

DHC 5/12/97

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 87505-8429

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

APPROVAL PROCESS:
 Administrative Hearing
EXISTING WELLBORE
 YES NO

APR 22 1997

APPLICATION FOR DOWNHOLE COMMINGLING

Operator: Conoco Inc. Address: 10 Desta Dr. Ste 100W, Midland, Tx. 79705-4500

Lease: San Juan 28-7 Well No: 189 Unit Ltr Sec Twp Rge: A-35-T28N-R7W County: Rio Arriba

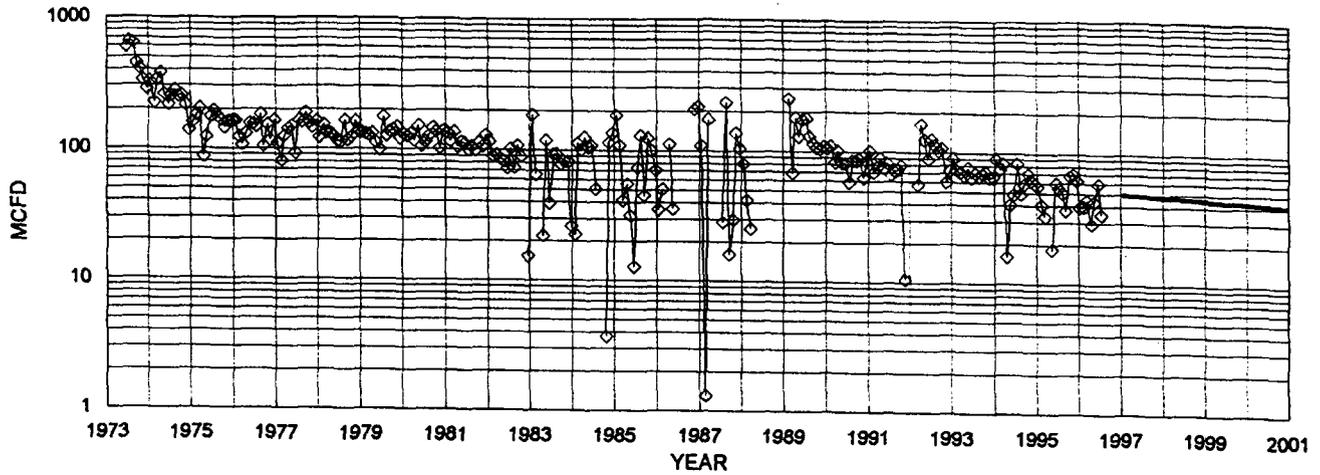
OGRID NO. 005073 Property Code 16608 API NO. 30-039-20589 Spacing Unit Lease Types: (check 1 or more)
Federal State (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Mesa Verde 72319		Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	4467' - 5117' OA		7078' - 7318'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Expected to be 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) 800 psia	a.	a. 567 psia
	b(Original) 1192	b.	b. 2925
6. Oil Gravity (*API) or Gas BT Content	1244		1127
7. Producing or Shut-In?	To Be Completed		Producing
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, date and oil/gas/water rates of recent test (within 60 days)	Date Rates	Date Rates	Date Rates
	Date Rates Incremental Production by Subtraction	Date Rates	Date Rates Mid-Year avg. rates - see table
8. Fixed Percentage Allocation Formula - % of each zone	% Gas %	% Gas %	% Gas %

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
* Conoco is offset operator to all San Juan 28-7 Unit wells.
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 others 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 Coord DATE 1/27/97
TYPE OR PRINT NAME Jerry W. Hoover TELEPHONE NO. (915) 686-6548

**SAN JUAN 28-7 UNIT NO. 189 DAKOTA PRODUCTION
SECTION 35A-28N-07W**



◇ DAKOTA MCFD — FIT MCFD

DAKOTA HISTORICAL DATA: 1ST PROD: 6/73
 OIL CUM: 1.21 MBO
 GAS CUM: 910.1 MMCF
 CUM OIL YIELD 0.0013 BBL/MCF
 OIL YIELD: 0.0015 BBL/MCF, LAST 3 YRS
 AVG. USED: 0.0014 BBL/MCF

DAKOTA PROJECTED DATA
 1/1/97 Q1: 50 MCFD
 DECLINE RATE: 4.5% (EXPONENTIAL)

YEAR	MID-YEAR	
	AVG. MCFD	AVG. BOPD
1996	49	0.1
1997	47	0.1
1998	45	0.1
1999	43	0.1
2000	41	0.1
2001	39	0.1
2002	37	0.1
2003	35	0.1
2004	34	0.0
2005	32	0.0
2006	31	0.0
2007	29	0.0
2008	28	0.0
2009	27	0.0
2010	26	0.0
2011	24	0.0
2012	23	0.0
2013	22	0.0
2014	21	0.0
2015	20	0.0
2016	19	0.0
2017	19	0.0
2018	18	0.0
2019	17	0.0
2020	16	0.0
2021	15	0.0
2022	15	0.0
2023	14	0.0
2024	13	0.0
2025	13	0.0
2026	12	0.0
2027	12	0.0
2028	11	0.0
2029	11	0.0
2030	10	0.0

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

**MINICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-4-65

All distances must be from the outer boundaries of the Section.

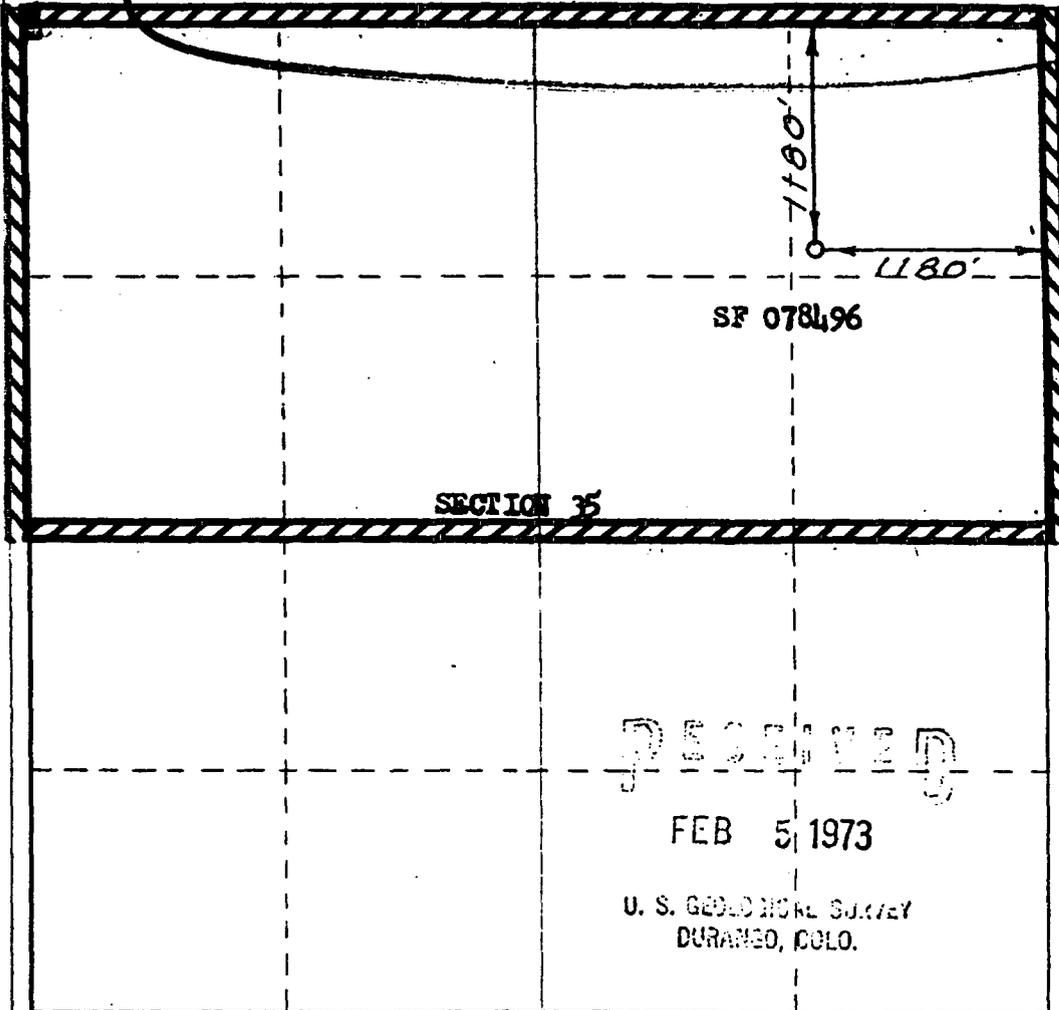
Operator EL PASO NATURAL GAS CO.		Lease SAN JUAN 28-7 UNIT SF 078496		Well No. 189
Unit Letter A	Section 35	Township 28-N	Range 7-W	County RIO ARriba
Actual Footage Location of Well: 1180 feet from the NORTH line and 1180 feet from the EAST line				
Ground Level Elev. 6156	Producing Formation DAKOTA	Pool BASIN DAKOTA	Dedicated Acreage: 320.00 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. 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 Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowance 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. **NOTE: THIS PLAT REISSUED TO SHOW CHANGE IN DEDICATION. 1-29-73**



CERTIFICATION

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

Original Signed **E. H. WOOD**

Name
Petroleum Engineer
Position
El Paso Natural Gas Company
Company

Date
January 31, 1973

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.

Date Surveyed
DECEMBER 27, 1972

Registered Professional Engineer
Individual Surveyor

[Signature]
Certificate No.

1760

RECEIVED

FEB 5 1973

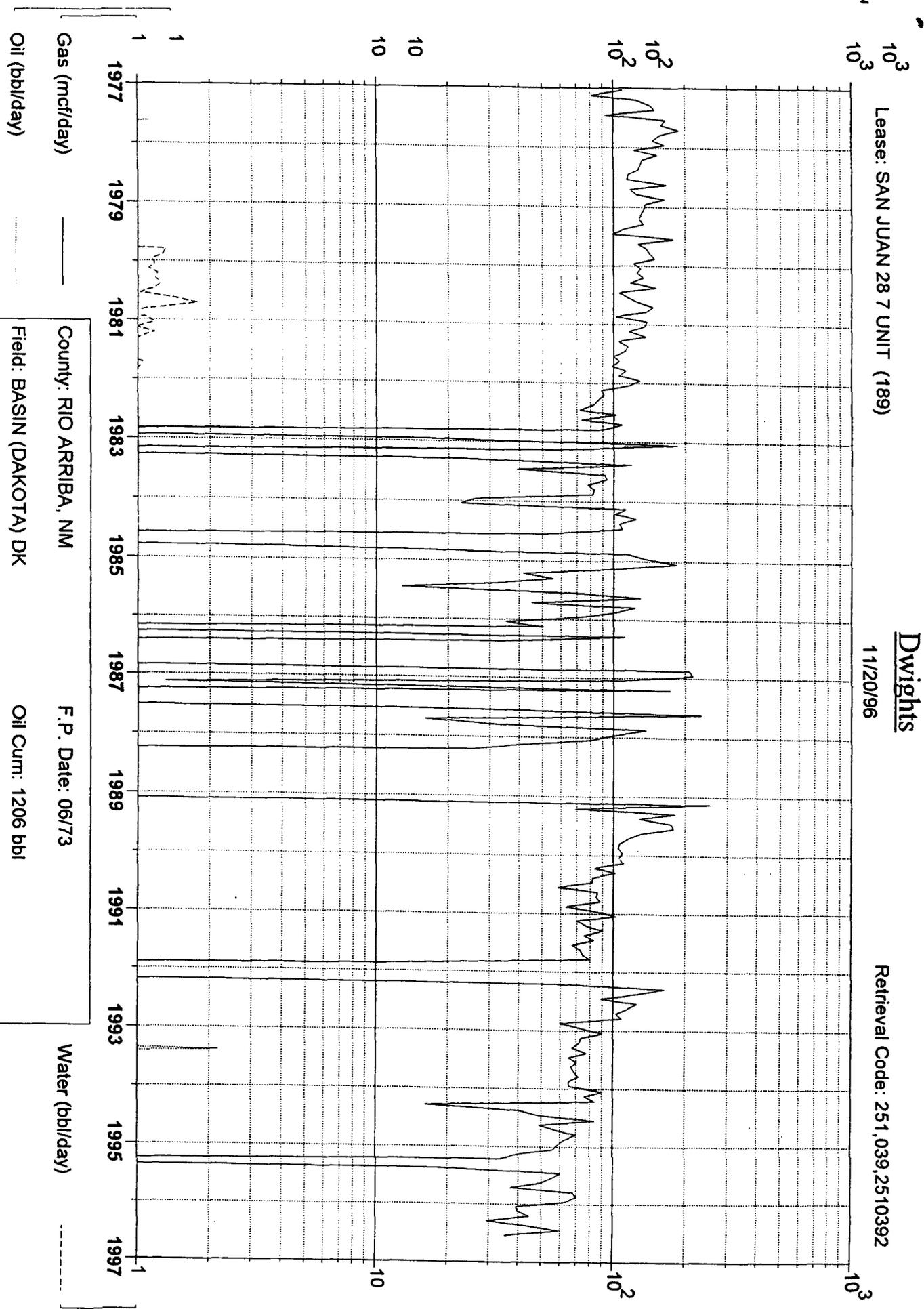
U. S. GEODNSIC SURVEY
DURANGO, COLO.



Lease: SAN JUAN 28 7 UNIT (189)

Dwights
11/20/96

Retrieval Code: 251,039,2510392



County: RIO ARRIBA, NM	F.P. Date: 06/73
Field: BASIN (DAKOTA) DK	Oil Cum: 1206 bbl
Reservoir: DAKOTA	Gas Cum: 910.1 mmcf
Operator: CONOCO INC	Location: 35A 28N 7W