

**CASE NO.**

1 1 0 3 5

**LEASE & WELL NAME**

GRAHAM C "WN" FED. NO. 1A

**LOCATION**

1050' FSL & 1600' FEL

SEC. 9, T-27N, R-8W

SAN JUAN COUNTY

**POOLS TO BE DOWNHOLE COMMINGLED**

Otero Chacra

Blanco Mesaverde

**FEDERAL LEASE NOS. AT WELL LOCATION**

Chacra: NM-05791

Mesaverde: NM-05791

**SPACING UNITS**

Chacra SE/4, Sec. 9 -- 160 acres

Mesaverde: E/2, Sec. 9 -- 320 acres

*Exhibits 1 through 10  
Complete Set*

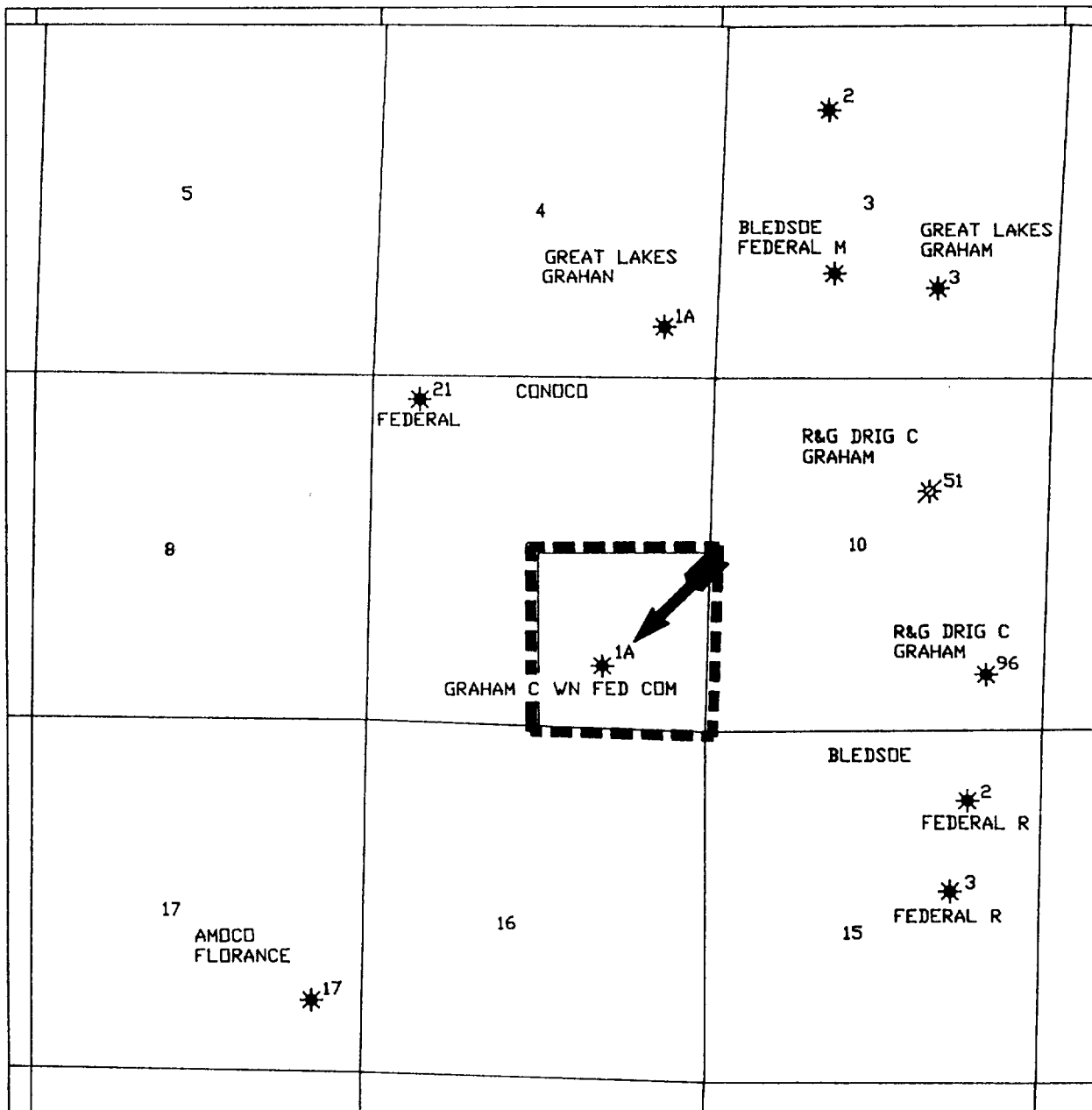
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1BEFORE AN EXAMINER OF THE  
OIL CONSERVATION DIVISION


EXHIBIT NO. 1  
CASE NO.: 11035  
Submitted by: Conoco Inc.  
Hearing Date: Sept 1, 1994

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27  
N



----- CHACRA PRORATION  
UNIT

		EPNGNA MIDLAND DIVISION
GRAHAM C WN FED COM #1A		
CHACRA WELL ONLY		
		DRAWING NO. PL1158

BEFORE AN EXAMINER OF THE  
OIL CONSERVATION DIVISION

EXHIBIT NO. 2-A  
 CASE NO.: 11035  
 Submitted by: Conoco Inc.  
 Hearing Date: Sept 1, 1994



<b>Graham C WN Fed 1A 9-27N-8W Chacra (SE/4) Mesaverde (E/2)</b>	<b>Interest Type*</b>	<b>Chacra</b>	<b>Interest Type*</b>	<b>Mesaverde</b>
Conoco Inc.	W	0.41750000	W	0.41750000
Texaco Exploration & Production Inc.	W	0.41750000	W	0.43750000
Bureau of Land Management	R	0.12500000	R	0.12500000
Wham, A Partnership	ORRI	0.01750000	ORRI	0.00875000
Lalo Enriquez	ORRI	0.00250000	ORRI	0.00125000
Dawson Family Trust	ORRI	0.01000000	ORRI	0.00500000
Rutter and Wilbanks Corporation	ORRI	0.00250000	ORRI	0.00125000
Union Oil Company of California	ORRI	0.00750000	ORRI	0.00375000

**\* 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.: 11035**  
**Submitted by: Conoco Inc.**  
**Hearing Date: Sept 1, 1994**

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.

3. Article Addressed to: R&G Drilling Company % M&G Drilling Company P.O. Box 9560 Palm Springs, CA 92263

4a. Article Number 2 111 016 210

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

7. Date of Delivery

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

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

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.

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

4a. Article Number 2 111 016 211

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

7. Date of Delivery 6-23-94

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

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

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.

3. Article Addressed to: Bledsoe Energy Corporation 5850 Bank One Center 1717 Main Street Dallas, TX 75201

4a. Article Number 2 111 016 208

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

7. Date of Delivery

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

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

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3. Article Addressed to: Great Lakes Chemical Corp. P.O. Box 2200 West Lafayette, IN 47906

4a. Article Number 2 111 016 209

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

7. Date of Delivery 6/23/94

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

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

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.

3. Article Addressed to: Bureau of Land Management Farmington Resource Area 1235 La Plata Highway Farmington, NM 87401

4a. Article Number 2 111 016 206

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

7. Date of Delivery 6-22-94

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

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

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.

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

4a. Article Number 2 111 016 207

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

7. Date of Delivery

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

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

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3. Article Addressed to: Dawson Family Trust % Robbin R. Dawson P.O. Box 1507 Panhandle, TX 79068-1507

4a. Article Number 2 111 016 203

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

7. Date of Delivery 6/22/94

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

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

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3. Article Addressed to: Rutler and Wilbanks Corporation P.O. Box 3186 Midland, TX 79702-3186

4a. Article Number 2 111 016 204

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

7. Date of Delivery JUN 21 1994

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

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

BEFORE AN EXAMINER OF THE OIL CONSERVATION DIVISION

EXHIBIT NO. 4  
CASE NO.: 11035  
Submitted by: Conoco Inc.  
Hearing Date: Sept 1, 1994

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.

3. Article Addressed to: Lalo Enriquez P.O. Box 735 Santa Fe, NM 87504-0735

4a. Article Number 211016201

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

7. Date of Delivery

5. Signature (Addressee) Rosario Loya

6. Signature (Agent)

1 also wish to receive the following services (for an extra fee): 1. Addressee's Address 2. Restricted Delivery Consult postmaster for fee.

8. Addressee's Address (Only if requested and fee is paid)

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

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.

3. Article Addressed to: Texaco Exploration & Production Inc. P.O. Box 2100 Denver, CO 80201

4a. Article Number 211016202

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

7. Date of Delivery

5. Signature (Addressee)

6. Signature (Agent)

1 also wish to receive the following services (for an extra fee): 1. Addressee's Address 2. Restricted Delivery Consult postmaster for fee.

8. Addressee's Address (Only if requested and fee is paid)

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

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3. Article Addressed to: Union Oil of California P.O. Box 4551 Houston, TX 77210-4551

4a. Article Number 211016075

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

7. Date of Delivery

5. Signature (Addressee) R. E. Brown

6. Signature (Agent)

1 also wish to receive the following services (for an extra fee): 1. Addressee's Address 2. Restricted Delivery Consult postmaster for fee.

8. Addressee's Address (Only if requested and fee is paid)

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

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3. Article Addressed to: Wham, a Partnership 8801 South Yale, Suite 150 Tulsa, OK 74137-3575

4a. Article Number 211016200

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

7. Date of Delivery 6/22/94

5. Signature (Addressee) S. Cobelli

6. Signature (Agent)

1 also wish to receive the following services (for an extra fee): 1. Addressee's Address 2. Restricted Delivery Consult postmaster for fee.

8. Addressee's Address (Only if requested and fee is paid)

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

Submit 2 copies to Appropriate  
District Office.  
DISTRICT I  
P.O. Box 1980, 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

Form C-1116  
Revised 1/1/89

## OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

### GAS - OIL RATIO TEST

Operator Conoco Inc.		Pool Blanco Mesaverde & Otero Chacra				County San Juan								
Address 10 Desta Drive, Ste 100W, Midland, TX 79705		TYPE OF TEST - (0)		Average Daily Rates for April, 1994 Completion <input type="checkbox"/> Scheduled <input type="checkbox"/> Special <input type="checkbox"/>										
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBQ PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU FT/BSL	
		U	S	T						R	WATER BSL.	GRAV. OIL		OIL BSL.
Graham C "WN" Federal (Chacra)	1A	0	9	27N	8W	4/94	F	--	N/A	--	--	--	25	--
Graham C "WN" Federal (Mesaverde)	1A	0	9	27N	8W	4/94	F	--	Marginal Well	--	--	--	131	--

#### Instructions:

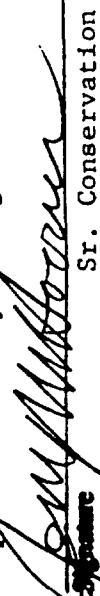
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized 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.)

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

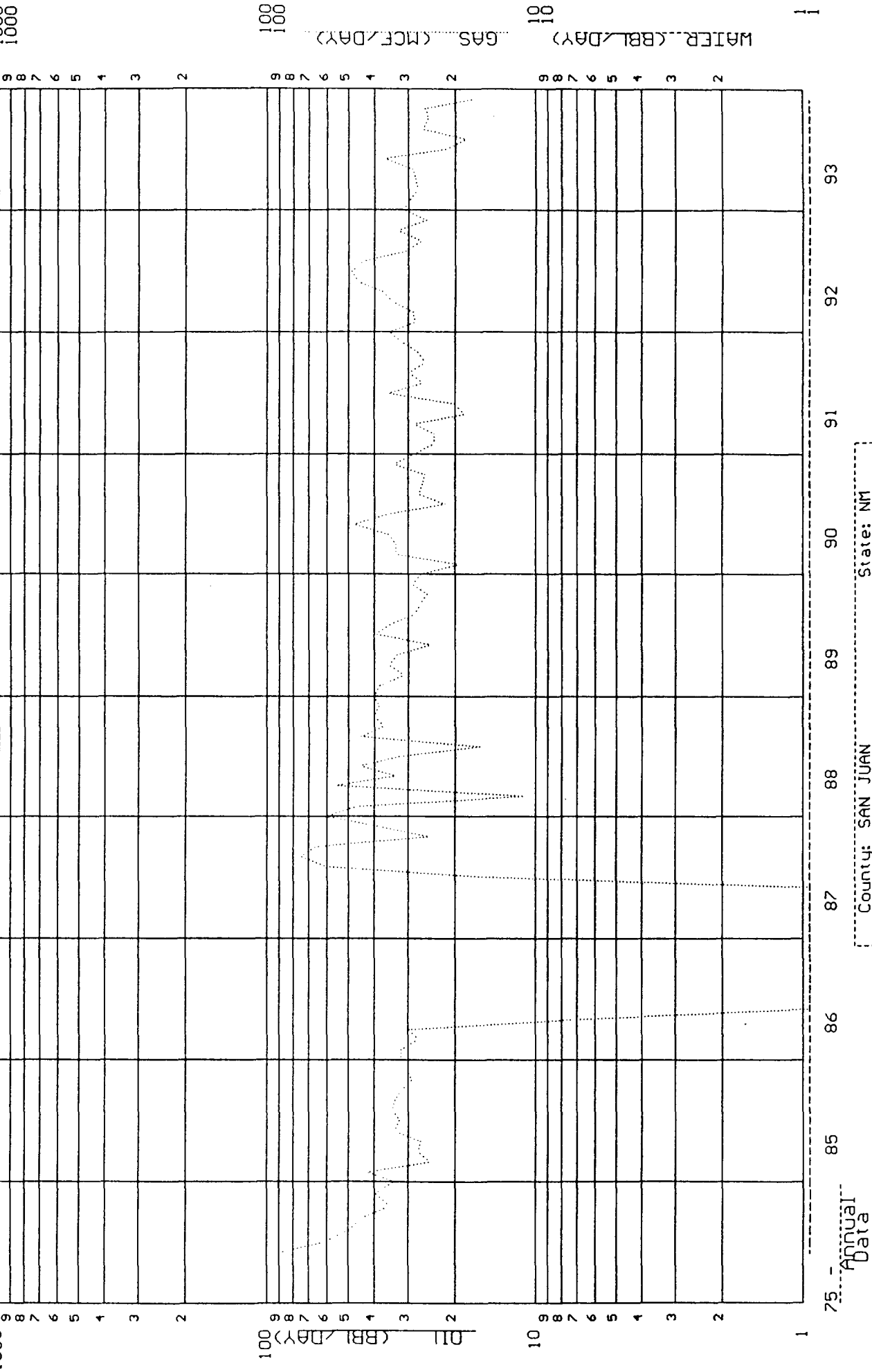
Printed name and title  
6/17/94  
(915) 686-6548

Date  
Telephone No.

BEFORE AN EXAMINER OF THE  
OIL CONSERVATION DIVISION

EXHIBIT NO. 5  
CASE NO.: 11035  
Submitted by: Conoco Inc.  
Hearing Date: Sept 1, 1994

Lease: GRAHAM C WN FEDERAL COM 00001A      Dights      Retrieval Code: 251,045,27N08W090000CK      1000      1000



County: SAN JUAN      State: NM  
Field: OTERO (CHACRA) CK  
Reservoir: CHACRA  
Operator: CONOCO INC  
Oil Cum: 0      Gas Cum: 222941  
Location: 90 27N 8W

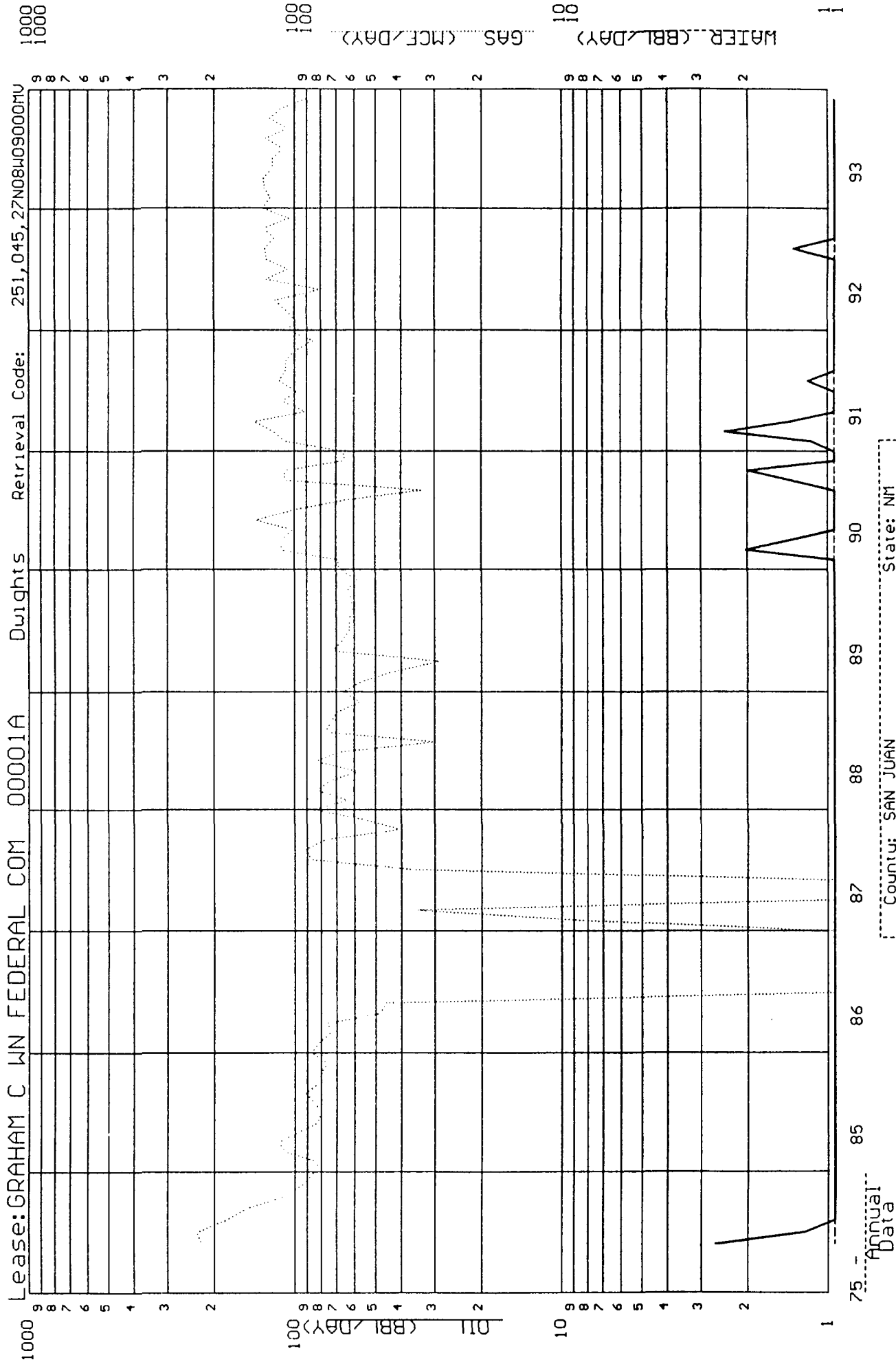
Date: 06-01-94

F.P. Date 03-78

BEFORE AN EXAMINER OF THE  
OIL CONSERVATION DIVISION

EXHIBIT NO. 6-A  
CASE NO.: 11035  
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: 2911      Gas Cum: 649331  
Location: 90 27N 8W

Date: 06-01-94

F.P. Date 03-78

BEFORE AN EXAMINER OF THE  
OIL CONSERVATION DIVISION

EXHIBIT NO. 6-B  
CASE NO.: 11035  
Submitted by: Conoco Inc.  
Hearing Date: Sept 1, 1994

EL PASO NATURAL GAS COMPANY  
VOLUME ACCOUNTING DEPARTMENT  
MEASUREMENT DIVISION  
POST OFFICE BOX 1492  
EL PASO, TEXAS 79978  
PHONE: (915) 541-5257  
CHROMATOGRAPHIC GAS ANALYSIS REPORT

DATE 4/08/84

MAILEE  
23035

CONOCO INCORPORATED  
ATTN: GAS MEASUREMENT  
7415 EAST MAIN STREET  
FARMINGTON, NM 87402-9999

METER NUMBER 88926 - GRAHAM C WN FEDERAL COM No. 1A Chacra  
OPERATOR 0285 - CONOCO - MESA OPERATING LTD

ANALYSIS DATE	3/15/84	TYPE CODE	2 - ACTUAL
SAMPLE DATE	3/08/84	H2S GRAINS	0
EFFECTIVE DATE	4/01/84	LOCATION	D - DANIELS FM
EFFECTIVE FOR	6 MONTHS		

COMPONENTS	NORMALIZED MOL %	GPM
CO2	.34	.000
H2S	.00	.000
N2	1.38	.000
METHANE	87.77	.000
ETHANE	6.12	1.637
PROPANE	2.53	.697
ISO-BUTANE	.41	.134
NORM-BUTANE	.60	.189
ISO-PENTANE	.21	.077
NORM-PENTANE	.15	.054
HEXANE PLUS	<u>.51</u>	<u>.223</u>
	100.00	3.011

SPECIFIC GRAVITY .854  
MIXTURE HEATING VALUE  
(BTU @ 14.73 DRY) 1138  
RATIO OF SPECIFIC HEATS .000  
NO TEST SECURED FOR H2S CONTENT

BEFORE AN EXAMINER OF THE  
OIL CONSERVATION DIVISION

EXHIBIT NO. 7-A  
CASE NO.: 11035  
Submitted by: Conoco Inc.  
Hearing Date: Sept 1, 1994

EL PASO NATURAL GAS COMPANY  
VOLUME ACCOUNTING DEPARTMENT  
MEASUREMENT DIVISION  
POST OFFICE BOX 1492  
EL PASO, TEXAS 79978  
PHONE: (915) 541-5267  
CHROMATOGRAPHIC GAS ANALYSIS REPORT

DATE 4/08/94

MAILEE  
23035

CONOCO INCORPORATED  
ATTN: GAS MEASUREMENT  
7415 EAST MAIN STREET  
FARMINGTON, NM 87402-9888

METER NUMBER 89825 - GRAHAM C WN FEDERAL COM No. 1A Mesaverde  
OPERATOR 0286 - CONOCO - MESA OPERATING LTD

ANALYSIS DATE 3/18/94 TYPE CODE 2 - ACTUAL  
SAMPLE DATE 3/08/94 H2S GRAINS 0  
EFFECTIVE DATE 4/01/94 LOCATION D - DANIELS FM  
EFFECTIVE FOR 6 MONTHS

COMPONENTS	NORMALIZED MOL %	GPM
CO2	.63	.000
H2S	.00	.000
N2	.58	.000
METHANE	78.83	.000
ETHANE	9.72	2.600
PROPANE	5.74	1.582
ISO-BUTANE	.81	.298
NORM-BUTANE	1.55	.488
ISO-PENTANE	.54	.198
NORM-PENTANE	.43	.158
HEXANE PLUS	<u>1.07</u>	<u>.467</u>
	100.00	5.790

SPECIFIC GRAVITY .751  
MIXTURE HEATING VALUE  
(BTU @ 14.73 DRY) 1294  
RATIO OF SPECIFIC HEATS .000  
NO TEST SECURED FOR H2S CONTENT

BEFORE AN EXAMINER OF THE  
OIL CONSERVATION DIVISION

EXHIBIT NO. 7-B  
CASE NO.: 11035  
Submitted by: Conoco Inc.  
Hearing Date: Sept 1, 1994

GRAHAM C "WN" FED. NO. 1A

**BOTTOMHOLE PRESSURE DATA**

<u>POOL</u>	<u>PERFS</u>	<u>DATUM</u>	<u>BHP</u>	<u>% of Higher Pressure</u>
Chacra	3162'-3196'	3919'	368	98
Mesaverde	3891'-4643'	3919'	372	--

**BTU-WEIGHTED PRODUCTION PERCENTAGES**

<u>POOL</u>	<u>MCFGPD</u>	<u>BTU/CU FT</u>	<u>% of Production</u>
Chacra	25	1138	14.37
Mesaverde	131	1294	85.63

**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

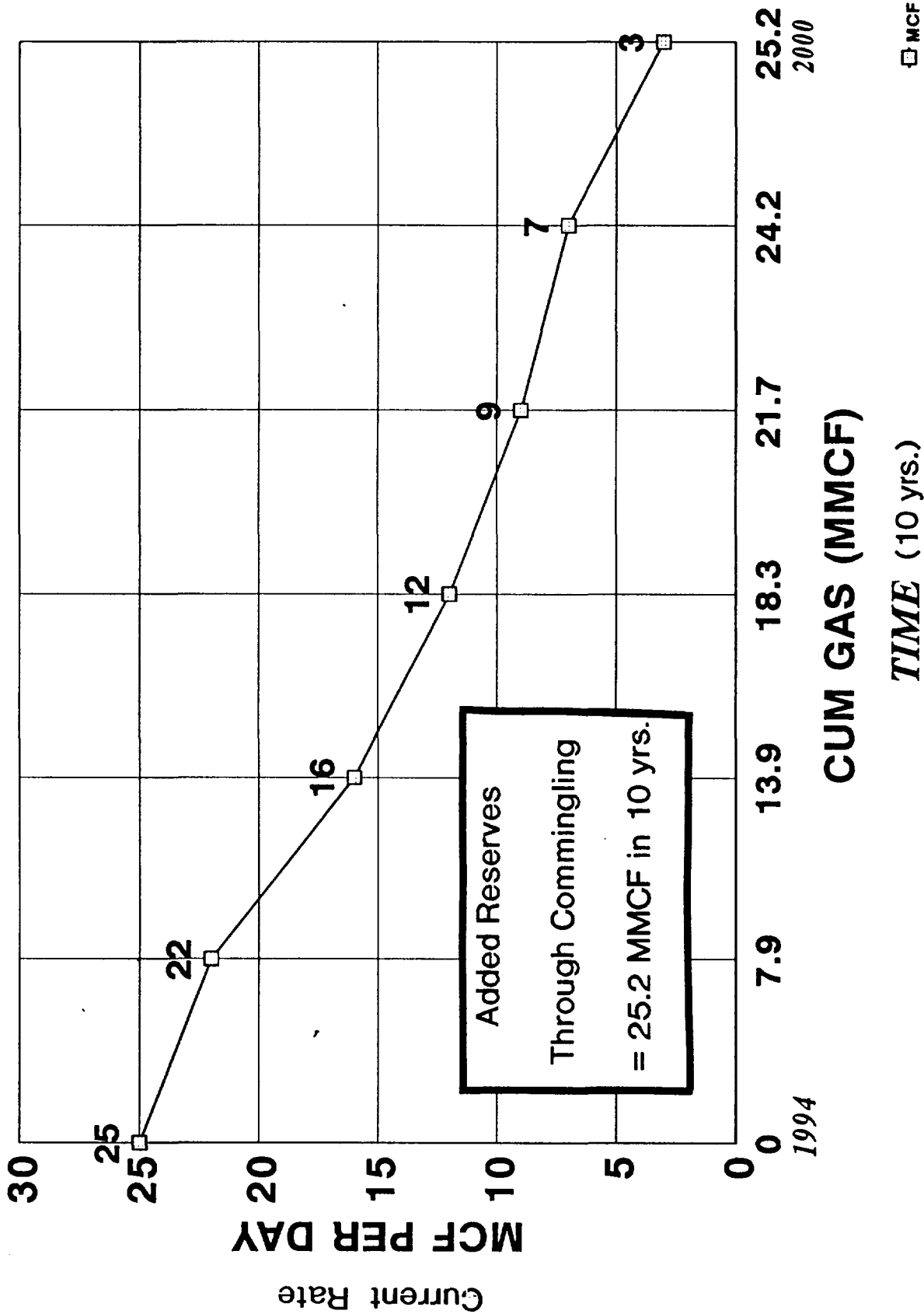
ECONOMIC LIMIT WITH WORKOVER COSTS.....49 MCFGPD

BEFORE AN EXAMINER OF THE  
OIL CONSERVATION DIVISION

EXHIBIT NO. 8  
CASE NO.: 11035  
Submitted by: Conoco Inc.  
Hearing Date: Sept 1, 1994

# GRAHAM WN C FED COM 1A

## Uneconomic Chacra Zone



BEFORE AN EXAMINER OF THE  
OIL CONSERVATION DIVISION

EXHIBIT NO. 9  
CASE NO.: 11035  
Submitted by: Conoco Inc.  
Hearing Date: Sept 1, 1994

NM05750  
NM05791  
3162.3-2

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

Dear Mr. Hoover:

Conoco Inc. submitted an application to downhole co-mingle production from the Blanco Mesaverde Pool and the Otero Chacra Pool from the following well:

Graham C "WN" Federal No. 1A  
1050' FSL, 1600' FEL  
Section 9, T-27N, R-8W  
San Juan County, NM

Bottom hole pressures (Chacra 335 PSI, Mesaverde 339 PSI) not submitted with the application were reported later by telephone.

The referenced well was completed in November 1977 as a multiple completion in both zones. Current reservoir characteristics and economic conditions support co-mingling production to extend the economic life of the well and thus increase recoverable reserves from both formations. Proposed allocation factors are consistent with New Mexico Oil Conservation Division (NMOCD) guidelines.

	OIL	GAS
Blanco Mesaverde	0%	84%
Otero Chacra	0%	16%

Downhole co-mingling of the two formations will not adversely affect Federal royalties. Your application is hereby approved effective 9 August 1994. Please follow NMOCD guidelines for reporting the allocated production.

If you have any question regarding this approval, please contact Ray Hager at (505) 599-6366.

Sincerely,

Duane Spencer  
Chief, Branch of Reservoir Management

cc:  
MMS, RMP, MS-3240, Denver, CO  
NMOCD Santa Fe  
NMOCD Aztec

bcc:  
Well File (1050' FSL, 1600' FEL)  
AIRS  
DOM Reader  
Suspense (R Hager)

BEFORE AN EXAMINER OF THE  
OIL CONSERVATION DIVISION

EXHIBIT NO. 10  
CASE NO.: 11035  
Submitted by: Conoco Inc.  
Hearing Date: Sept 1, 1994