

10/29/02	SUSPENSE NA	ENGINEER	LOGGED IN KN	TYPE DHC	APP NO. 230450450
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
**- Engineering Bureau -**  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

**[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication**  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [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

**[D] Other: Specify \_\_\_\_\_**

**[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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

**[4] CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Debbie Marberry Deborah Marberry Reg. Analyst 10/25/12  
 Print or Type Name Signature Title Date

Deborah.A.Marberry@conoco.com  
 e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 68240  
District II  
811 South First Street, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals, and Natural Resources Department

Form C-107A  
Revised May 15, 2000

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
Single Well  
X Established Pre-Approved Pools  
EXISTING WELLBORE  
X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

CONOCO, INC. P.O. BOX 2197 WL3 3044 HOUSTON TX 77252  
Operator Address  
SAN JUAN 28-7 UNIT 52A P SEC27 T28N R7W RIO ARRIBA  
Lease Well No. Unit Letter-Section-Township-Range County  
OGRID No. 005073 Property Code 016608 API No. 30-039-23982 Lease Type X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BASIN FRUITLAND COAL	SOUTH BLANCO P.C.	BLANCO MESAVERDE
Pool Code	71629	72349	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3200' - 3324'	3336' - 3382'	4964' - 5696'
Method of Production (Flowing of Artificial Lift)	EXPECTED TO FLOW	EXPECTED TO FLOW	FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	470	380	280
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-in or New Zone	NEW ZONE	NEW ZONE	PRODUCING
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: ATTACHED	Date: Rates: ATTACHED	Date: Rates: ATTACHED
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or part production, supporting data or explanation will be required.)	Oil Gas % % Test	Oil Gas % % Test	Oil Gas % % Sub-attached

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingling zones? Yes No X  
If not, have all working royalty and overriding royalty interest owners been notified by certified mail? Yes No X  
Are all produced fluids from all commingling zones compatible with each other? Yes X No  
Will commingling decrease the value of production? Yes No X  
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 No  
NMOCD Reference Case No. applicable to this well: R-11363 R-10476B

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, 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 that the information above is true and complete to the best of my knowledge and belief.  
SIGNATURE Deborah Marberry TITLE REGULATORY ANALYST DATE 10/24/2002  
TYPE OR PRINT NAME DEBORAH MARBERRY TELEPHONE NO. (832)486-2326

District I  
1625 N. French Drive, Hobbs, NM 68240

District II  
811 South First Street, Artesia, NM 88210

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1000 Rio Brazos Road, Aztec, NM 87410

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Form C-107A  
Revised May 15, 2000

APPLICATION TYPE

Single Well

☒ Established Pre-Approved Pools

EXISTING WELLBORE

☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

CONOCO, INC.

P.O. BOX 2197 WL3 3044 HOUSTON TX 77252

Operator

Address

SAN JUAN 28-7 UNIT

52A

P SEC27 T28N R7W

RIO ARRIBA

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 005073 Property Code 016608 API No. 30-039-23982 Lease Type ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BASIN FRUITLAND COAL	SOUTH BLANCO P.C.	BLANCO MESAVERDE
Pool Code	71629	72349	72319
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Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	470	380	280
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-in or New Zone	NEW ZONE	NEW ZONE	PRODUCING
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: ATTACHED	Date:  Rates: ATTACHED	Date:  Rates: ATTACHED
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % % Test	Oil Gas % % Test	Oil Gas % % Sub-attached

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 ☐ No ☒  
Yes ☐ No ☒

Are all produced fluids from all commingling zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

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 ☒ No ☐

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**Energy, Minerals & Natural Resources Department**

**OIL CONSERVATION DIVISION**  
**2040 South Pacheco**  
**Santa Fe, NM 87505**

Form C-102  
 Revised August 15, 2000  
 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 30-039-23982		<sup>2</sup> Pool Code 72319		<sup>3</sup> Pool Name BLANCO MESAVERDE	
<sup>4</sup> Property Code 016608		<sup>5</sup> Property Name SAN JUAN 28-7 UNIT			<sup>6</sup> Well Number 52A
<sup>7</sup> OGRID No. 005073		<sup>8</sup> Operator Name CONOCO, INC.			<sup>9</sup> Elevation 6701

**<sup>10</sup> Surface Location**

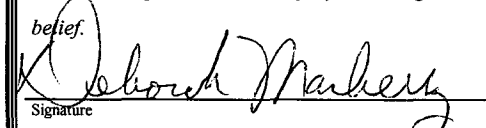
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	27	28N	7W		970	SOUTH	1020	EAST	RIO ARRIBA

**<sup>11</sup> 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

<sup>12</sup> Dedicated Acres E/2	<sup>13</sup> Joint or Infill I	<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> <div style="border: 1px solid black; width: 100px; height: 100px; margin: 10px auto;"></div>	<div style="border: 1px solid black; width: 100px; height: 100px; margin: 10px auto;"></div>	<div style="border: 1px solid black; width: 100px; height: 100px; margin: 10px auto;"></div>	<div style="border: 1px solid black; width: 100px; height: 100px; margin: 10px auto;"></div>	<b><sup>17</sup> OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature DEBORAH MARBERRY Printed Name REGULATORY ANALYST Title 10/24/2002 Date
				<b><sup>18</sup> SURVEYOR CERTIFICATION</b> 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:
				<div style="border: 1px solid black; width: 100px; height: 100px; margin: 10px auto;"></div>
				Certificate Number

**District I**

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**State of New Mexico**  
**Energy, Minerals & Natural Resources Department**

**OIL CONSERVATION DIVISION**  
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**Santa Fe, NM 87505**

Form C-102  
 Revised August 15, 2000

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☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-039-23982		<sup>2</sup> Pool Code 71629		<sup>3</sup> Pool Name BASIN FRUITLAND COAL	
<sup>4</sup> Property Code 016608		<sup>5</sup> Property Name SAN JUAN 28-7 UNIT			<sup>6</sup> Well Number 52A
<sup>7</sup> OGRID No. 005073		<sup>8</sup> Operator Name CONOCO, INC.			<sup>9</sup> Elevation 6701

<sup>10</sup> Surface Location

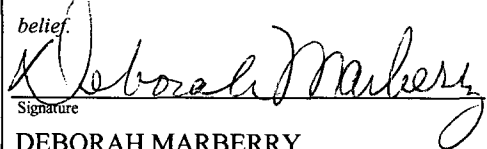
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	27	28N	7W		970	SOUTH	1020	EAST	RIO ARRIBA

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	I	U	

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**Revised August 15, 2000**  
  
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**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-039-23982		<sup>2</sup> Pool Code 72439		<sup>3</sup> Pool Name BLANCO PC SOUTH	
<sup>4</sup> Property Code 016608		<sup>5</sup> Property Name SAN JUAN 28-7 UNIT			<sup>6</sup> Well Number 52A
<sup>7</sup> OGRID No. 005073		<sup>8</sup> Operator Name CONOCO, INC.			<sup>9</sup> Elevation 6701

<sup>10</sup> Surface Location


UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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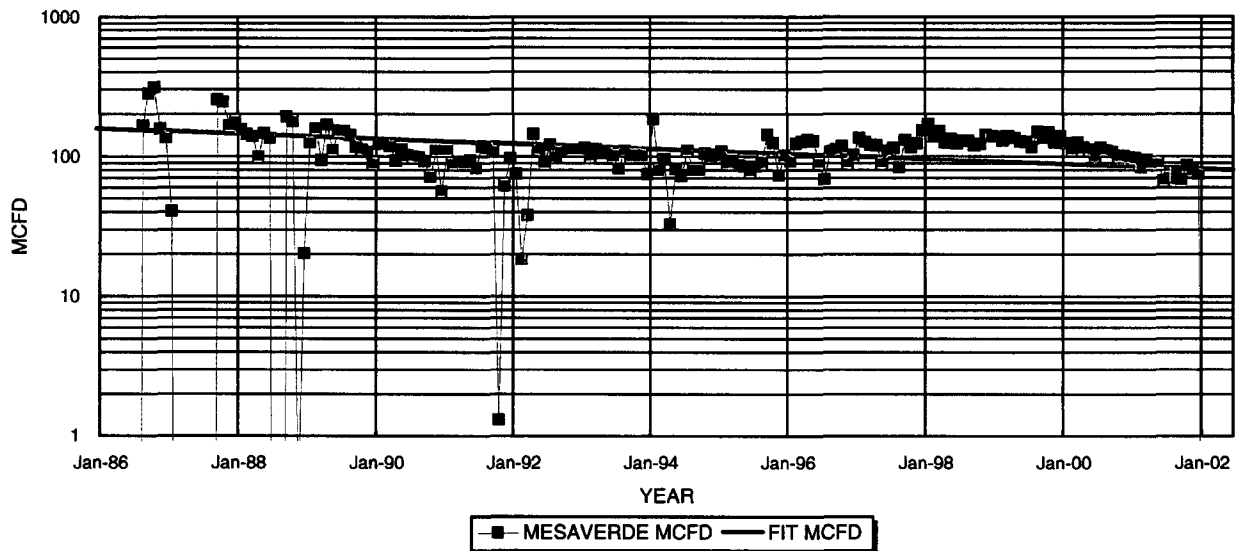
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

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**SAN JUAN 28-7 UNIT #52A MESAVERDE PRODUCTION  
SECTION 27-28N-07W, RIO ARRIBA, NEW MEXICO**



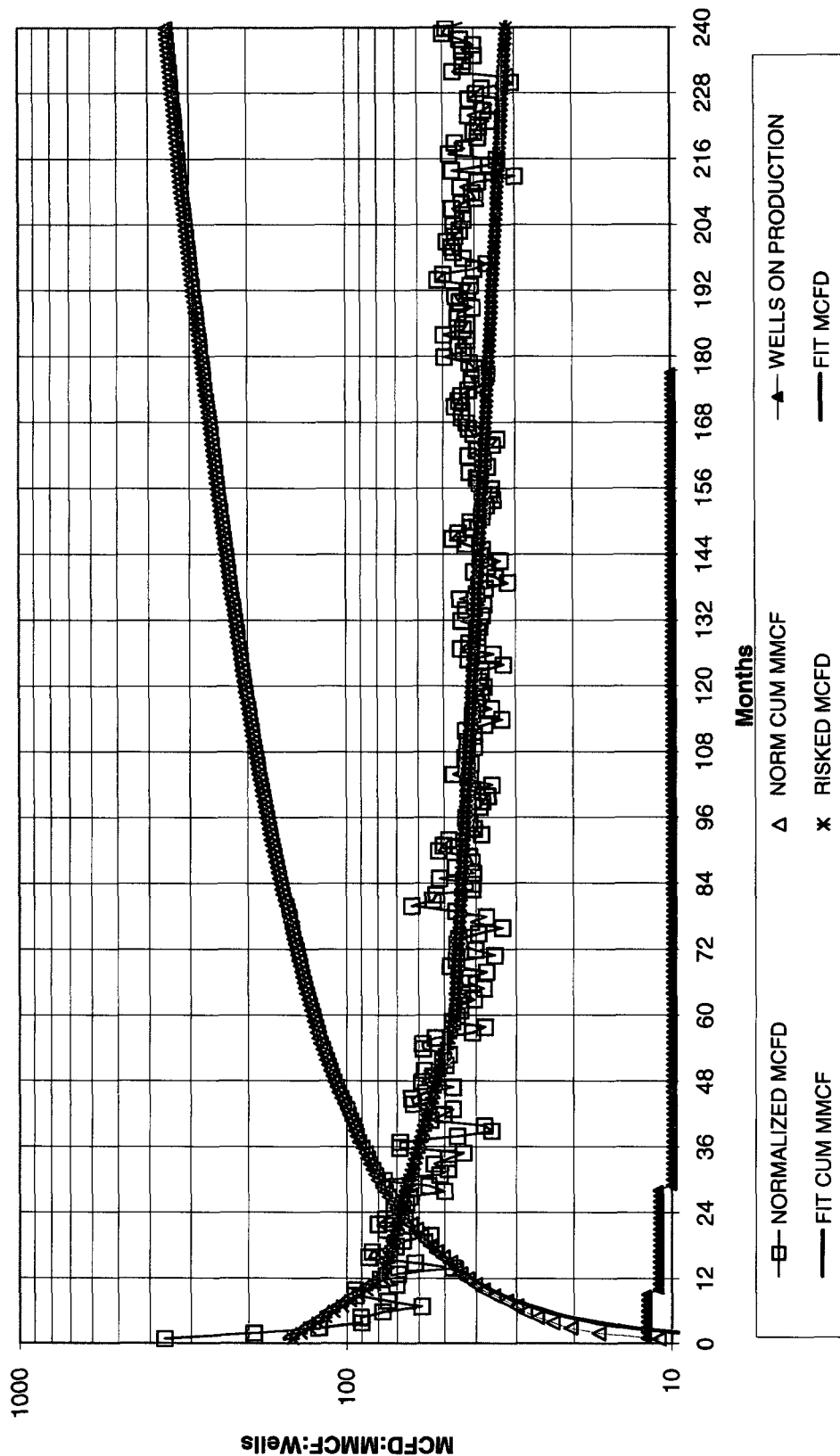
<b>MESAVERDE PRODUCTION</b>		<b>1ST PROD: 08/86</b>	<b>MESAVERDE PROJECTED DATA</b>	
OIL CUM:	3.59	MBO	Jan '02 Qi:	82 MCFD
GAS CUM:	605.4	MMCF	DECLINE RATE:	4.0% (EXPONENTIAL)
OIL YIELD:	5.93	BBL/MMCF	API #30-039-23982	

**PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION**

**NOTE:** Current decline rate is approximately 4.0%/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 PEEP.

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
2002	81	0.5
2003	77	0.5
2004	74	0.4
2005	71	0.4
2006	68	0.4
2007	66	0.4
2008	63	0.4
2009	61	0.4
2010	58	0.3
2011	56	0.3
2012	54	0.3
2013	51	0.3
2014	49	0.3
2015	47	0.3
2016	45	0.3
2017	44	0.3
2018	42	0.2
2019	40	0.2
2020	39	0.2
2021	37	0.2
2022	36	0.2
2023	34	0.2
2024	33	0.2
2025	32	0.2
2026	30	0.2
2027	29	0.2
2028	28	0.2
2029	27	0.2
2030	26	0.2
2031	25	0.1
2032	24	0.1

# NORMALIZED PICTURED CLIFFS PRODUCTION WELLS LOCATED IN 28-7 SECTIONS 15, 22, 27, 33, 34, 35 AND 36

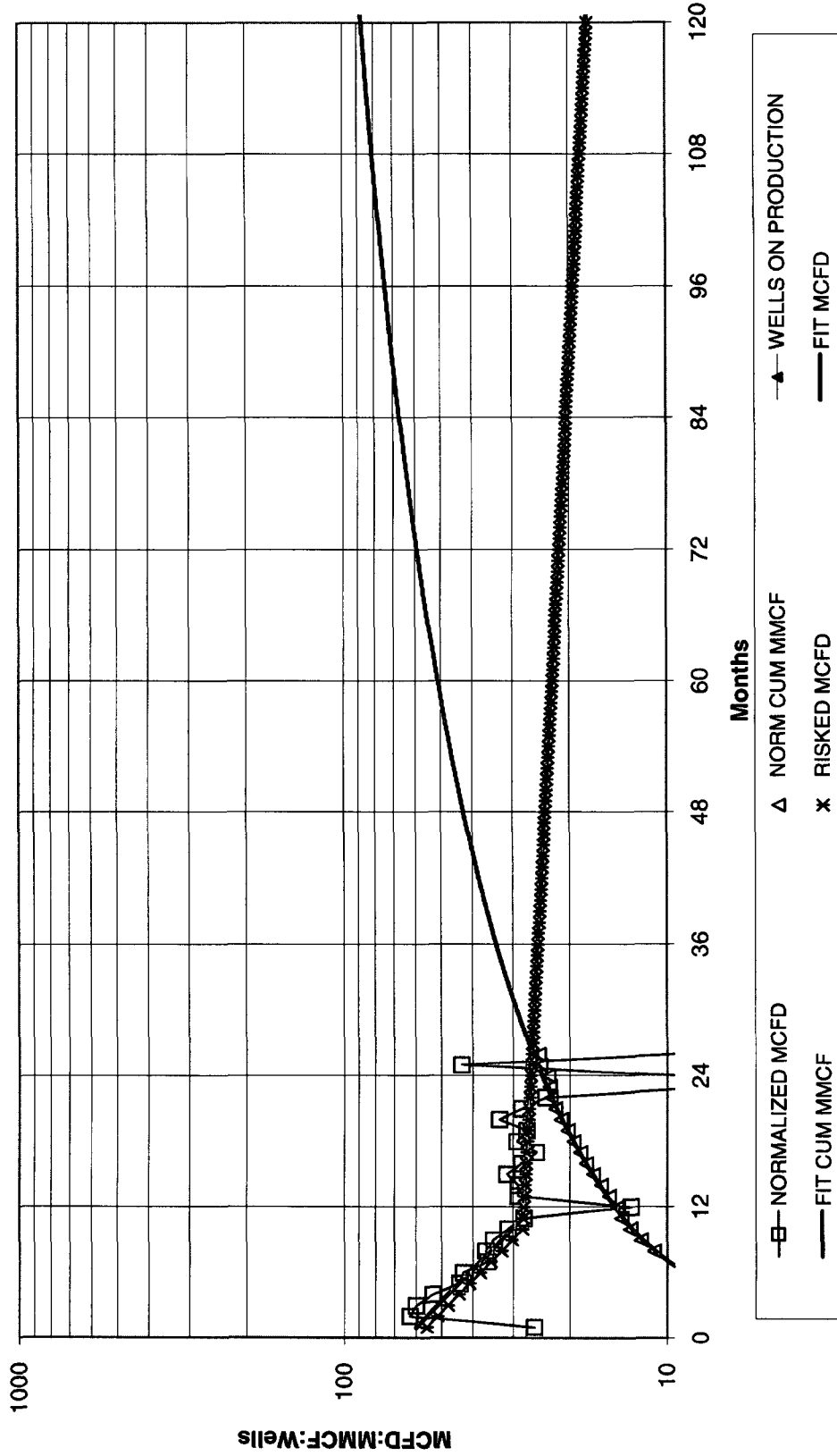


NORMALIZED AVG:	
655 MMCF EUR	155 MCFD IP
342 MMCF IN 20 YRS	50.0% DECLINE, 1ST 12 MONTHS
523 MMCF IN 40 YRS	12.0% DECLINE, NEXT 48 MONTHS
10 MCFD E.L.	2.5% FINAL DECLINE
0.0000 bbl/mcf oil yield	

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



# LOW RATE FRUITLAND COAL PRODUCTION 6 WELLS LOCATED IN 28-7 AND 27-7



## NORMALIZED AVG:

141 MMCF EUR  
138 MMCF IN 20 YRS  
185 MMCF IN 40 YRS  
10 MCFD E.L.  
0.0000 bbl/mcf oil yield

60 MCFD IP  
60.0% DECLINE, 1ST 12 MONTHS  
5.0% FINAL DECLINE

28-7 wells 7, 10, 68, 146, 161. 27-7 well 35.