

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

Form C-107-A
Revised August 1999

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

Conoco Inc.

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

Operator

Address

SAN JUAN 28-7

58A

D, SEC.29, T28N, R7W

RIO ARRIBA

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

OGRID NO. 005073

Property Code

016608

API NO.

30-039-23983

Federal

Spacing Unit Lease Types: (check 1 or more)

☒

State

(and/or) Fee

The following facts are submitted in support of downhole commingling:			
1. Pool Name and Pool Code	South ^{Upper} Blanco PICTURED CLIFFS 72359	Intermediate Zone	Lower Zone BLANCO MV 72319
2. Top and Bottom of Pay Section (Perforations)	2532' - 2644'		4190' - 5124'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	EXPECTED TO FLOW		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) est. 800-1100 psi* b. (Original) 1119	a. b.	a. 540 b. 1250
6. Oil Gravity (EAPI) or Gas BTU Content	1189		1250
7. Producing or Shut-In?	TO BE COMPLETED		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, give date and oil/gas/water rates of recent test (within 60 days)	Date: est. Rates: 150 - 200 mcf/d	Date: Rates:	Date: Approx. current Rates: rate= 215 mcf/d
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: SUBTRACTION Gas: ALLOCATION	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? ☐ Yes ☒ No
If not, have all working, overriding, and royalty interests been notified by certified mail? ☐ Yes ☒ No

11. 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 ☐ No

13. 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). 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 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

3/31/00

Deborah Moore

TYPE OR PRINT NAME

TELEPHONE NO. (281) 293-1005

*Note: Offset PC producer (#94A) had original est. BHP 950psi in 8/80.

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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 30-039-23983	² Pool Code 72359/72319	³ Pool Name PICTURED CLIFFS / BLANCO MESAVERDE
⁴ Property Code SF078497	⁵ Property Name SAN JUAN 28-7	⁶ Well Number 58A
⁷ OGRID No. 005073	⁸ Operator Name Conoco Inc.	⁹ Elevation

¹⁰ Surface Location

UL or lot no. D	Section 29	Township 28N	Range 7W	Lot Idn	Feet from the 790	North/South line NORTH	Feet from the 790	East/West line WEST	County RIO ARRIBA
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¹¹ Bottom Hole Location If Different From Surface

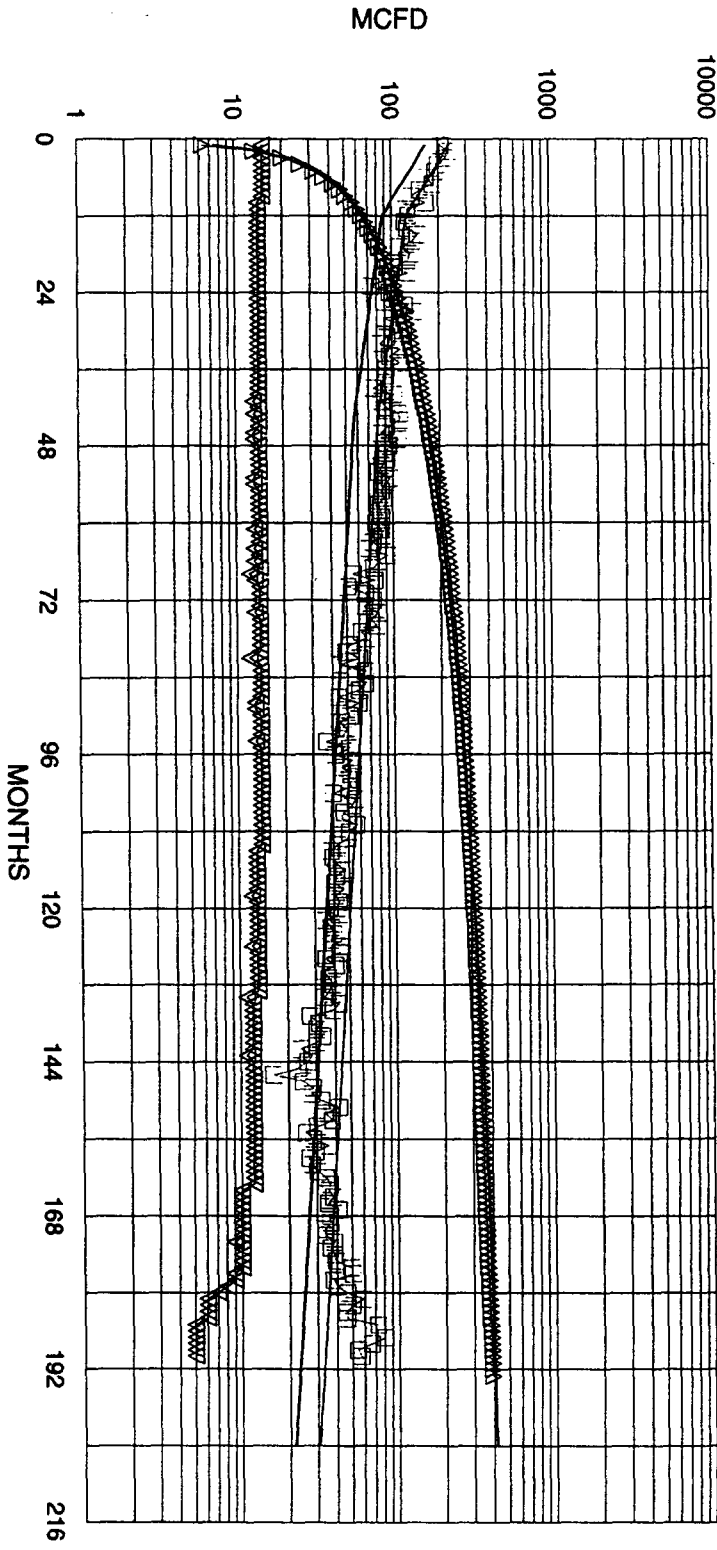
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 160/80	¹³ Joint or Infill I	¹⁴ Consolidation Code U	¹⁵ Order No.						

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

	¹⁷ OPERATOR CERTIFICATION			
	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief			
	Signature			
	Printed Name Deborah Moore			
Title Regulatory Analyst				
Date 3/31/00				
	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				

NORMALIZED PICTURED CLIFFS PRODUCTION

PROD. SINCE 1980; 15 PC WELLS LOCATED IN 28N-7W AND 27N-7W (Secs. 1:12)



Normalized plot for supporting SJ 28-7 PC recompletions

— FIT MCFD □ NORMALIZED MCFD △ NORM CUM MMCF
- - - WELLS ON PRODUCTION — FIT CUM MMCF - - - RISKED MCFD

NORMALIZED AVG:

522 MMCF EUR
524 MMCF/33.5YRS
10 MCFD E.L.
0.000158 bbl/mcf oil yield

RISKED AVG:

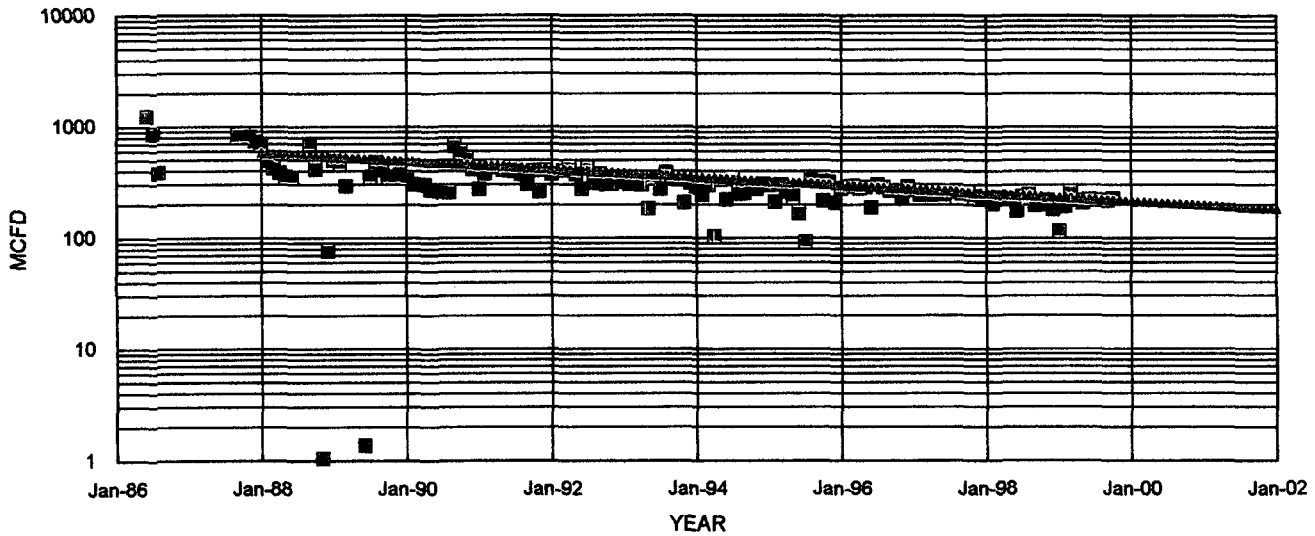
250 MCFD IP
50% DECLINE, 1ST 12 MONTHS
15% DECLINE, NEXT 36 MONTHS
7% FINAL DECLINE

30% RISK

350 MMCF EUR
349 MMCF/27.8 YRS
10 MCFD E.L.
0.000158 bbl/mcf oil yield

175 MCFD IP
50% DECLINE, 1ST 12 MONTHS
15% DECLINE, NEXT 36 MONTHS
7% FINAL DECLINE

**SJ 28-7 #58A MESAVERDE PRODUCTION
SECTION 29D-28N-07W, RIO ARriba COUNTY, NEW MEXICO**



■ MESAVERDE MCFD ▲ FIT MCFD

MESAVERDE PRODUCTION		1ST PROD: 06/86	MESAVERDE PROJECTED DATA (API #30-039-23983)	
OIL CUM:	8.75	MBO	Jan.00 Qi:	215 MCFD
GAS CUM:	1427.4	MMCF	DECLINE RATE1:	8.0% (EXPONENTIAL)
OIL YIELD:	0.0061	BBL/MCF		

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

NOTE: Current decline rate is approximately 8%/year. This rate is expected to continue for the duration of the well based on production trends during the first six years of production.

Production data from Dwights.

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
2000	206	1.3
2001	190	1.2
2002	174	1.1
2003	160	1.0
2004	160	1.0
2005	160	1.0
2006	160	1.0
2007	160	1.0
2008	160	1.0
2009	160	1.0
2010	160	1.0
2011	160	1.0
2012	160	1.0
2013	160	1.0
2014	160	1.0
2015	160	1.0
2016	160	1.0
2017	160	1.0
2018	160	1.0
2019	160	1.0
2020	160	1.0
2021	160	1.0
2022	160	1.0
2023	160	1.0
2024	160	1.0
2025	160	1.0
2026	160	1.0
2027	160	1.0

Dwights

Lease: SAN JUAN 28 7 UNIT (58A)

Retrieval Code: 251,039,28N07W29D00MV
03/21/00

10³
10³
10³

10³
10⁴
10⁴

10²
10²
10²

10²
10³
10³

10
10

10
10²

1
1

1
10

1970 1974 1978 1982 1986 1990 1994 1998

Gas (mcf/day)

Oil (bbl/day)

Water (bbl/day)

Well Count

Operator: CONOCO INC

F.P. Date: 06/86

Location: 29D 28N 7W

Oil Cum: 8749 bbl

Upper Perf: N/A

Gas Cum: 1427 mmcf

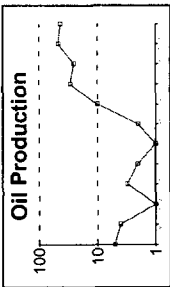
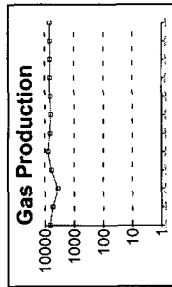
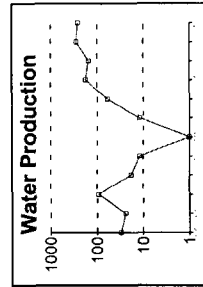
Lower Perf: N/A

Reservoir: MESAVERDE

Lease: SAN JUAN 28 7 UNIT
 Field: BLANCO (MESAVERDE) MV
 Operator: CONOCO INC
 RCI #: 251,039,28N07W29D00MV
 API #: 30-039-23983-00

Well #: 58A
 Location: 29D 28N 7W
 Liquid Cum: 8,749 bbls
 Gas Cum: 1,427,412 mcf
 Status: ACT GAS

FP Date: 86-06
 LP Date: 99-10
 Liq Since: FPDATE
 Gas Since: FPDATE

DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS	
11/1998	5	6,637	30	1	
12/1998	4	5,495	24	1	
01/1999	0	3,521	93	1	
02/1999	3	5,854	18	1	
03/1999	2	7,813	12	1	
04/1999	0	6,701	0	1	
05/1999	2	6,340	12	1	
06/1999	10	6,755	60	1	
07/1999	29	6,691	174	1	
08/1999	25	6,672	150	1	
09/1999	47	6,585	282	1	
10/1999	43	6,892	258	1	
Total	170	75,956	1,113		