

CASE NO.

1 1 0 2 9

LEASE & WELL NAME

STATE COM G NO. 2A

LOCATION

1650' FSL & 1650' FEL

SEC. 32, T-29N, R-8W

SAN JUAN COUNTY

POOLS TO BE DOWNHOLE COMMINGLED

Blanco Pictured Cliffs

Blanco Mesaverde

STATE LEASE NOS. AT WELL LOCATION

Pictured Cliffs: E-3374

Mesaverde: E-3374

SPACING UNITS

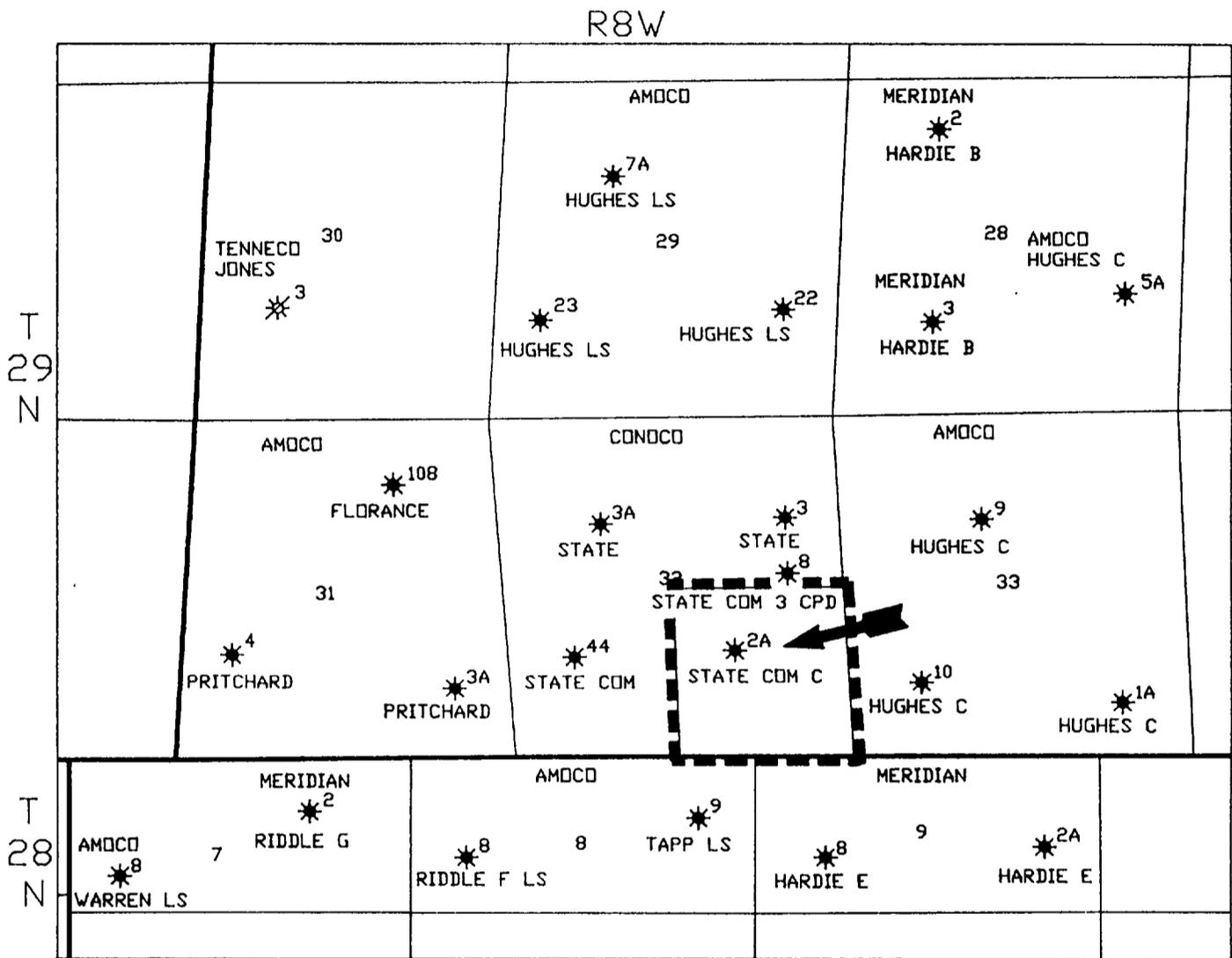
Pictured Cliffs: SE/4, Sec. 32 -- 160 acres

Mesaverde: S/2, Sec. 32 -- 320 acres

*Exhibits 1 through 10
Complete Set*

BEFORE AN EXAMINER OF THE
OIL CONSERVATION DIVISION

EXHIBIT NO. 1
CASE NO.: 11029
Submitted by: Conoco Inc.
Hearing Date: Sept 1, 1994

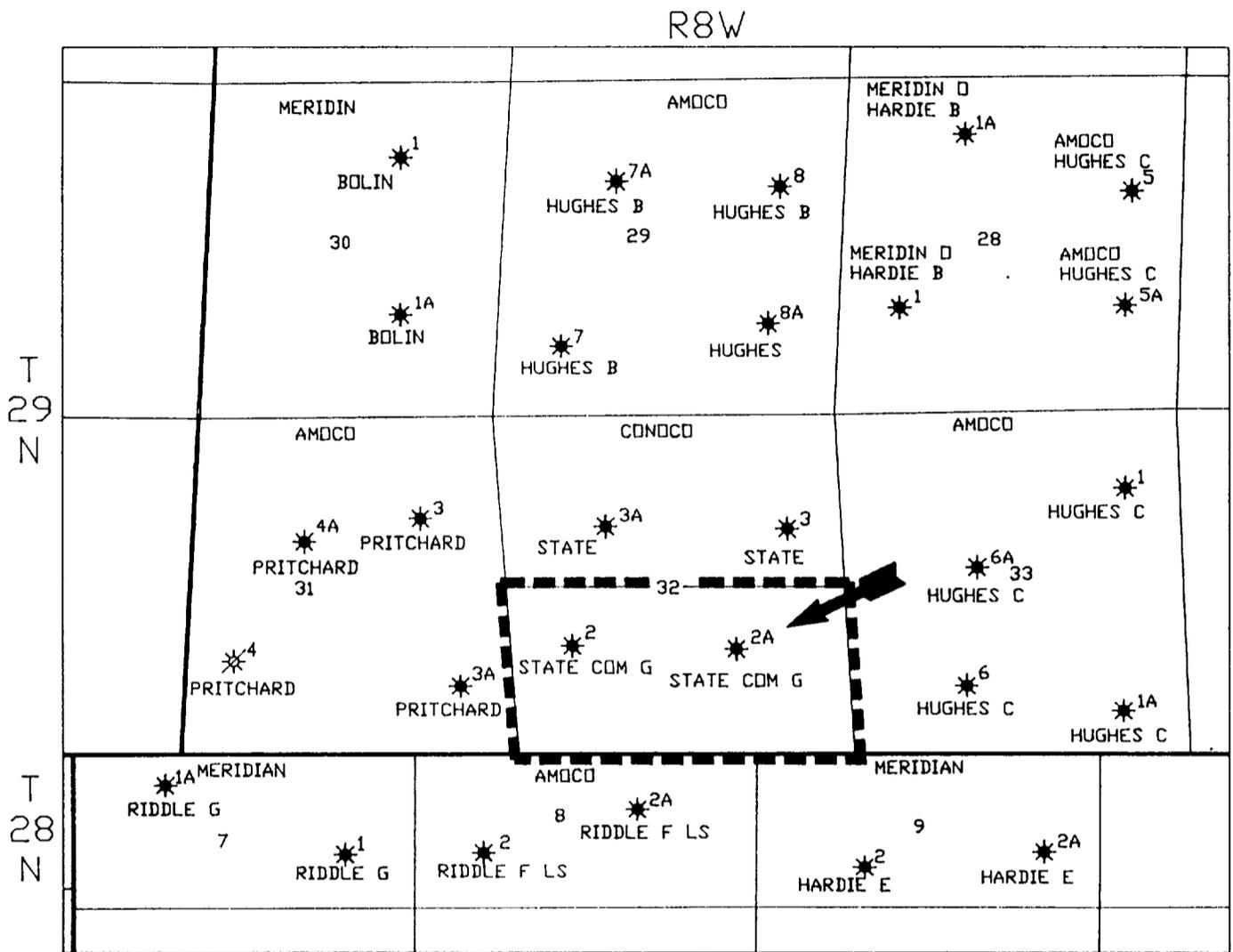


----- PICTURED CLIFF PRORATION UNIT

	EPNGNA MIDLAND DIVISION
STATE COM G #2A PICTURED CLIFF WELLS	
DRAWING NO. PL1155	

BEFORE AN EXAMINER OF THE OIL CONSERVATION DIVISION

EXHIBIT NO. 2-A
 CASE NO.: 11029
 Submitted by: Conoco Inc.
 Hearing Date: Sept 1, 1994



--- MESAVARDE PRORATION UNIT

	EPNGNA MIDLAND DIVISION
STATE COM G #2A MESAVARDE WELLS	
DRAWING NO. PL1153	

BEFORE AN EXAMINER OF THE
OIL CONSERVATION DIVISION

EXHIBIT NO. 2-B
CASE NO.: 11029
Submitted by: Conoco Inc.
Hearing Date: Sept 1, 1994

State Com G 2A 32-29N-8W Pictured Cliffs (SE/4) Mesaverde (S/2)	Interest Type*	Pictured Cliffs	Interest Type*	Mesaverde
Conoco Inc.	W	0.77367000	W	0.73585760
Amoco Production Company	W	0.00000000	W	0.05468750
Conoco A/C Mesa Royalty Trust	CWI	0.08871000	CWI	0.07816110
Conoco A/C Shirley Bernstein	CWI	0.00007000	CWI	0.00001830
Conoco A/C Atwell & Company	CWI	0.00002000	CWI	0.00002070
Conoco A/C Kathleen B. Lipkins	CWI	0.00003000	CWI	0.00000480
Commissioner of Public Lands	R	0.12500000	R	0.12500000
Conoco Inc.	ORRI	0.00625000	ORRI	0.00312500
Harry G. Clarke, Jr.	ORRI	0.00625000	ORRI	0.00312500

* LEGEND:

- W = Working Interest
- CWI = Carried Working Interest
- R = Royalty Interest
- O = Overriding Royalty Interest

BEFORE AN EXAMINER OF THE
OIL CONSERVATION DIVISION

EXHIBIT NO. 3
CASE NO.: 11029
Submitted by: Conoco Inc.
Hearing Date: Sept 1, 1994

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Amoco Production Company
P.O. Box 800
Denver, CO 80201

4a. Article Number
2 111 016 277

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
6-27-94

5. Signature (Addressee)

6. Signature (Agent)

PS Form 3811, December 1991 * U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Meridian Oil Inc.
P.O. Box 4289
Farmington, NM 87499-4289

4a. Article Number
2 111 016 278

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
6-27-94

5. Signature (Addressee)

6. Signature (Agent)
John Paulson

PS Form 3811, December 1991 * U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Commissioner of Public Lands
State of New Mexico
P.O. Box 1148
Santa Fe, NM 87504-1148

4a. Article Number
2 111 016 274

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)

6. Signature (Agent)

PS Form 3811, December 1991 * U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Harry G. Clarke, Jr.
21 D Center Drive
Lancaster, PA 17601

4a. Article Number
2 111 016 275

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
6/27/94

5. Signature (Addressee)
Harry G. Clarke Jr.

6. Signature (Agent)

PS Form 3811, December 1991 * U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Conoco A/C Atwell & Company
% United States Trust Co.
of New York
Box 456, Wall Street Station
New York, NY 10005

4a. Article Number
2 111 016 272

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
JUN 28 1994

5. Signature (Addressee)

6. Signature (Agent)

PS Form 3811, December 1991 * U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Conoco A/C Kathleen B. Lipkins
654 Madison Avenue
New York, NY 10021-8404

4a. Article Number
2 111 016 273

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
6/29/94

5. Signature (Addressee)
M. Fagan

6. Signature (Agent)

PS Form 3811, December 1991 * U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Conoco A/C
Shirley Bernstein
654 Madison Avenue
New York, NY 10021-8404

4a. Article Number
2 111 016 000

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
7-22-94

5. Signature (Addressee)

6. Signature (Agent)
M. Fagan

PS Form 3811, December 1991 * U.S.G.P.O. : 1993-352-714 **DOMESTIC RETURN RECEIPT**

BEFORE AN EXAMINER OF THE OIL CONSERVATION DIVISION

EXHIBIT NO. 4
CASE NO.: 11029
Submitted by: Conoco Inc.
Hearing Date: Sept 1, 1994

Submit 2 copies to Appropriate District Office.
 DISTRICT I
 P.O. Box 1960, Hobbs, NM 88240
 DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210
 DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
 Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

Form C-116
 Revised 1/1/89

GAS - OIL RATIO TEST

Operator	Well		WELL NO.	LOCATION			DATE OF TEST	TYPE OF TEST - (0)	CHOKED SIZE	TUBG. PRESS.	DAILY ALLOW. ABLE	LENGTH OF TEST HOURS	WATER BEHLS.		PROD. DURING TEST		GAS - OIL RATIO CU FT/BEH.	
	U	S		T	R	GRAV. OIL							OIL BEHLS.	GAS MCF.				
Conoco Inc.	Blanco Mesaverde & Blanco Pictured Cliffs																	San Juan
Address	10 Desta Drive, Ste 100W, Midland, TX 79705																	Average Daily Rates for April, 1994 <input type="checkbox"/> Scheduled <input type="checkbox"/> Special
LEASE NAME			2A	J	32	29N	8W	F	--	N/A	--	--	--	--	--	28	--	
State Com G (Pictured Cliffs)			2A	J	32	29N	8W	F	--	Marginal Well	--	--	--	--	--	220	--	
State Com G (Mesaverde)																		

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

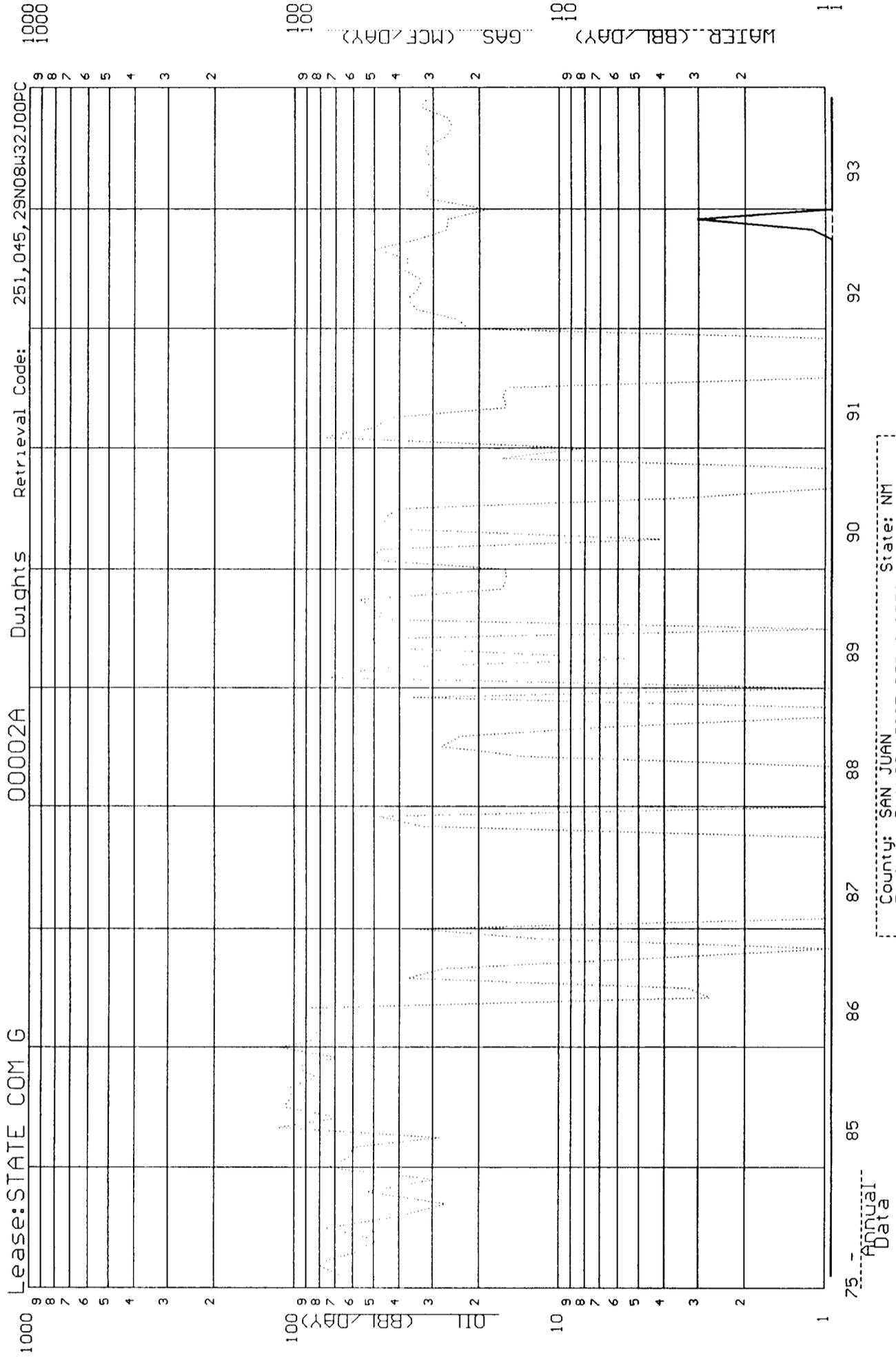
Signature: Jerry W. Hoover, Sr. Conservation Coordinator
 Printed name and title: Jerry W. Hoover, Sr. Conservation Coordinator
 Date: 6/17/94
 Telephone No.: (915) 686-6548

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.
 Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.
 Report casing pressure in lieu of tubing pressure for any well producing through casing.
 (See Rule 301, Rule 1116 & appropriate pool rules.)

BEFORE AN EXAMINER OF THE OIL CONSERVATION DIVISION

EXHIBIT NO. 5
 CASE NO.: 11029
 Submitted by: Conoco Inc.
 Hearing Date: Sept 1, 1994



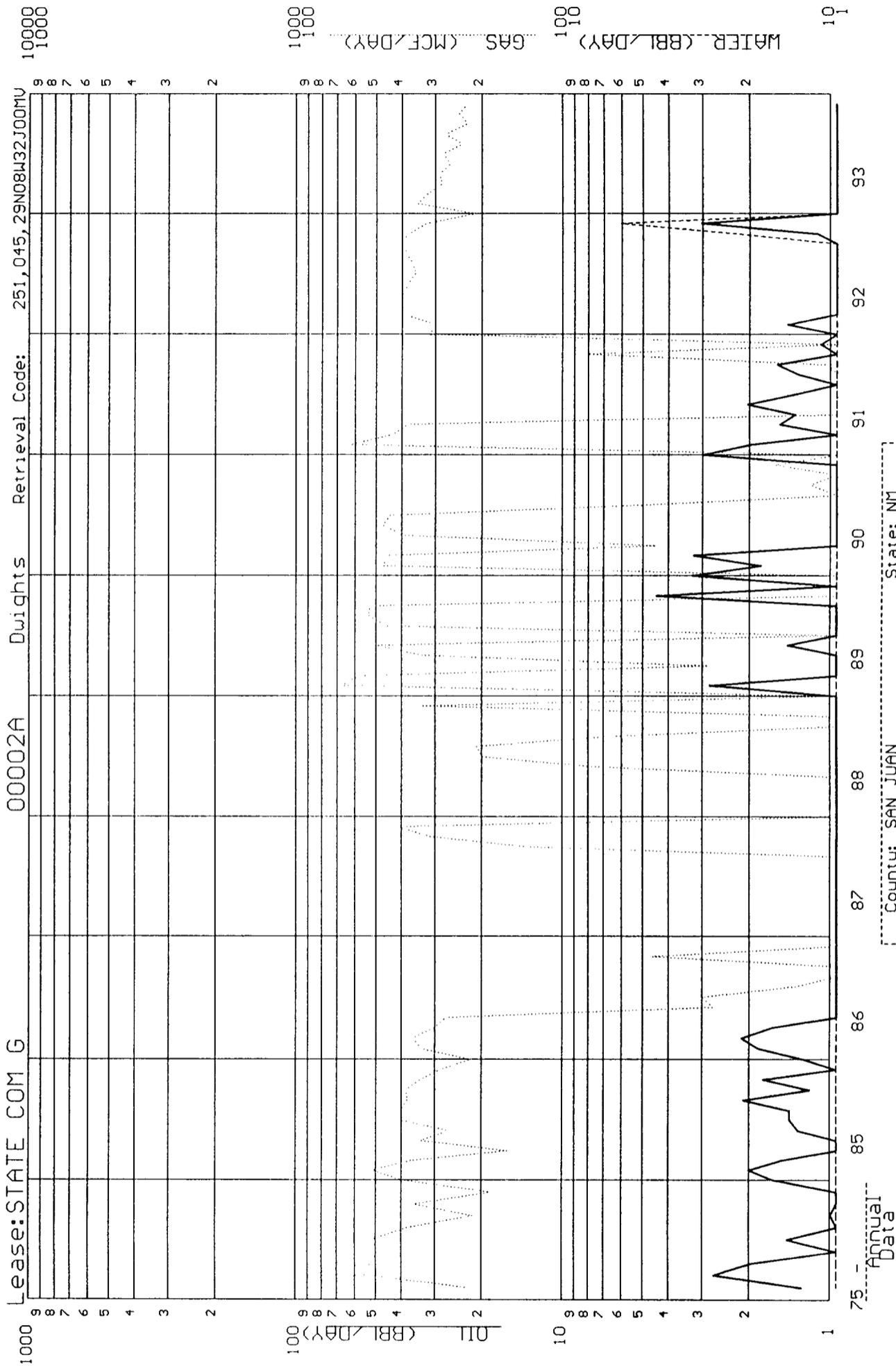
County: SAN JUAN State: NM
 Field: BLANCO (PICTURED CLIFFS) PC
 Reservoir: PICTURED CLIFFS
 Operator: CONOCO INC
 Oil Cum: 328 Gas Cum: 302775
 Location: 32J-29N-8W

F.P. Date 09-75

Date: 06-01-94

BEFORE AN EXAMINER OF THE OIL CONSERVATION DIVISION

EXHIBIT NO. 6-A
 CASE NO.: 11029
 Submitted by: Conoco Inc.
 Hearing Date: Sept 1, 1994



County: SAN JUAN State: NM
 Field: BLANCO (MESAVERDE) MU
 Reservoir: MESAVERDE
 Operator: CONOCO INC
 Oil Cum: 7050 Gas Cum: 2079915
 Location: 32J 29N 8W

F.P. Date 09-75 Date: 06-01-94

BEFORE AN EXAMINER OF THE OIL CONSERVATION DIVISION

EXHIBIT NO. 6-B
 CASE NO.: 11029
 Submitted by: Conoco Inc.
 Hearing Date: Sept 1, 1994



1115 FARMINGTON AVE. - FARMINGTON, NM 87401

(505) 325-6622

ANALYSIS NO: CON30084

WELL/LEASE INFORMATION

COMPANY: CONOCO, INC. PRESSURE: 102 PSIG
WELL NAME: STATE COM G #2-A SAMPLE TEMP.: 86 DEG. F
LOCATION: WELL FLOWING: YES
COUNTY: SAN JUAN DATE SAMPLED: 6/23/93
FORMATION: PICTURED CLIFFS SAMPLED BY: J. DAVIS
METER NO.: 066-010-031
EFFECTIVE: JULY 1, 1993 - DECEMBER 31, 1993

REMARKS:

ANALYSIS

COMPONENT	MOLE %	GPM	*B.T.U.	*SP. GR.
NITROGEN	0.076	0.0000	0.000	0.0007
CO2	0.857	0.0000	0.000	0.0130
METHANE	91.380	0.0000	925.03	0.5061
ETHANE	4.334	1.1594	76.87	0.0450
PROPANE	1.986	0.5473	50.08	0.0302
I-BUTANE	0.402	0.1316	13.11	0.0081
N-BUTANE	0.430	0.1356	14.06	0.0086
I-PENTANE	0.156	0.0572	6.27	0.0039
N-PENTANE	0.098	0.0355	3.94	0.0024
HEXANE	0.281	0.1228	14.47	0.0091
TOTAL	100.000	2.1894	1103.83	0.6271

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

COMPRESSIBILITY FACTOR (1/Z) 1.0026
BTU/CU.FT. (DRY) CORRECTED FOR (1/Z) 1106.7
BTU/CU.FT. (WET) CORRECTED FOR (1/Z) 1087.4
REAL SPECIFIC GRAVITY 0.6285

ANALYSIS RUN AT 14.73 PSIA & 60 DEGREES F

CYLINDER PRESSURE: 47 PSIG
CYLINDER NO.: GAS-046
DATE RUN: 6/24/93
ANALYSIS RUN BY: CHELLE DURBIN

BEFORE AN EXAMINER OF THE OIL CONSERVATION DIVISION

EXHIBIT NO. 7-A
CASE NO.: 11029
Submitted by: Conoco Inc.
Hearing Date: Sept 1, 1994



1115 FARMINGTON AVE. - FARMINGTON, NM 87401

(505) 325-6622

ANALYSIS NO: CON30083

WELL/LEASE INFORMATION

COMPANY: CONOCO, INC. PRESSURE: 102 PSIG
WELL NAME: STATE COM G #2-A SAMPLE TEMP.: 98 DEG. F
LOCATION: WELL FLOWING: YES
COUNTY: SAN JUAN DATE SAMPLED: 6/23/93
FORMATION: MESA VERDE SAMPLED BY: J. DAVIS
METER NO.: 066-010-030
EFFECTIVE: JULY 1, 1993 - DECEMBER 31, 1993

REMARKS:

ANALYSIS

COMPONENT	MOLE %	GPM	*B.T.U.	*SP. GR.
NITROGEN	0.284	0.0000	0.000	0.0027
CO2	0.665	0.0000	0.000	0.0101
METHANE	82.476	0.0000	834.00	0.4568
ETHANE	9.475	2.5347	168.07	0.0984
PROPANE	4.326	1.1923	109.11	0.0659
I-BUTANE	0.623	0.2038	20.31	0.0125
N-BUTANE	1.130	0.3563	36.95	0.0227
I-PENTANE	0.344	0.1260	13.81	0.0086
N-PENTANE	0.271	0.0982	10.89	0.0068
HEXANE	0.406	0.1770	20.86	0.0131
TOTAL	100.000	4.6883	1214.00	0.6976

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

COMPRESSIBILITY FACTOR (1/Z) 1.0033
BTU/CU.FT. (DRY) CORRECTED FOR (1/Z) 1218.9
BTU/CU.FT. (WET) CORRECTED FOR (1/Z) 1197.7
REAL SPECIFIC GRAVITY 0.6995

ANALYSIS RUN AT 14.73 PSIA & 60 DEGREES F

CYLINDER PRESSURE: 129 PSIG
CYLINDER NO.: GAS-1687-2
DATE RUN: 6/23/93
ANALYSIS RUN BY: CHELLE DURBIN

BEFORE AN EXAMINER OF THE
OIL CONSERVATION DIVISION

EXHIBIT NO. 7-B
CASE NO.: 11029
Submitted by: Conoco Inc.
Hearing Date: Sept 1, 1994

STATE COM G NO. 2A

BOTTOMHOLE PRESSURE DATA

<u>POOL</u>	<u>PERFS</u>	<u>DATUM</u>	<u>BHP</u>	<u>% of Higher Pressure</u>
Pictured Cliffs	2406'-2450'	3262'	210	74
Mesaverde	4075'-4858'	3262'	283	--

BTU-WEIGHTED PRODUCTION PERCENTAGES

<u>POOL</u>	<u>MCFGPD</u>	<u>BTU/CU FT</u>	<u>% of Production</u>
Pictured Cliffs	28	1107	10.36
Mesaverde	220	1219	89.64

ECONOMIC LIMIT CALCULATIONS

<u>OPERATING COSTS</u>	Direct Operating Expense	\$700/Month
	Overhead/Accounting Expense	<u>\$600/Month</u>
	TOTAL OPERATING COSTS	\$1300/Month

WORKOVER COSTS.....\$20,000 / Workover

CURRENT GAS PRICE.....\$1.35 / MCFG

ECONOMIC LIMIT WITHOUT WORKOVER COSTS.....37 MCFGPD

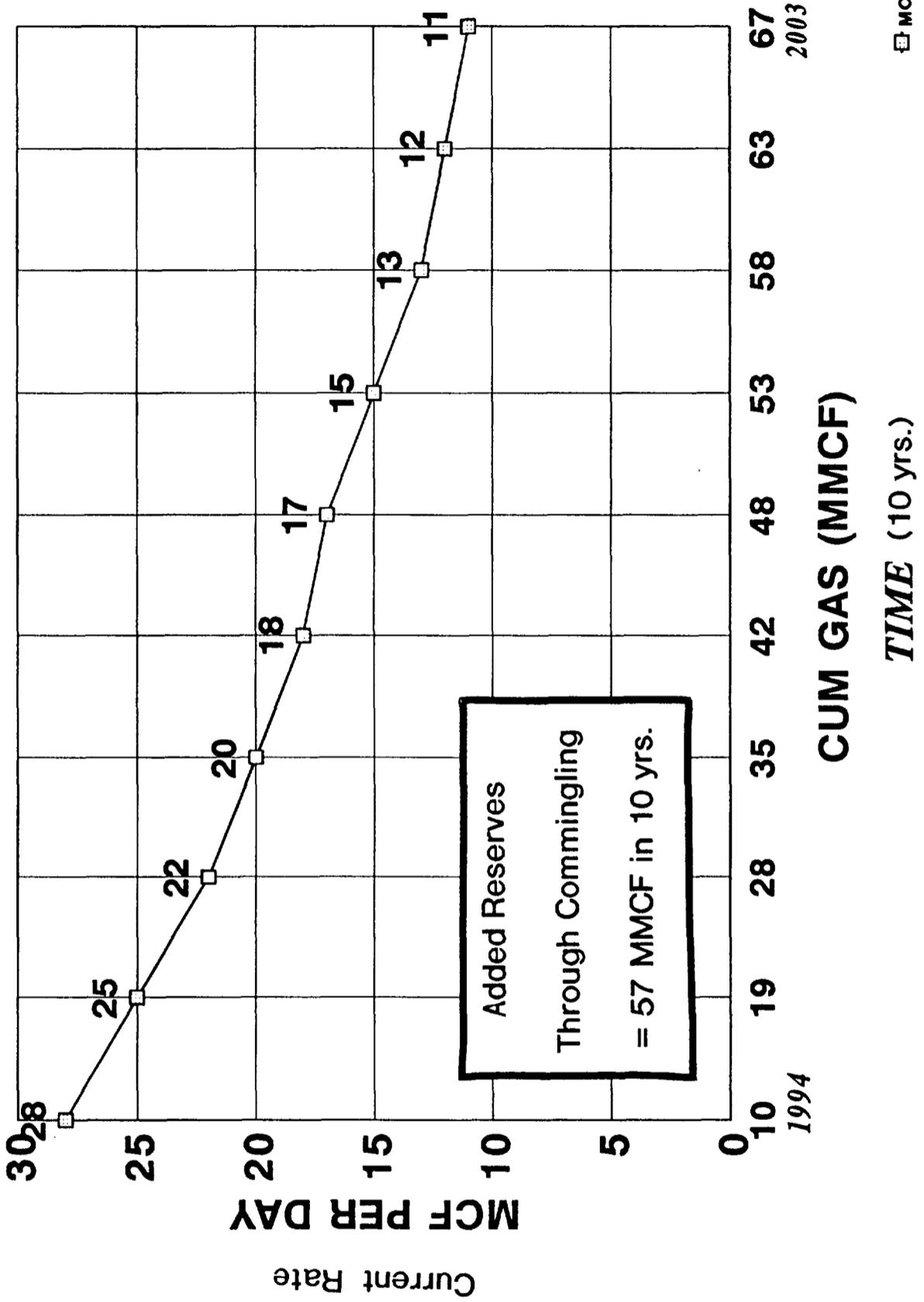
ECONOMIC LIMIT WITH WORKOVER COSTS.....49 MCFGPD

BEFORE AN EXAMINER OF THE
OIL CONSERVATION DIVISION

EXHIBIT NO. 8
CASE NO.: 11029
Submitted by: Conoco Inc.
Hearing Date: Sept 1, 1994

STATE COM G 2A PC

Uneconomic Pictured Cliffs Zone



BEFORE AN EXAMINER OF THE OIL CONSERVATION DIVISION

EXHIBIT NO. 9
CASE NO.: 11029
Submitted by: Conoco Inc.
Hearing Date: Sept 1, 1994



State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760
FAX (505) 827-5766

RAY POWELL, M.S., D.V.M.
COMMISSIONER

July 27, 1994

Conoco, Inc.
10 Desta Drive
Suite 100W
Midland, Texas 79705-4500

Attention: Mr. Jerry Hoover

Re: Downhole Commingling Application
State Com G Well No. 2A
Unit J - Section 32-29N-08W
San Juan County, New Mexico

Dear Mr. Hoover:

Your application to downhole the production from within the wellbore of the above-captioned well was received on June 20, 1994. Your application requests our approval to downhole commingle the Blanco Mesaverde Pool production with the Blanco Pictured Cliffs production within the wellbore of the State Com G Well No. 2A, located in Unit Letter J, Section 32-29N-08W.

Since it appears that all the New Mexico Oil Conservation Division rules and regulations have been compiled with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for downhole commingling is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Your filing fee in the amount of Thirty (\$30.00) Dollars has been received.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744

RP/FOP/pm

Enclos.

cc: Reader File

BEFORE AN EXAMINER OF THE
OIL CONSERVATION DIVISION

EXHIBIT NO. 10
CASE NO.: 11029
Submitted by: Conoco Inc.
Hearing Date: Sept 1, 1994