



David L. Wacker  
Division Manager  
Hobbs Division  
Exploration and Production, North America

Conoco Inc.  
726 East Michigan  
P.O. Box 460  
Hobbs, NM 88241  
(505) 397-5800

November 21, 1989

Mr. William LeMay, Director  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87504-2088

*BM-5696-5693  
GD 6706-7900*

Dear Mr. LeMay:

Application to Downhole Commingle  
Jicarilla 22 No. 3, Unit D, Sec. 22,  
T25N, R4W, Rio Arriba County, New Mexico

Conoco Inc. respectfully requests approval to downhole commingle the West Lindrith Gallup/Dakota Oil Pool with the Blanco Mesaverde Gas Pool.

Data relative to this commingling is listed below:

1. A lease plat (see Attachment 1).
2. C-116's are included providing the most recent tests for each zone (Attachments 2 and 3).
3. Decline curves for each horizon (Attachments 4 and 5).
4. The shut-in bottomhole pressure of the Mesaverde adjusted to the bottom of the Gallup/Dakota zone is 1008.5 psi. The shut-in bottomhole pressure of the Gallup/Dakota zone in the Jicarilla 22 No. 3 could not be obtained because the zone is currently isolated below a retrievable bridge plug. However, the bottomhole pressure of the Gallup/Dakota zone in the nearby Jicarilla 22 No. 6 is 784 psi. The pressure obtained from the Jicarilla 22 No. 6 should be representative of the bottomhole pressure of the Jicarilla 22 No. 3.
5. Royalty and working interests are the same in both formations.
6. The quality and other characteristics of the oil and gas is similar and downhole commingling will not reduce the commercial value or create any operational problems associated with incompatible fluids. In fact, Conoco has already received NMOCD approval by Order PC-754 to surface commingle production from the Mesaverde and Gallup/Dakota formations in a common tank battery and in a common gas sales line (see Attachment 6).

Mr. William LeMay, Director

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7. The following allocation percentages are suggested based upon the ratio of production from each zone:

	<u>Oil</u>	<u>Gas</u>
Mesaverde	67%	54%
Gallup/Dakota	33%	46%

8. By copy of this letter we are notifying the Bureau of Land Management of the proposed commingling. Conoco is the only offset operator to this well.

Yours very truly,



David L. Wacker  
Division Manager

KLL:jd

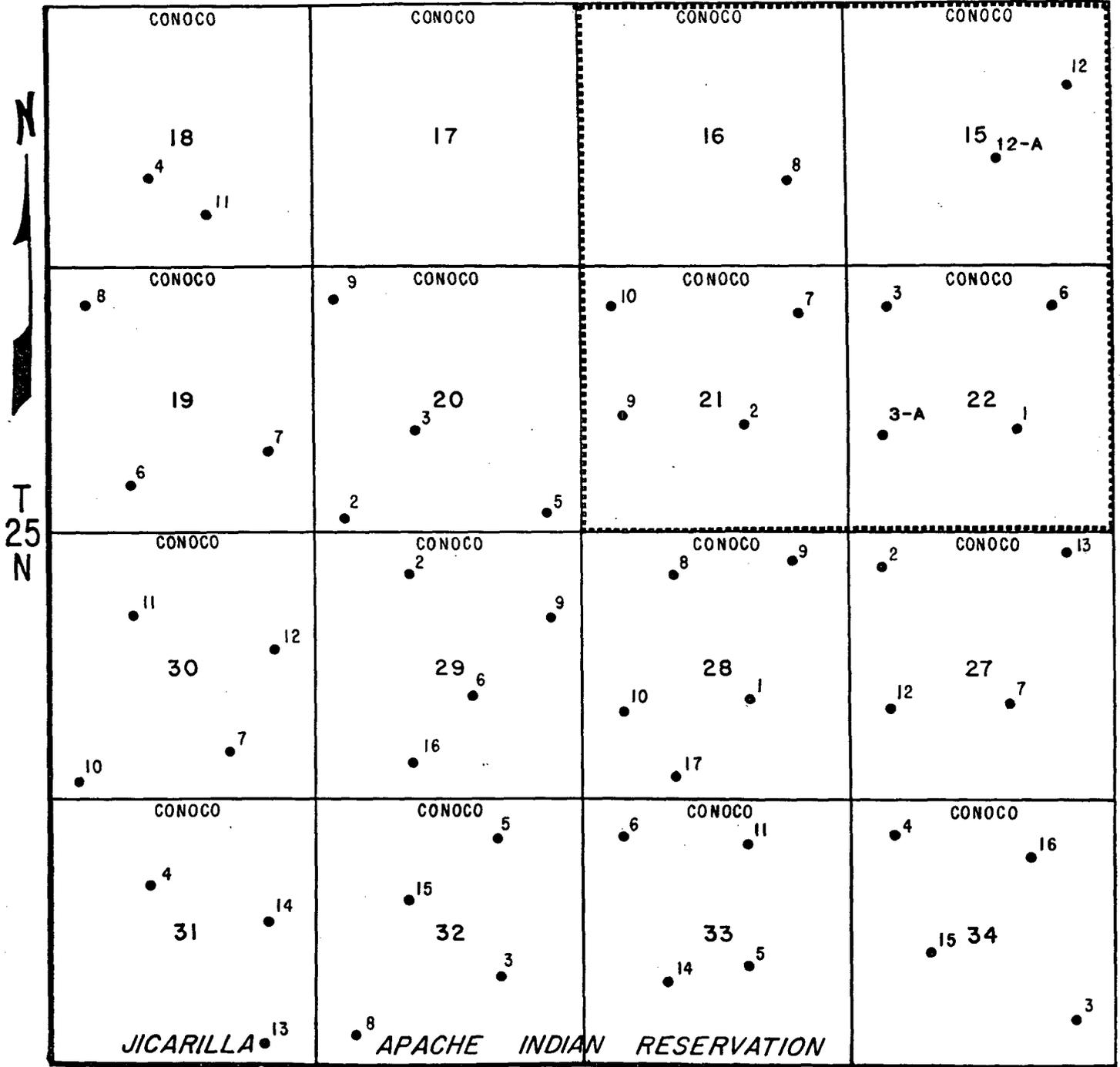
Enc.

cc:

BLM-Farmington

NMOCD-Aztec

R-4-W



PRODUCTION DEPARTMENT		HOBBS DIVISION
<p>JICARILLA 22 LEASE                  .....                  REQUEST TO DOWNHOLE COMMINGLE                  MESAVERDE AND GALLUP/DAKOTA                  PRODUCTION                  RIO ARRIBA COUNTY, NEW MEXICO</p>		
<p>SCALE                    0' 1000' 2000'</p>		

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

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

Form C-116  
Revised 1/1/89

# OIL CONSERVATION DIVISION

## GAS - OIL RATIO TEST

Operator Conoco Inc.		Pool Lindrith Gallup/Dakota West				County Rio Arriba										
Address P.O. Box 460 - Hobbs, NM 88240		TYPE OF TEST - (X) <input type="checkbox"/> Scheduled <input type="checkbox"/> Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>														
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	SCHEDULED TEST DATE	CHOKESIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST		GAS M.C.F.	GAS - OIL RATIO CU.FT./BBL.	
		U	S	T	R							WATER BBL.S.	OIL BBL.S.			
Jicarrilla 22	3	D	22	25N	4W	11/24/88	PL	1.75	60		24	2	55.0	3	114	38000

**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.

*W.W. Baker*

Signature

W.W. Baker - Administrative Supervisor

Printed name and title

November 20, 1989

Date

397-5800

Telephone No.

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

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 Conoco Inc.		Pool Blanco Mesaverde		County Rio Arriba												
Address P.O. Box 460 - Hobbs, NM 88240		TYPE OF TEST - (X) Scheduled <input type="checkbox"/> Special <input type="checkbox"/>		Completion <input type="checkbox"/> Special <input type="checkbox"/>												
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	% FLS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW. ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU/FT/BBL.	
		U	S	T	R							WATER BBL.S.	GRAV. OIL BBL.S.	GAS M.C.F.		
Jicarilla 22	3	D	22	25N	4IV	7/13/89	PL	1.75	60		24	0	53:0	6	135	22500

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.)

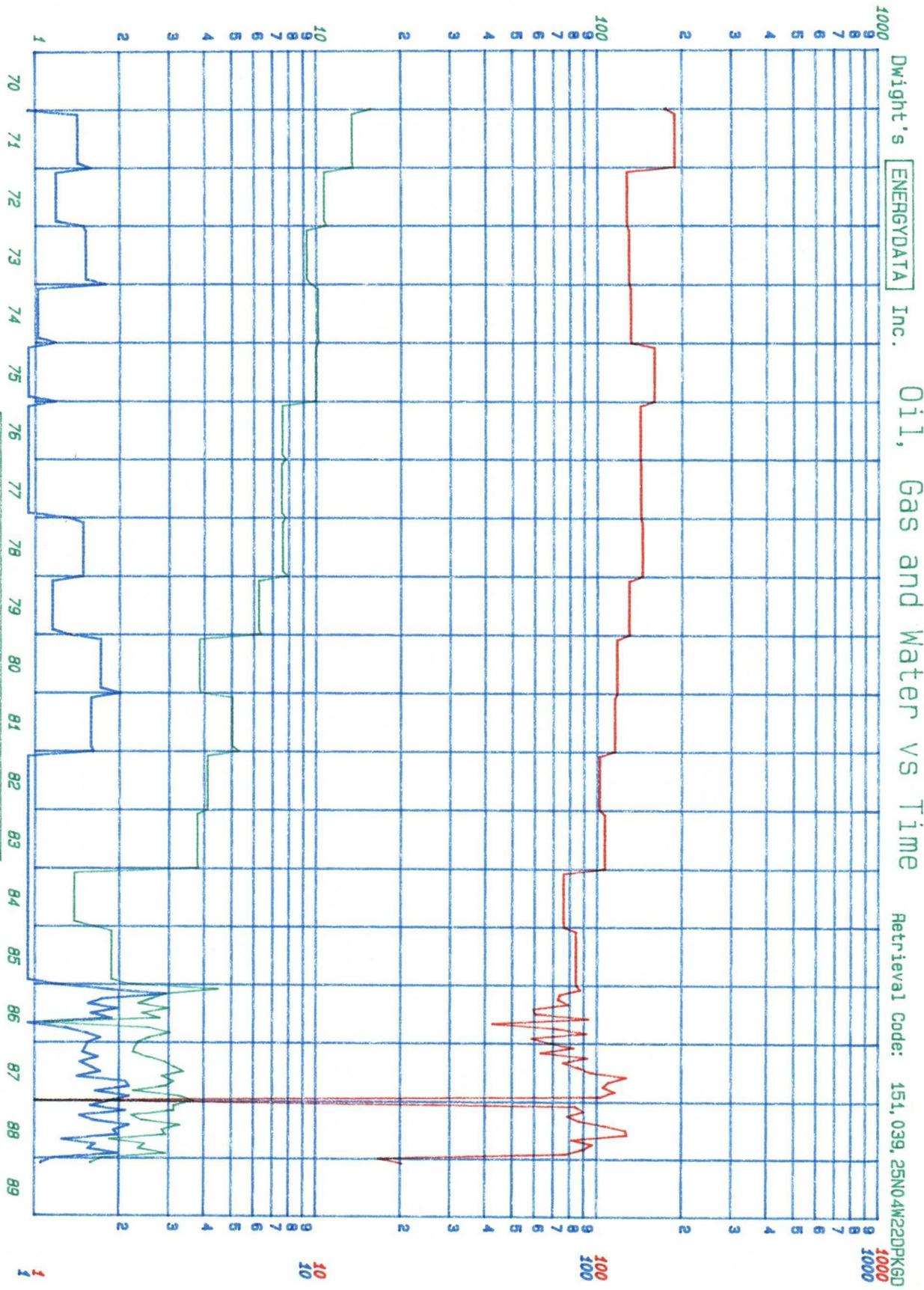
I hereby certify that the above information is true and complete to the best of my knowledge and belief.

*M.W. Baker*  
Signature  
M.W. Baker - Administrative Supervisor

Printed name and title  
November 20, 1989  
Date

397-5800  
Telephone No.

DAILY OIL PRODUCTION (BBL/DAY)



Dwight's ENERGYDATA Inc.

Oil, Gas and Water vs Time

Retrieval Code: 151.039.25N04W22DPKGD

LEGEND

- OIL
- GAS
- WATER

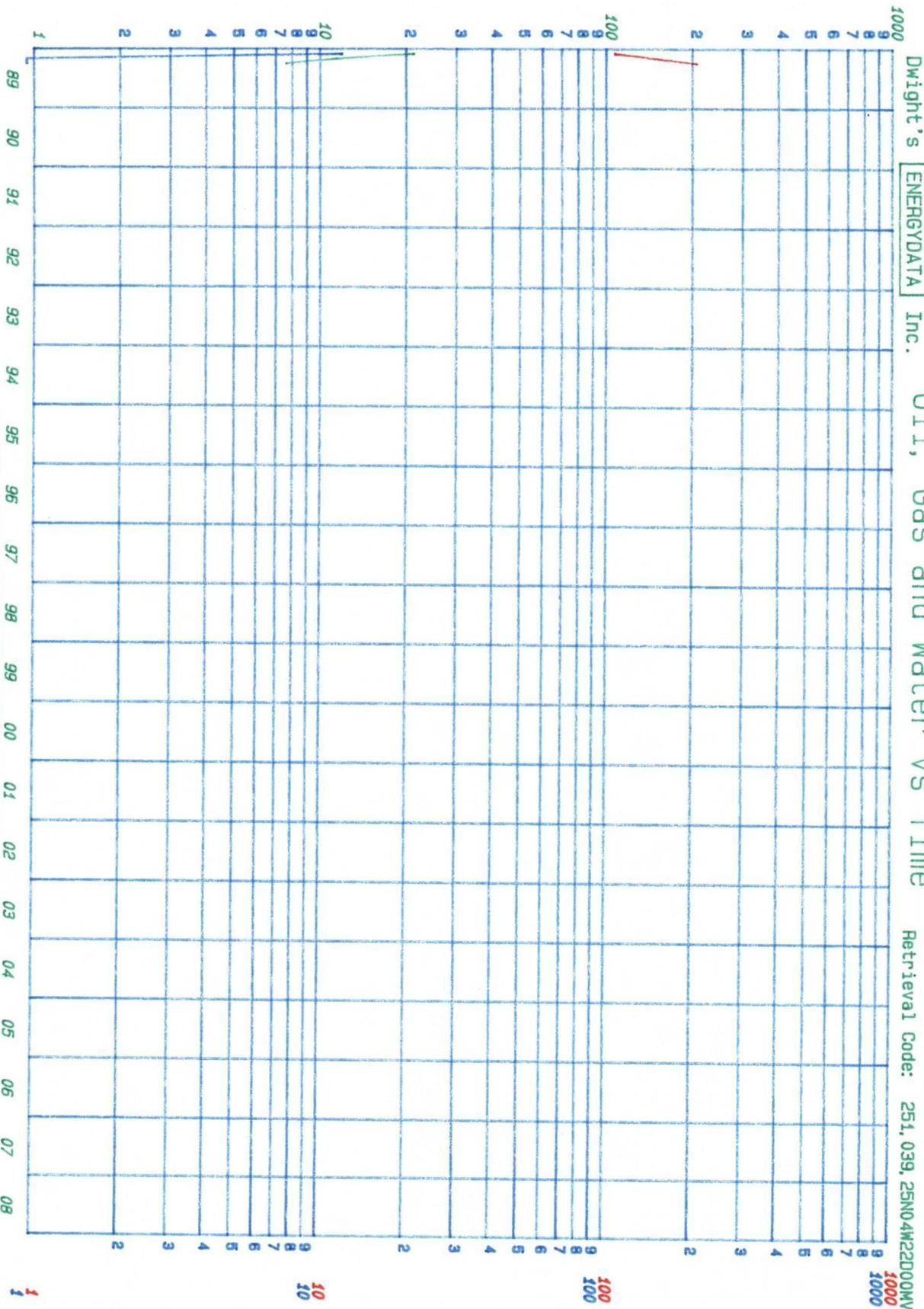
Lease: JICARILLA 22  
 Well # 000003  
 Operator: CONOCO INC  
 Field: LINDRITH GALLUP-DAKOTA, WEST  
 Reservoir: RIO ARRIBA  
 County: NM  
 Location: 22 25N 4W

GD

Date: 09-28-89

DAILY WATER PRODUCTION (BBL/DAY) DAILY GAS PRODUCTION (MCF/DAY)

# DAILY OIL PRODUCTION (BBL/DAY)



Dwight's ENERGYDATA Inc. Oil, Gas and Water vs Time

Retrieval Code: 251, 039, 25N04M22D00MV

## LEGEND

- OIL ———
- GAS ———
- WATER ———

Lease: JICARILLA 22  
 Well # 000003  
 Operator: CONOCO INC  
 Field: BLANCO MESAVERDE (PRORATED GAS)  
 Reservoir: NM  
 County: RIO ARRIBA  
 Location: 22 25N 4M

DAILY WATER PRODUCTION (BBL/DAY)      DAILY GAS PRODUCTION (MCF/DAY)

Date: 09-28-89

28-110

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

COMMINGLING ORDER PC-754

Conoco, Inc.  
P.O. Box 460  
Hobbs, NM 88240

Attention: David L. Wacker

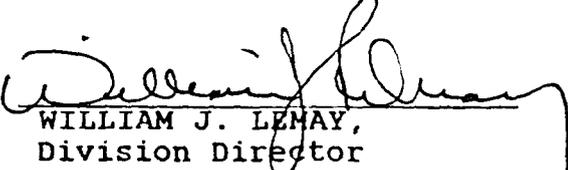
LEASE NAME: Jicarilla "22" Lease  
DESCRIPTION: Sections 15, 16, 21 and 22, Township 25 North,  
Range 4 West, NMPM, Rio Arriba County, New Mexico.

The above-named company is hereby authorized to commingle West Lindrith Gallup Dakota and Blanco Mesaverde Pool production in a common tank battery and in a common gas sales line and to determine the production from each pool by well tests. (All commingled production must be of marginal nature; further the operator shall notify the Santa Fe Office of the Division in the event any well in the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate.)

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: Gas production from current or future Mesaverde gas wells shall be separated and metered prior to being commingled in a common sales line.

DONE at Santa Fe, New Mexico, on this 26th day of October, 1988.

  
WILLIAM J. LEMAY,  
Division Director



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
 OIL CONSERVATION DIVISION  
 AZTEC DISTRICT OFFICE

1000 RIO HUIZOS ROAD  
 AZTEC, NEW MEXICO 87410  
 (505) 334-0178

GARREY CARRUTHERS  
 GOVERNOR

'89 DEC 7 AM 8 59

Date: 12-6-89

*DAVE COTANACK*

Oil Conservation Division  
 P.O. Box 2088  
 Santa Fe, NM 87504-2088

- Re: Proposed MC \_\_\_\_\_
- Proposed DHC X \_\_\_\_\_
- Proposed NSL \_\_\_\_\_
- Proposed SWD \_\_\_\_\_
- Proposed WFX \_\_\_\_\_
- Proposed PMX \_\_\_\_\_

Gentlemen:

I have examined the application dated 12-4-89  
 for the Cowice Inc - Tric 22#3  
 Operator Lease & Well No.

D-22-25N-4W and my recommendations are as follows:  
 Unit, S-T-R

Approve  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Yours truly,

*Ernie Basel*