water rates of last production	Date: Rates: NA	Date: Rates:	Date: Rates: NA
Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data			
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates: Approx. current rate = 21MCFD	Date: Rates:	Date: Approx. current rate = 12MCFD
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 0 % Gas: 100 %	Oil: % Gas: %	Oil: 100 % Gas: 0 %

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 ☐ No15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). R-10476-B

## 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

TITLE

Regulatory Analyst

DATE

09/07/99

TYPE OR PRINT NAME Deborah Moore

TELEPHONE NO. (281) 293-1005

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

<sup>1</sup> API Number 30-039-07274	<sup>2</sup> Pool Code 72439/72319	<sup>3</sup> Pool Name Blanco S. Pictured Cliffs, Blanco Mesaverde
<sup>4</sup> Property Code 016608	<sup>5</sup> Property Name San Juan 28-7 Unit	<sup>6</sup> Well Number #1
<sup>7</sup> OGRID No. 005073	<sup>8</sup> Operator Name Conoco Inc.	<sup>9</sup> Elevation 6074'

<sup>10</sup> Surface Location

UL or lot no. A	Section 33	Township 28N	Range 7W	Lot Idn	Feet from the 660'	North/South line North	Feet from the 660'	East/West line East	County Rio Arriba
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<sup>11</sup> 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
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<sup>12</sup> Dedicated Acres 160/320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code U	<sup>15</sup> Order No.
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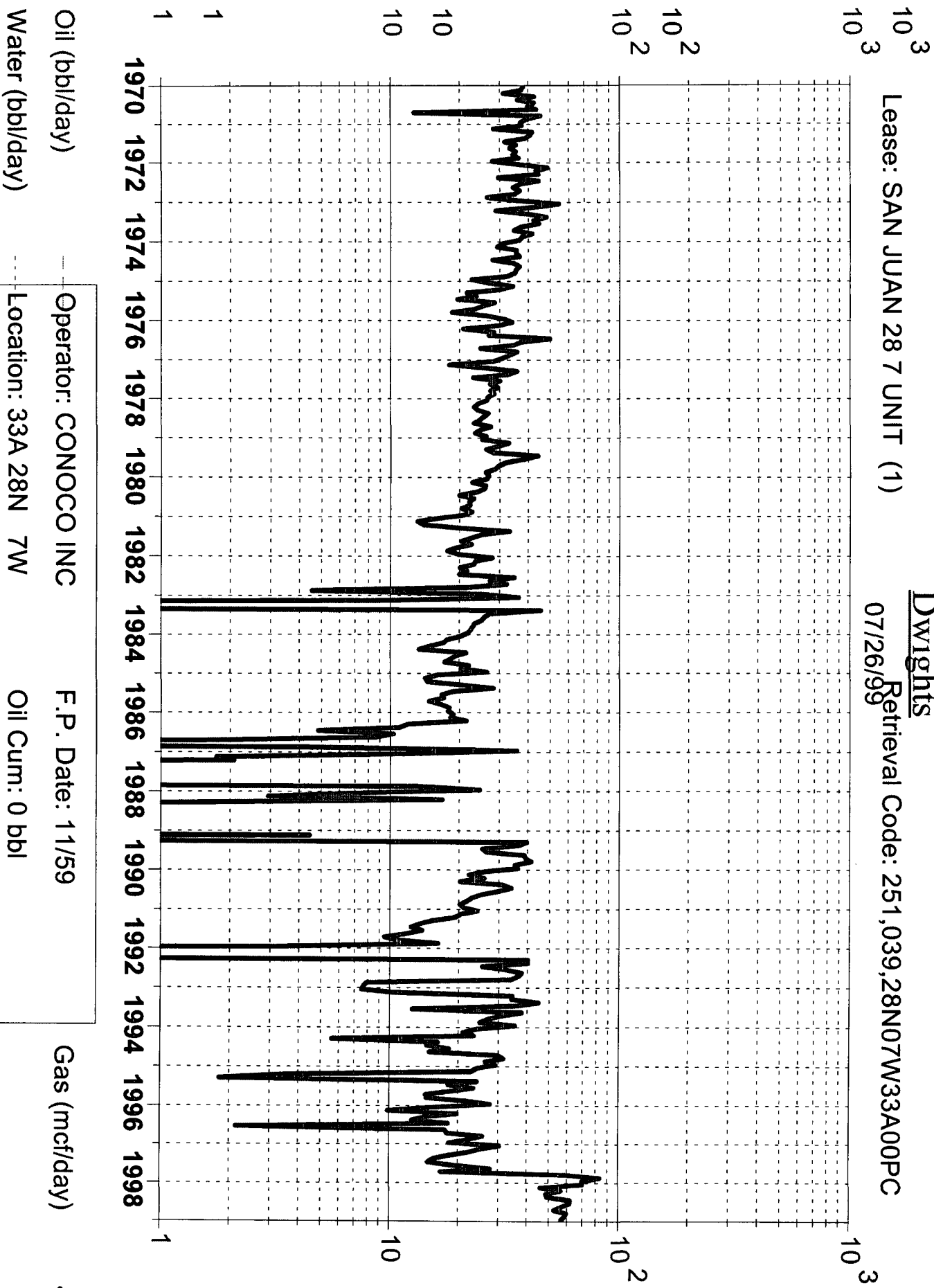
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<sup>16</sup>						<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature <u>Deborah Moore</u> Printed Name Deborah Moore/281-293-1005 Title Regulatory Analyst Date 09/13/99
						<sup>18</sup> 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

Dwights

Lease: SAN JUAN 28 7 UNIT (1)

Retrieval Code: 251,039,28N07W33A00PC  
07/26/99



Oil (bbl/day)

Water (bbl/day)

Operator: CONOCO INC

Location: 33A 28N 7W

F.P. Date: 11/59

Oil Cum: 0 bbl

Gas (mcf/day)

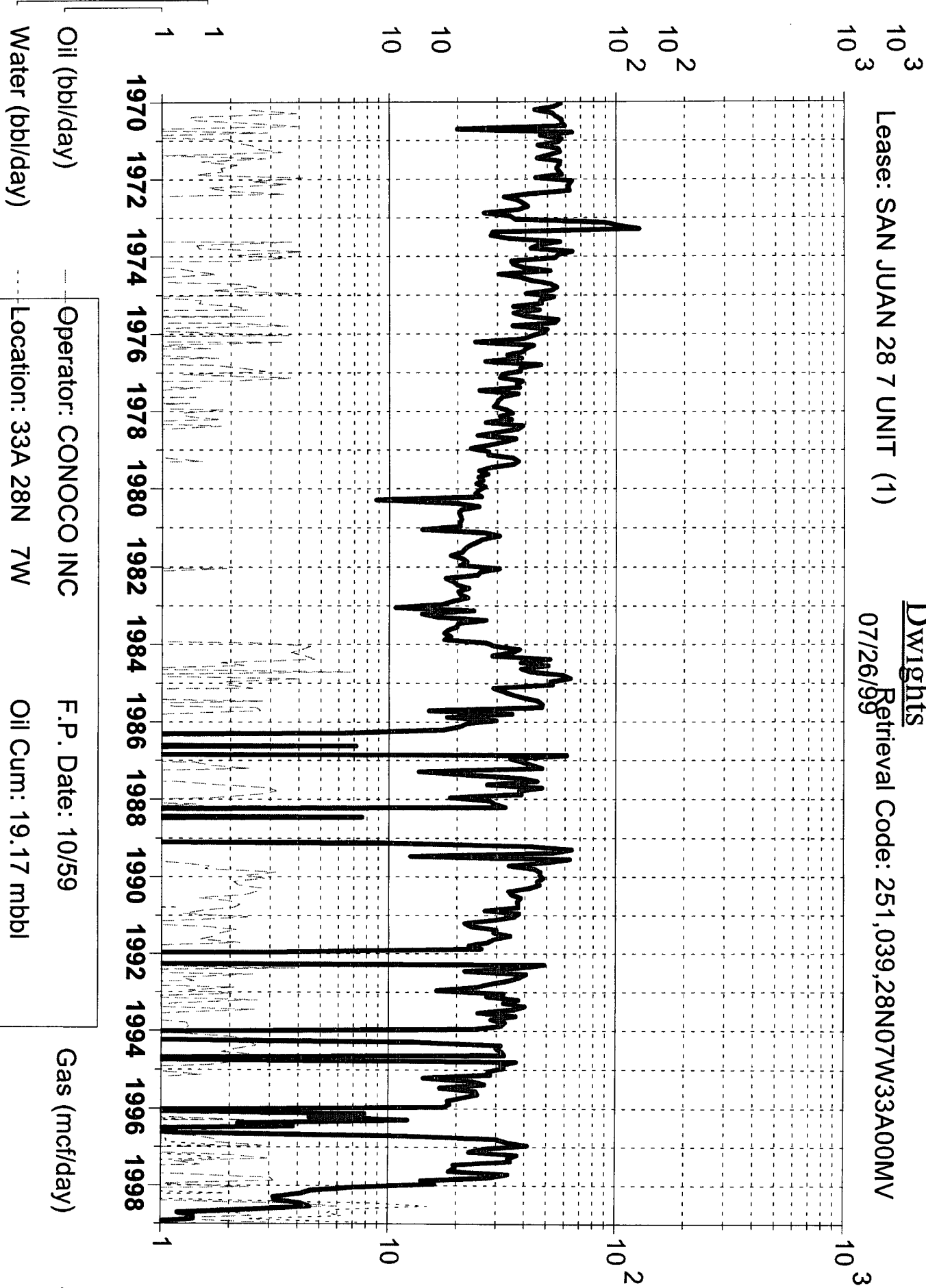
Field: BLANCO SOUTH (PICTU Gas Cum: 450.2 mmmcf

Upper Perf: 2658 ft

L.P. Date: 02/99

Lease: SAN JUAN 28 7 UNIT (1)

Dwights  
Retrieval Code: 251,039,28N07W33A00MV  
07/26/99



Oil (bbl/day)

Water (bbl/day)

Operator: CONOCO INC

Location: 33A 28N 7W

F.P. Date: 10/59

Oil Cum: 19.17 mbbl

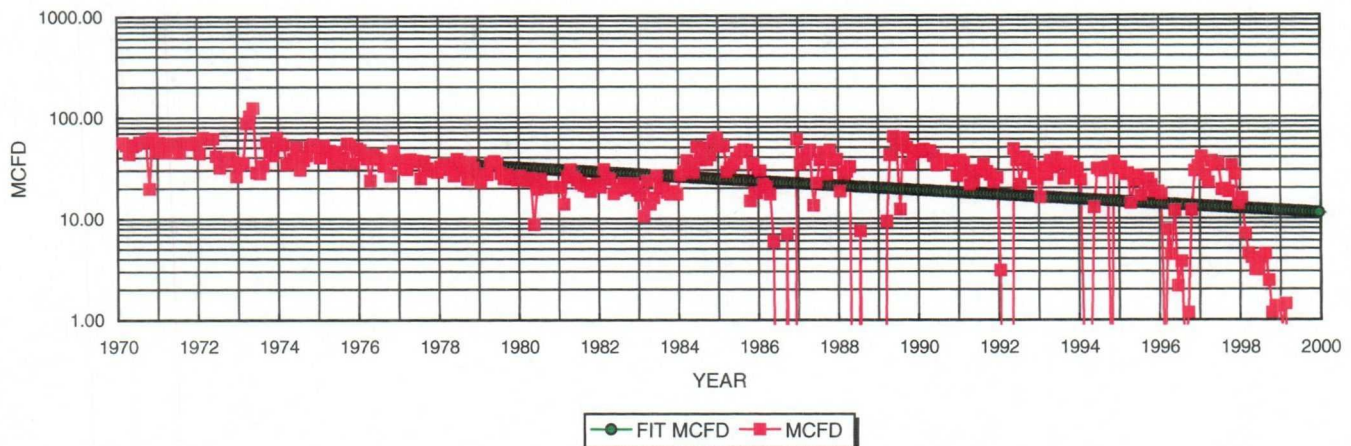
Gas (mcf/day)

Field: BLANCO (MESAVERDE)

Upper Perf: 4886 ft

L.P. Date: 02/99

**SAN JUAN 28-7 #1 MESAVERDE PRODUCTION  
SECTION 33A-28N-07W**



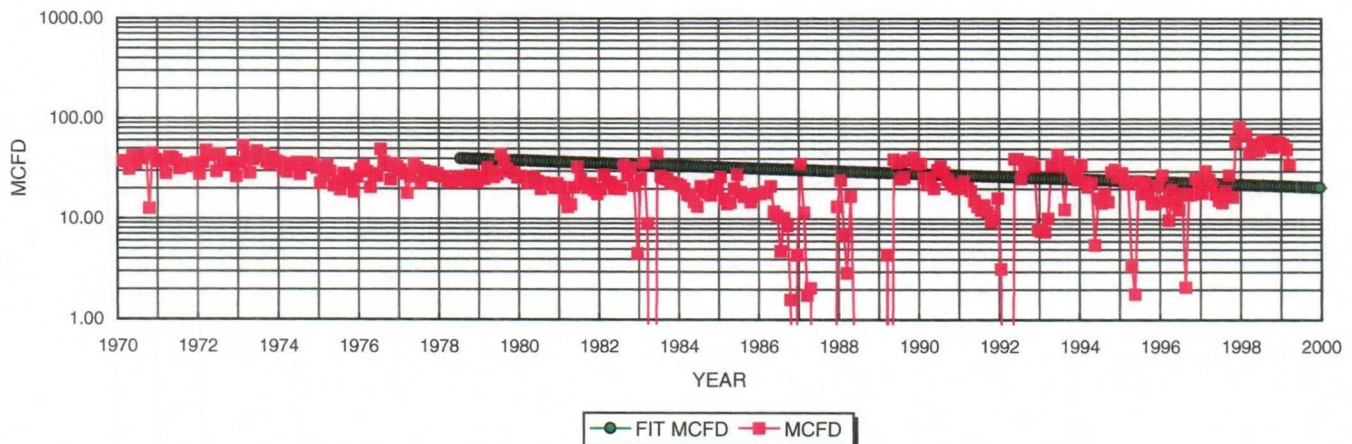
**MESAVERDE HISTORICAL DATA:**

1ST PROD: 10/59  
OIL CUM: 10.72 MBO (since 1970)  
GAS CUM: 300.3 MMCF (since 1970)  
OIL YIELD: 0.0357 BBL/MCF

**MESAVERDE PROJECTED DATA:**

09/01/99 Qi: 12 MCFD  
DECLINE RATE: 5.0% (EXPONENTIAL)

**SAN JUAN 28-7 #1 PICTURED CLIFFS PRODUCTION  
SECTION 33A-28N-07W**



**PICTURED CLIFFS HISTORICAL DATA:**

1ST PROD: 11/59  
OIL CUM: 0.0 MBO (since 1970)  
GAS CUM: 219.5 MMCF (since 1970)  
OIL YIELD: 0.0000 BBL/MCF

**PICTURED CLIFFS**

**PROJECTED DATA:**

09/01/99 Qi: 21 MCFD  
DECLINE RATE: 3.0% (EXPONENTIAL)

**FIXED COMMINGLE ALLOCATION FACTORS:**

	GAS	OIL
MESAVERDE	36%	100%
PICTURED CLIFFS	64%	0%

API # 30-039-07274

GAS ALLOCATION BASED ON PROJECTED 1999 RATES

OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGYDATA