119246555 +16

District I

1625 N. French Drive, Hobbs, NM 68240

Energy, Minerals, and Natural Resources Department

Form C-107A Revised May 15, 2000

District II

811 South First Street, Artesia, NM 88210

OIL CONSERVATION DIVISION

APPLICATION TYPE

District III

District IV

2040 South Pacheco Santa Fe, New Mexico 87505 _Single Well

APPLICATION FOR DOWNHOLE COMMINGLING

X Established Pre-Approved Pools **EXISTING WELLBORE** X Yes _

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	JUN	5 200			
CONOCO, INC.	Dr., Grider A	and the same of th		DU 3084 HOUSTON TX 77252	
Operator	AND THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN COLUMN TWO IS	ATION DIVE	Address		
SAN JUAN 28-7	The second secon	21	N 9 28N 7W		RIO ARRIBA
Lease	•	Well No.	Unit Letter-Section-Townsh	ip-Range	County

API No. 30-039-07449 _ Lease Type _X_Federal ____State ____Fee OGRID No. 005073 Property Code 016608 **LOWER ZONE UPPER ZONE** INTERMEDIATE ZONE **DATA ELEMENT BLANCO PICTURED CLIFFS BLANCO MESAVERDE** BASIN FRUITLAND COAL Pool Name Pool Code 71629 72359 72319 Top and Bottom of Pay Section 4988' - 5648' 3182' - 3336' PROPOSED 3340' - 3390' PROPOSED (Perforated or Open-Hole Interval) Method of Production EXPECTED TO FLOW **FLOWING** EXPECTED TO FLOW (Flowing of Artificial Lift) **Bottomhole Pressure** data will not be required if the 1,035 1,044 400 (current) 1250(orig bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone) Oil Gravity or Gas BTU (Degree API or Gas BTU) 1,189 1,250 1.045 Producing, Shut-in or **NEW ZONE NEW ZONE PRODUCING** New Zone Date and Oil/Gas/Water Rates of Last Production Date: Date: Date: (Note: For new zones with no production history. applicant shall be required to attach production Rates: EST. 120MCFPD Rates: EST. 62MCFPD astimates and supporting data.) Rates: CURRENT 75MCFPD Gas Oil Gas Oil Fixed Allocation Percentage Oil Gas than current or part production, supporting data or % % explanation will be required.)

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingling zones? If not, have all working royalty and overriding royalty interest owners been notified by certified mail?	Yes Yes		No	<u>X</u>
Are all produced fluids from all commingling zones compatible with each other?	YesX		No	
Will commingling decrease the value of production?	Yes		No	<u>X</u>
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes_X	ζ	No	
NMOCD Reference Case No. applicable to this well: R-11363; R-10476-B				
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 entitled attach curve time)				

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, royalty and overriding royalty interests for uncommon interest cases, Any additional statements, data or documents required to support commingling.

Pre-Approved Pools

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.

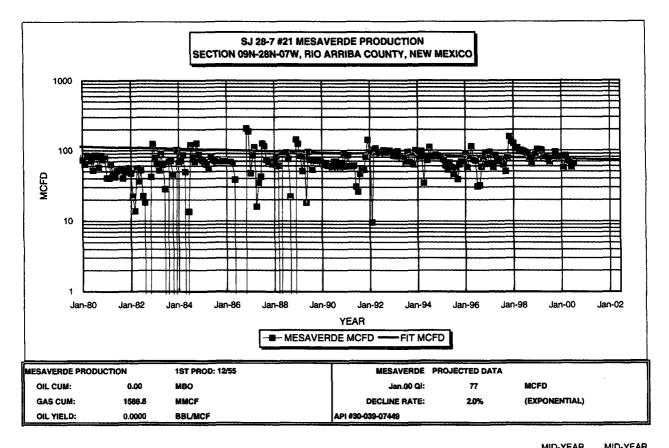
Bottomhole pressure data

I hereby certify tha	t the informat	ion above is true	and complete to he best of my knowledge and belief.
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SIGNATURE Merch Marley TITLE REGULATORY ANALYST DATE 6/13/2001

TYPE OR PRINT NAME DEBORAH MARBERR

TELEPHONE NO. (281)293-1005



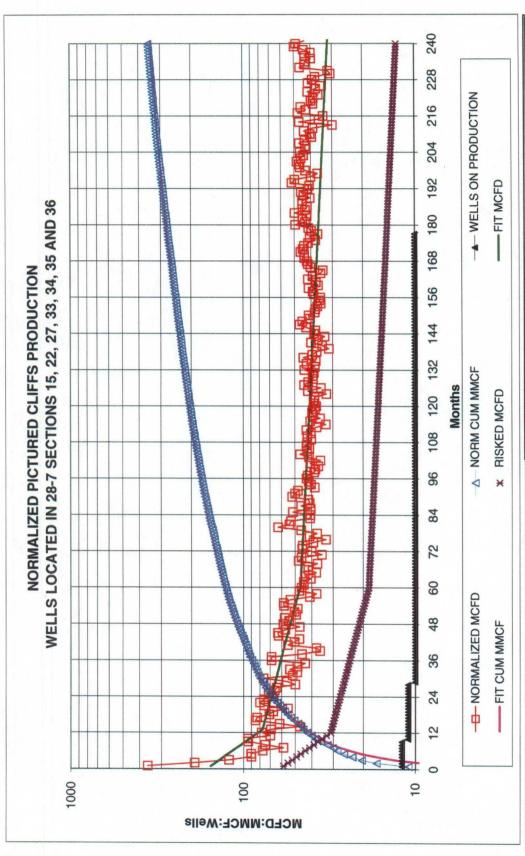
PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

NOTE:

Current decline rate is approximately 2 %/year. This rate is expected to continue for the duration of the well based on production trends observed during the life of this well.

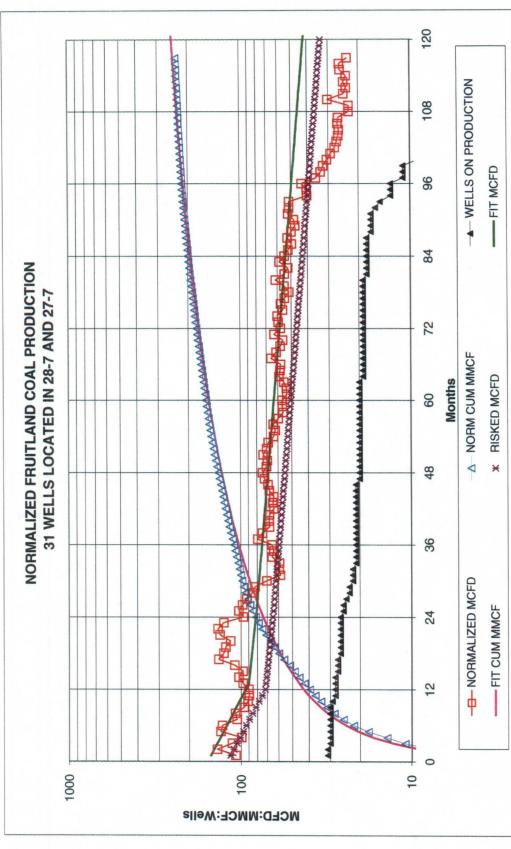
Production data from PI/Dwights Plus.

	MID-YEAR	MID-YEAR
YEAR	AVG. MCFD	AVG. BOPD
2000	76	0.0
2001	74	0.0
2002	73	0.0
2003	71	0.0
2004	70	0.0
2005	69	0.0
2006	67	0.0
2007	66	0.0
2008	65	0.0
2009	63	0.0
2010	62	0.0
2011	61	0.0
2012	60	0.0
2013	58	0.0
2014	57	0.0
2015	56	0.0
2016	55	0.0
2017	54	0.0
2018	53	0.0
2019	52	0.0
2020	51	0.0
2021	50	0.0
2022	49	0.0
2023	48	0.0
2024	47	0.0
2025	46	0.0
2026	45	0.0
2027	44	0.0
2028		0.0
2029		0.0
2030	41	0.0



NORMALIZED AVG:		RISKED AVG: 60% RISK	
699 MMCF EUR	155 MCFD IP	219 MMCF EUR	62 MCFD IP
342 MMCF IN 20 YRS	50.0% DECLINE, 1ST 12 MONTHS	209 MMCF IN 40 YRS	50.0% DECLINE, 1ST 12 MONTHS
523 MMCF IN 40 YRS	12.0% DECLINE, NEXT 48 MONTHS	7 MCFD E.L.	12.0% DECLINE, NEXT 48 MONTHS
7 MCFD E.L.	2.5% FINAL DECLINE	0.0000 bbl/mcf oil yield	2.5% FINAL DECLINE
0.0000 bbl/mcf oil yield			
Wells 28-7 1 7 10 52 71	Wells 28-7 1 7 10 52 71 72 75 76 91 114 266 267		

Wells 28-7 1, 7, 10, 52, 71, 72, 75, 76, 91, 114, 266, 267.



NORMALIZED AVG:		RISKED AVG: 20% RISK	
363 MMCF EUR	150 MCFD IP	277 MMCF EUR	120 MCFD IP
350 MMCF IN 20 YRS	40.0% DECLINE, 1ST 12 MONTHS	280 MMCF IN 20 YRS	40.0% DECLINE, 1ST 12 MONTHS
414 MMCF IN 40 YRS	10.0% DECLINE, NEXT 12 MONTHS	15 MCFD E.L.	10.0% DECLINE, NEXT 12 MONTHS
15 MCFD E.L.	8.0% FINAL DECLINE	0.0000 bbl/mcf oil yield	8.0% FINAL DECLINE
0.0000 bbl/mcf oil yield			

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

District II

State of New Mexico Energy, Minerals & Natural Resources Department Form C-102 Revised August 15, 2000 Submit to Appropriate District Office

811 South First, A District III 1000 Rio Brazos F District IV 2040 South Pache	Rd., Aztec, NM	1 87410 NM 87505	ELL LO		2040 So Santa Fo	outh e, N	FION DIVISIO Pacheco M 87505 REAGE DEDI	-		State Fee	te District Of Lease - 4 Cop Lease - 3 Cop ENDED REPO
	API Numbe	er		² Pool Code	2			³ Pool Na	me		
30-039-074			72319)			ANCO MESAVE	RDE			
4 Property	Code	CANITIAN	1 20 7		5 Pro	perty	Name				Vell Number
016608	No.	SAN JUAN	N 20-1		s One	rator	Name			21	Elevation
005073	1101	CONOCO	INC		op.	- 4001					Zic vation
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Certificate Number

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

State of New Mexico Energy, Minerals & Natural Resources Department District II

Form C-102 Revised August 15, 2000

811 South First, Artesia, NM 88210 OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

2040 South Pacheo	co, Santa Fe, l	NM 87505								AME	ENDED REPORT
			ELL LO			ACI	REAGE DEDI				
	API Numb	er		² Pool Code				³ Pool Na	me		
30-039-074		r	71629)		BAS perty l	SIN FRUITLAND	O COAL		61	Vell Number
4 Property 016608	Code	SAN JUA	N 28-7		3 Pro	регту	Name			21	ven Number
7 OGRID	No.	SANJUA	14 20-7		8 Ope	rator	Name				e Elevation
005073		CONOCO	INC		-						
003073		Conoco	, 1110.		10 Surf	ace	Location	·			
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District II

811 South First, Artesia, NM 88210

State of New Mexico Energy, Minerals & Natural Resources Department

Revised August 15, 2000 Submit to Appropriate District Office

Form C-102

OIL CONSERVATION DIVISION

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
WELL LOCATION AND ACREAGE DEDICATION PLAT API Number
API Number 30-039-07449 72359 BLANCO PICTURED CLIFFS A Property Code 1 Property Name 1 Well Number Office
30-039-07449 72359 BLANCO PICTURED CLIFFS Property Code O16608 SAN JUAN 28-7 Operator Name Property Name O16608 SAN JUAN 28-7 OPERATOR CERTIFICATION O5073
**Property Code 016608 SAN JUAN 28-7 21 **OGRID No. 005073 CONOCO, INC. **Ito Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County N 5 = 1
CONOCO, INC. 10 Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County N 5 E 4 9 28N 7W 1080' SOUTH 1650' WEST RIO ARRIBA 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 Dedicated Acres Dijoint or Infill Consolidation Code Gorden 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
CONOCO, INC. CONOCO, INC. CONOC
10 Surface Location 10 Surface 10 Joint or Infill 10 Consolidation Code 15 Order No. 15 Order No. 16 Surface 17 OPERATOR CERTIFICATION 17 OPERATOR CERTIFICATION 17 OPERATOR CERTIFICATION 17 OPERATOR CER
UL or lot no. Section Township Range Lot Idn Feet from the SOUTH 1650' WEST RIO ARRIBA 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 Dedicated Acres 12 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
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Signature Garage
DEBORAH MARBERRY
Printed Name
REGULATORY ANALYST
Title
5/24/2001
Date
18SURVEYOR 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