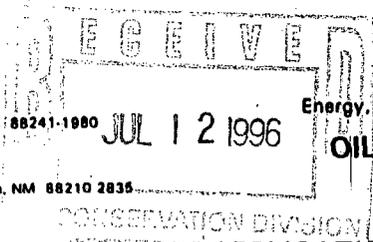


AHC

1334 8/1/96



DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980  
DISTRICT II  
811 South First St., Artesia, NM 88210 2835  
DISTRICT III  
1000 Rio Brazos Rd, Aztec, NM 87410-1693

State of New Mexico  
Energy, Minerals and Natural Resources Department  
OIL CONSERVATION DIVISION  
2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429

Form C-107-A  
New 3-12-96

APPROVAL PROCESS:  
 Administrative  Hearing  
EXISTING WELLBORE  
 YES  NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator: Conoco Inc. Address: 10 Desta Dr, Ste 100W, Midland TX 79705  
Lease: Jicarilla A Well No: 13 Unit Ltr. - Sec - Twp - Rge: E-13-26N-4W Rio Arriba County  
OGRID NO. 005073 Property Code 18018 API NO. 30-039-20395 Spacing Unit Lease Types: (check 1 or more)  
Federal  State  (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blanco Mesaverde 72319		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	5648' - 5771'		7746' - 7941'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 483 psia	a.	a. 915 psia
	b. (Original) 1360 psia	b.	b. 2570 psia
6. Oil Gravity (°API) or Gas BTU Content	1273 BTU		1299 BTU
7. Producing or Shut-in?	Producing		Shut-in
Production Marginal? (yes or no)	Yes		Yes
* If Shut-in, give 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  * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: 8/94 Rates: rates proj. to mid-yr. 1996
	Date: 1996 mid-yr Rates: 90 mcf/gpd .25 bopd, 0 bwpd	Date: Rates:	Date: 1996 mid-yr Rates: 48 mcf/gpd .89 bopd, 0 bwpd
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 22 % Gas: 65 %	Oil: % Gas: %	Oil: 78 % Gas: 35 %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical in all commingled zones?  Yes  No  
If not, have all working, overriding, and royalty interests been notified by certified mail?  Yes  No  
Have all offset operators been given written notice of the proposed downhole commingling?  Yes  No
11. Will cross-flow occur?  Yes  No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable.  Yes  No (If No, attach explanation)
12. Are all produced fluids from all commingled zones compatible with each other?  Yes  No
13. Will the value of production be decreased by commingling?  Yes  No (If Yes, attach explanation)
14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application.  Yes  No
15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). \_\_\_\_\_
16. 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 all offset operators.  
 \* Notification list of working, overriding, and royalty interests for uncommon interest cases.  
 \* Any additional statements, data, or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.  
SIGNATURE: Jerry W. Hoover TITLE: Sr. Conservation Coordinator DATE: 6/28/96  
TYPE OR PRINT NAME: Jerry W. Hoover TELEPHONE NO.: (915) 686-6549

District I  
 PO Box 1980, Hobbs, NM 88241-1980  
 District II  
 PO Drawer DD, Artesia, NM 88211-0719  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
 PO Box 2088  
 Santa Fe, NM 87504-2088

Form C-1  
 Revised February 10, 19  
 Instructions on ba  
 Submit to Appropriate District Offi  
 State Lease - 4 Copi  
 Fee Lease - 3 Copi

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-23002-20395		Pool Code 72319	Pool Name Blanco Mesa Verde
Property Code 013594	Property Name Jicarilla A		Well Number 13
OGRID No. 014591	Operator Name Merit Energy Company		Elevation 6878

<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
E	13	26N	4W		1850	North	790	West	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 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

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

<p>16</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature  </p> <p>Printed Name          Sheryl J. Carruth</p> <p>Title          Regulatory Manager</p> <p>Date          10-12-94</p>			
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyer:</p>			
	<p>Certificate Number</p>			

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

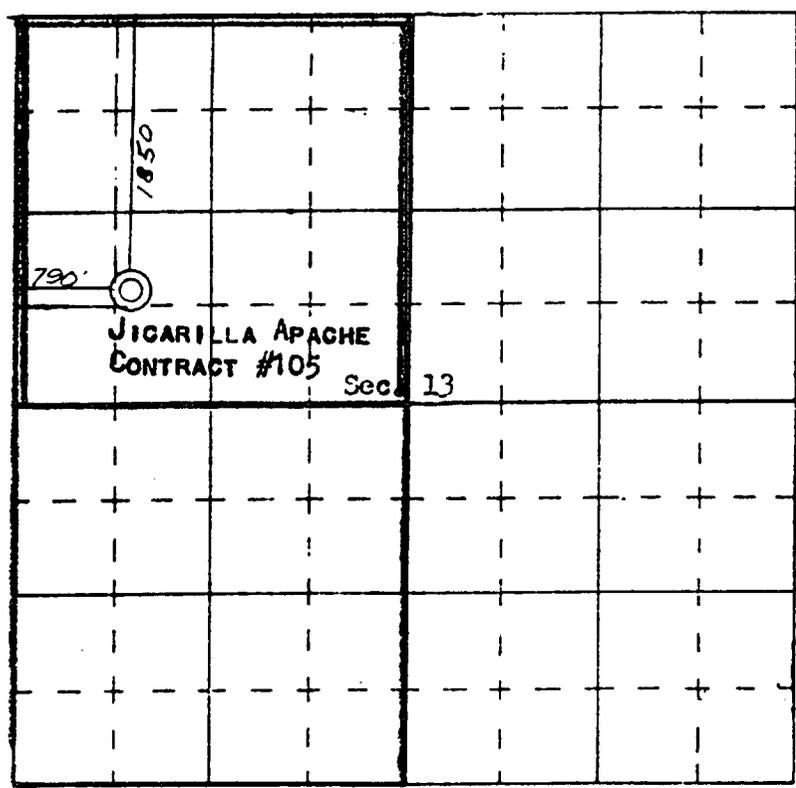
Operator <b>SOUTHERN UNION PRODUCTION COMPANY</b>		Lease <b>JICARILLA "A"</b>		Well No. <b>13</b>
Unit Letter <b>E</b>	Section <b>13</b>	Township <b>26 NORTH</b>	Range <b>4 WEST</b>	County <b>RIO ARriba</b>
Actual Footage Location of Well: <b>1850</b> feet from the <b>NORTH</b> line <b>790</b> feet from the <b>WEST</b> line				
Ground Level Elev. <b>6878.0</b>	Producing Formation <b>GALLUP Pictured Cliffs DAKOTA</b>		Pool <b>TADOCIto Pictured Cliffs UNDESIGNATED GALLUP BASIN DAKOTA</b>	Dedicated Acreage <b>NW/4 160 W/2 320</b> Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below
  - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
  - If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?
 

( ) Yes ( ) No If answer is "yes," type of consolidation .....

If answer is "no" list the owners and tract descriptions which have actually consolidated. (Use reverse side of this form if necessary) .....
- No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non standard unit, eliminating such interests, has been approved by the Commission.

———— DEDICATED GALLUP ACERAGE  
———— DEDICATED DAKOTA ACERAGE



SCALE—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

**CERTIFICATION**

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

Original signed by  
Name **GILBERT D. NOLAND, JR.**

**GILBERT D. NOLAND, JR.**  
Position

**DRILLING SUPERINTENDENT**  
Company

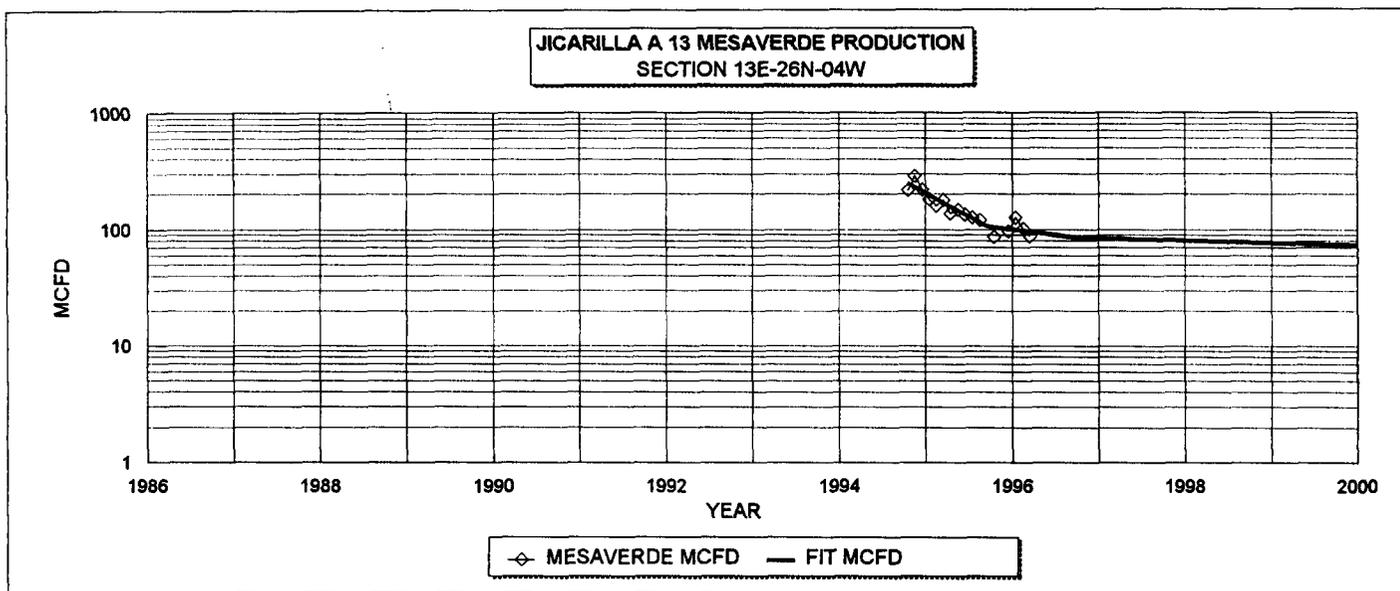
**SOUTHERN UNION PRODUCTION**  
Date

**JUNE 28, 1971**

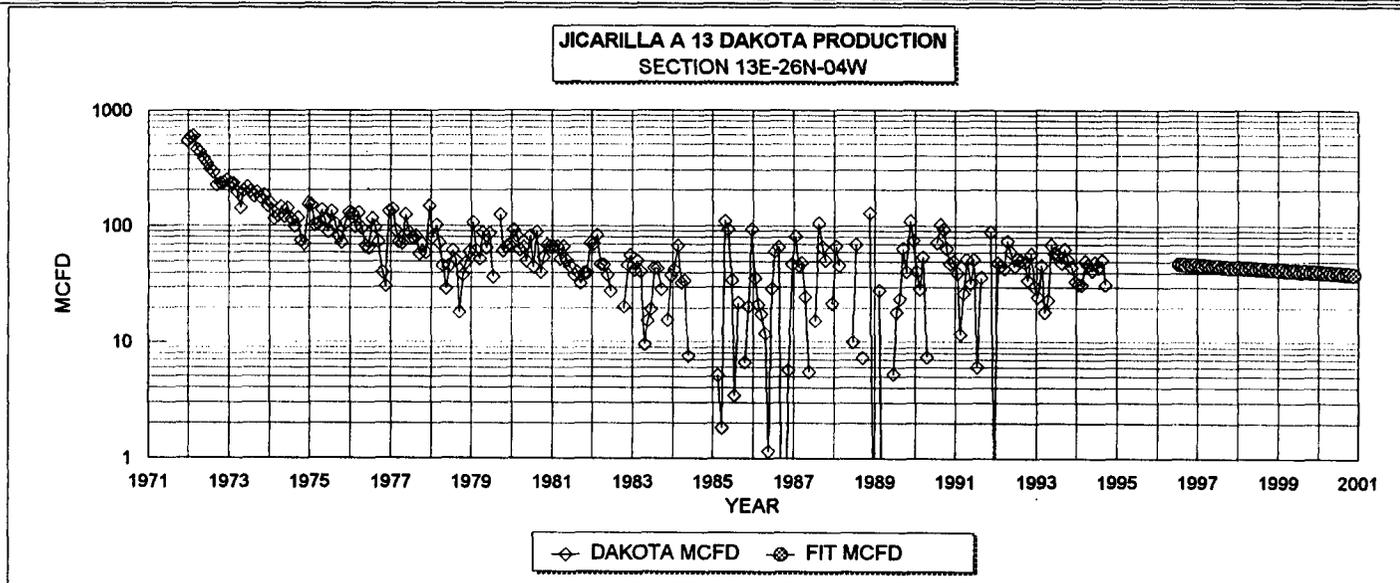
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

**June 18, 1971**  
Date Surveyed  
*James P. Lease*  
Registered Professional Engineer  
and/or Land Surveyor  
**JAMES P. LEASE**

**11.63**  
Certificate No. ....



<b>MESAVERDE HISTORICAL DATA:</b> 1ST PROD: 10/80		<b>MESAVERDE PROJECTED DATA</b>	
OIL CUM:	0.17 MBO	7/1/96 Q1:	90 MCFD
GAS CUM:	60.7 MMCF	DECLINE RATE:	20.0% THROUGH 10/96
OIL YIELD:	0.0029 BBL/MCF		4.5% FINAL DECLINE



<b>DAKOTA HISTORICAL DATA</b> 1ST PROD: 12/71		<b>DAKOTA PROJECTED DATA</b>		<b>YRLY AVG</b>		<b>YRLY AVG</b>		<b>%</b>		<b>%</b>	
OIL CUM:	11.7 MBO	7/1/96 Q1:	48 MCFD	YRLY AVG:	DK MCFD	MV MCFD	DAKOTA	MV			
GAS CUM:	614.2 MMCF	DECLINE RATE:	4.5% (EXPONENTIAL)	1996	47	87	35%	65%			
OIL YIELD:	0.0190 BBL/MCF			1997	45	83	35%	65%			
<b>FIXED COMMINGLE ALLOCATION FACTORS:</b>				1998	43	80	35%	65%			
	<b>GAS</b>	<b>OIL</b>	<b>GAS ALLOCATION BASED ON TABLE AT RIGHT</b>	1999	41	76	35%	65%			
<b>DAKOTA</b>	35%	78%	<b>OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELD</b>	2000	39	73	35%	65%			
<b>MESAVERDE</b>	65%	22%		2001	38	69	35%	65%			

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGYDATA

# Dwights

Lease: JICARILLA A 000013

05/20/96

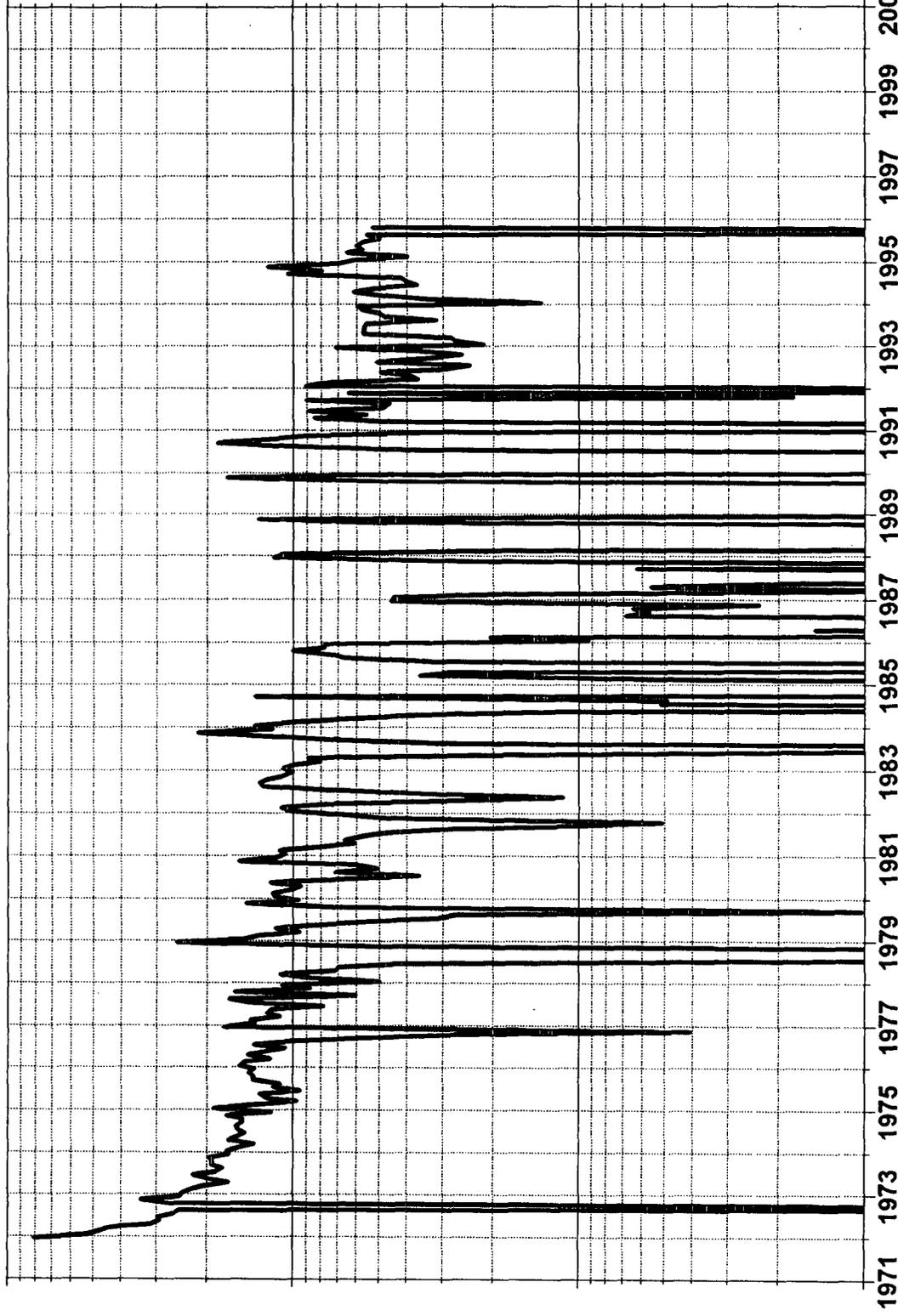
Retrieval Code: 251,039,26N04W13E00PC

10<sup>3</sup>  
10<sup>3</sup>  
10<sup>3</sup>

10<sup>2</sup>  
10<sup>2</sup>  
10<sup>2</sup>

10  
10

1  
1



Gas (mcf/day)

Water (bbl/day)

Oil (bbl/day)

Well Count

F.P. Date: 12/71

County: RIO ARRIBA, NM

Field: TAPACITO (PICTURED CLIFFS) P Oil Cum: 0 bbl

Reservoir: PICTURED CLIFFS Gas Cum: 724.1 mmcf

Operator: CONOCO INC Location: 13E 26N 4W

# Dwights

Lease: JICARILLA A 000013

Retrieval Code: 251,039,26N04W13E00DK

05/20/96

10<sup>3</sup>  
10<sup>3</sup>

10<sup>3</sup>  
10<sup>3</sup>

10<sup>2</sup>  
10<sup>2</sup>

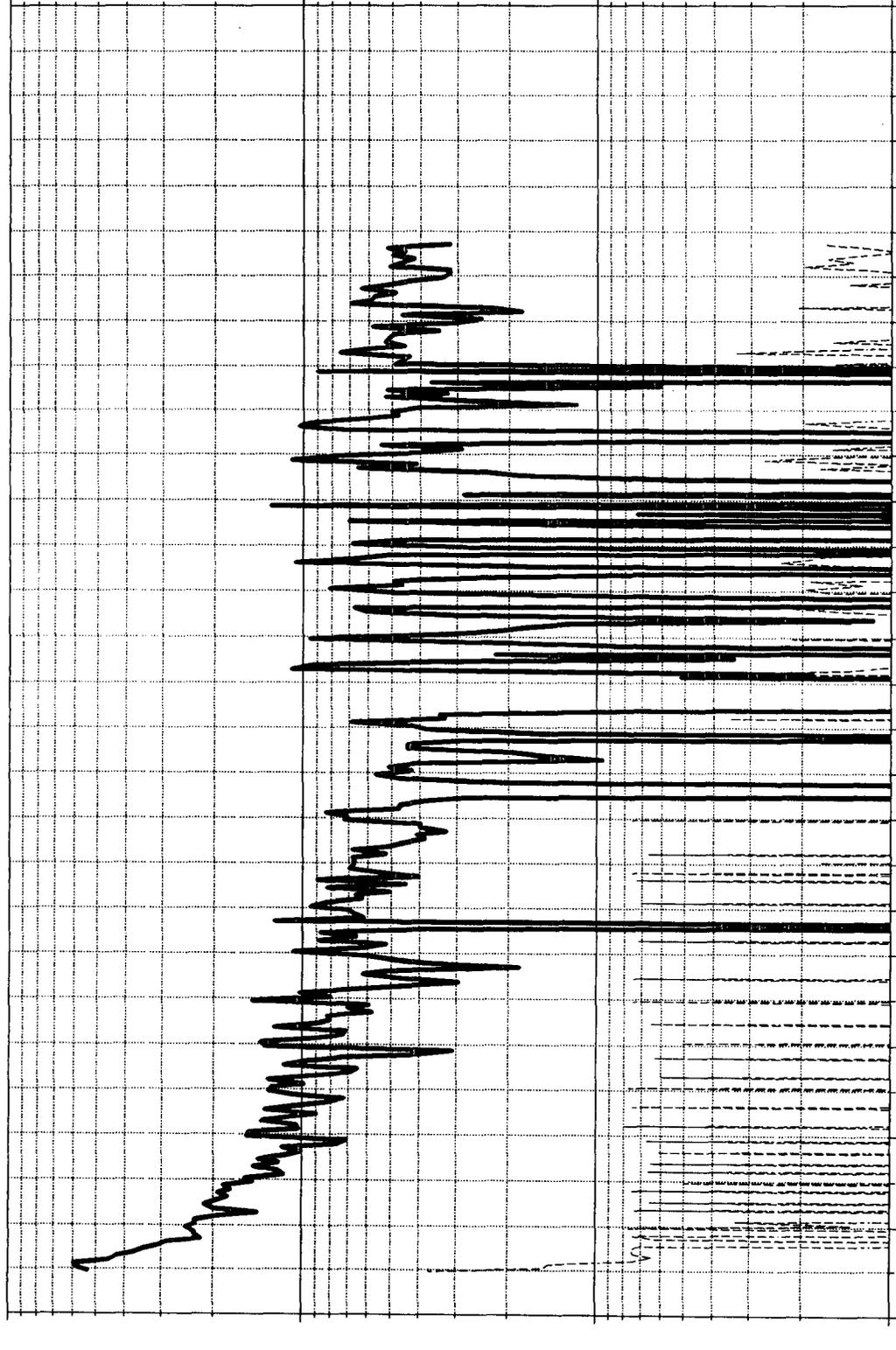
10<sup>2</sup>  
10<sup>2</sup>

10  
10

10  
10

1  
1

1  
1



Oil (bbl/day)  
Well Count

County: RIO ARRIBA, NM  
Field: BASIN (DAKOTA) DK  
Reservoir: DAKOTA  
Operator: CONOCO INC  
F.P. Date: 12/71  
Oil Cum: 11.69 mbbl  
Gas Cum: 614.2 mmcf  
Location: 13E 26N 4W

Gas (mcf/day)  
Water (bbl/day)

# Dwights

Lease: JICARILLA A 013  
Retrieval Code: 251,039,0392039572319

05/20/96

$10^3$   
 $10^3$

$10^3$   
 $10^3$

$10^2$   
 $10^2$

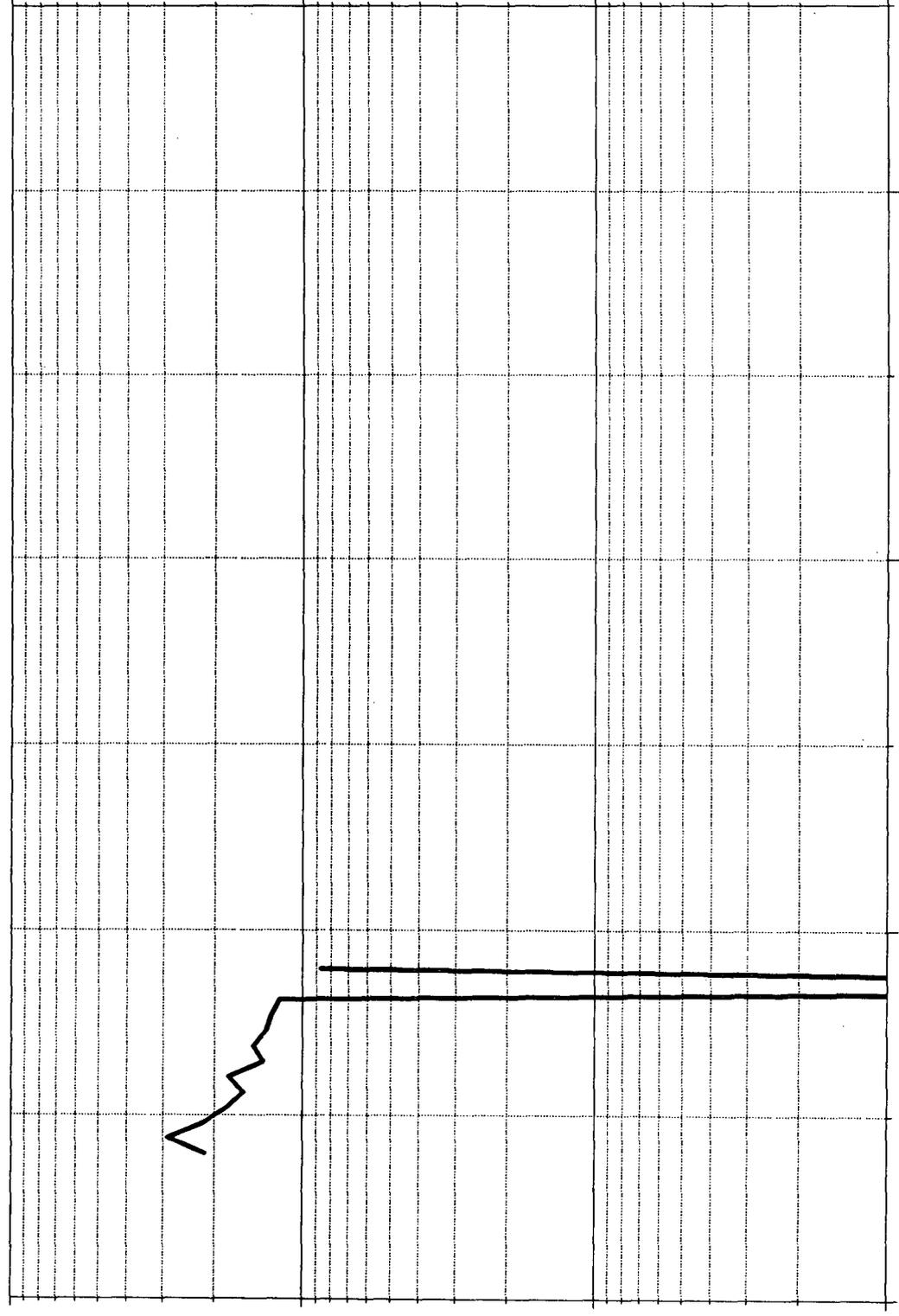
$10^2$   
 $10^2$

10  
10

10  
10

1  
1

1  
1



2000

1998

1996

1994

Oil (bbl/day)  
Well Count

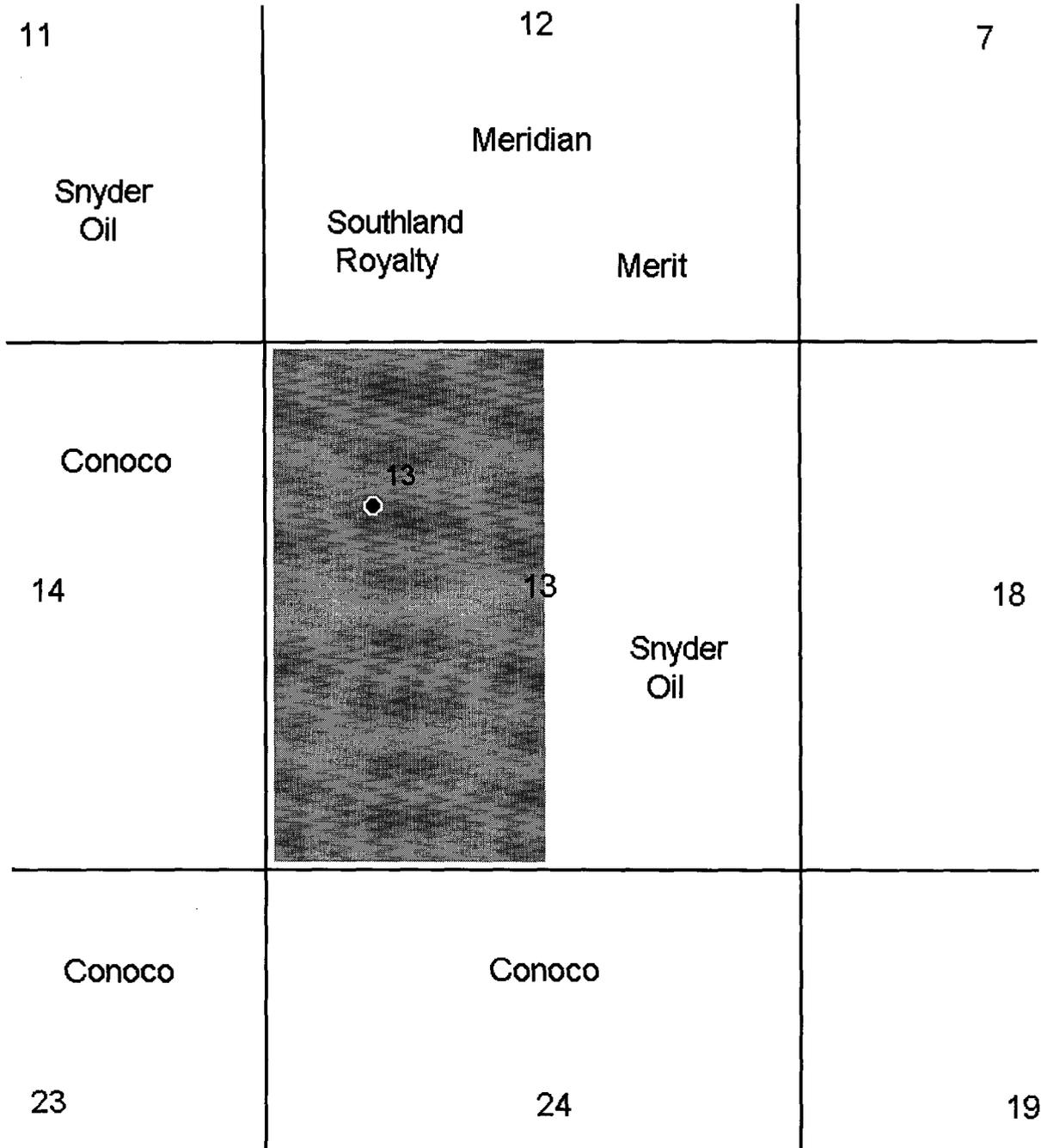
County: RIO ARRIBA, NM  
Field: BLANCO (MESAVERDE) MV  
Reservoir: MESAVERDE  
Operator: CONOCO INC

F.P. Date: 10/94  
Oil Cum: 174 bbl  
Gas Cum: 60.68 mmcf  
Location: 13E 26N 4W

Gas (mcf/day)  
Water (bbf/day)

# JICARILLA "A" NO. 13

## OFFSET OPERATORS



Township 26N --- Range 4W