

DATE IN 2-25-05	SUSPENSE 3/17/05	ENGINEER JONES	LOGGED IN 2-25-05	TYPE DHC	APP NO. DSEM0505647149
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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.

Deborah Marberry      Deborah Marberry      Regulatory Analyst      2/16/05  
 Print or Type Name      Signature      Title      Date  
 e-mail Address: deborah.marberry@conocophillips.com

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

District II  
1301 W. Grand Avenue, Artesia, NM 88210

**Oil Conservation Division**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
 Single Well  
 Establish Pre-Approved Pools  
 EXISTING WELLBORE

District III  
1000 Rio Brazos Road, Aztec, NM 87410

**APPLICATION FOR DOWNHOLE COMMINGLING**

Yes  No

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

**DAC-3416** currently a **Dual well**

CONOCOPHILLIPS CO. P.O. BOX 2197 WL3 6108 HOUSTON, TX 77252

Operator Address  
SAN JUAN 32-7 UNIT 24 L Sec: 21 Twn: 32N Rng: 7W SAN JUAN

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 217817 Property Code 31329 API No. 30-045-22165 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	UNDES. LOS PINOS FRT SAND PC SO		BLANCO MESAVERDE
Pool Code	80690 ✓		72319 ✓
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3118 3301 (proposed)		5338 - 5666
Method of Production (Flowing or Artificial Lift)	flow w/plunger		flow w/plunger
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)	850		550
Oil Gravity or Gas BTU (Degree API or Gas BTU)	950		1050
Producing, Shut-In or 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:	Date: Rates:	Date: 01/30/2005 Rates: 0 bopd 1 bwpd 82 mcf/d
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 subtract % %	Oil Gas % %	Oil Gas subtract % attached %

**ADDITIONAL DATA**

Are all working, royalty and overriding royalty interests identical in all commingled 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 commingled 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-11210

- 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.

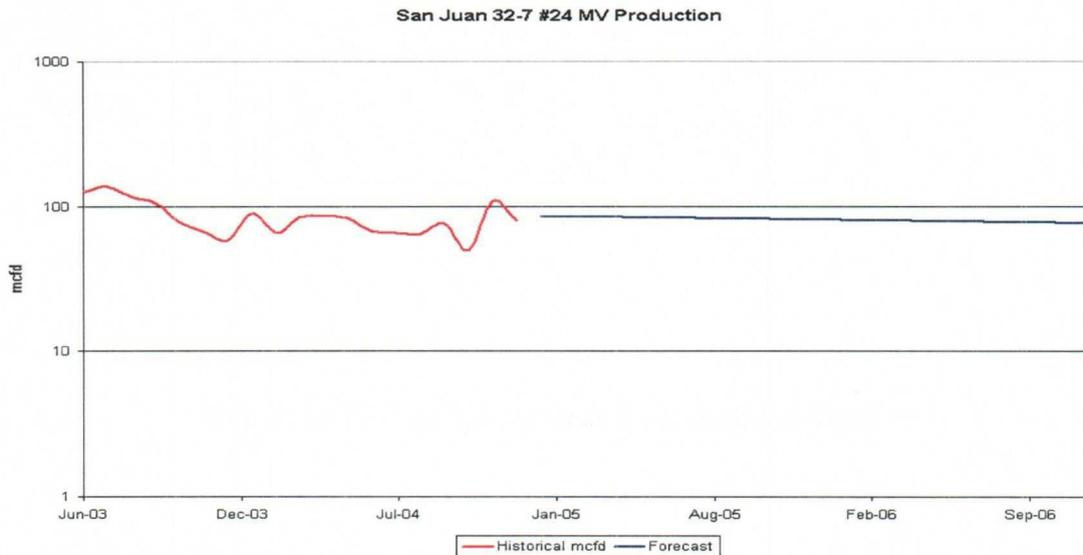
SIGNATURE Deborah Marberry TITLE REGULATORY ANALYST DATE 02/15/2005

TYPE OR PRINT NAME DEBORAH MARBERRY TELEPHONE NO. (\_\_\_\_\_) (832)486-2326

E-MAIL ADDRESS deborah.marberry@conocophillips.com

### *San Juan 32-7 #24 Mesaverde Subtraction Allocation*

Based on a recent period of stabilized MV production and expected reserves, it is recommended to assign the following average daily volumes to the MV formation for the 24 months of production following the recompletion. All other production above this volume should be given to the new zone (**Los Pinos Frt Sand PC**). After the proposed allocation runs out, engineering will supply a ratio allocation method.



*(All condensate production should be allocated 100% to the Mesaverde formation)*

Month	MCFD
1	86
2	85
3	85
4	84
5	84
6	83
7	83
8	83
9	82
10	82
11	81
12	81
13	81
14	80
15	80
16	79
17	79
18	79
19	78
20	78
21	77
22	77
23	77