

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [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]

1799

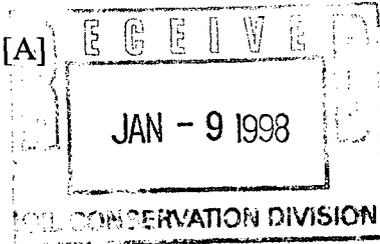
[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Directional Drilling  
 NSL    NSP    DD    SD

Check One Only for [B] and [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



[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] **INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Kay Maddox  
 Print or Type Name

*Kay Maddox*  
 Signature

Regulatory Agent  
 Title

1/6/98  
 Date

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. 79705-4500

Lease San Juan 28-7 Unit Well No 252 Unit Ltr Sec Twp Rge Section 32, T-28-N, R-7-W, C County Rio Arriba

OGRID NO. 005073 Property Code 016608 API NO. 30-039-21653 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)	4238-5198'		6828-7042'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow		Flowing
5. Bottomhole Pressure	a (Current)	a.	a.
Oil Zones - Artificial Lift: Estimated Current	457		751
Gas & Oil - Flowing: Measured Current	b(Original)	b.	b.
All Gas Zones: Estimated Or Measured Original	1230		2946
6. Oil Gravity (°API) or Gas BT Content	1250		1321
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  <small>Note For new zones with no production history applicant shall be required to attach production estimates and supporting data</small>  • If Producing, date and oil/gas/water rates of recent test (within 60 days)	Date Rates	Date Rates	Date Rates
	Incremental Production by Subtraction	Date Rates	Mid-Year Avg. Rates-See Table
8. Fixed Percentage Allocation Formula - % for each zone	Oil: % Gas %	Oil: % Gas %	Oil: % 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? X Yes  No
11. Will cross-flow occur? X 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. X Yes  No (If No, attach explanation)
12. Are all produced fluids from all commingled zones compatible with each others X Yes  No
13. Will the value of production be decreased by commingling?  Yes X 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. X Yes  No
15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S) R-10476-B

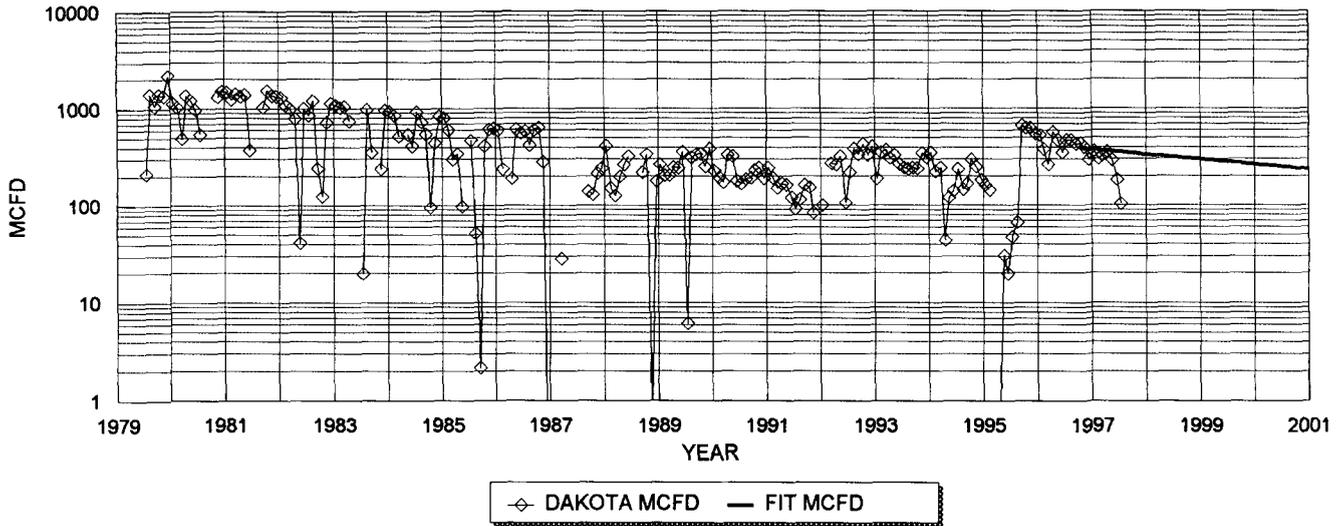
16. ATTACHMENTS  
 \* C-102 for each zone to be commingled showing its spacing unit and acreage dedication.  
 \* Production curve for each zone for at least one year. (If not available, attach explanation.)  
 \* For zones with no production history, estimated production rates and supporting data.  
 \* 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 Kay Maddox TITLE Regulatory Agent DATE January 6, 1998

TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

**SAN JUAN 28-7 NO. 252 DAKOTA PRODUCTION  
SECTION 32C-28N-07W**



<b>DAKOTA HISTORICAL DATA:</b>		<b>1ST PROD: 07/79</b>		<b>DAKOTA PROJECTED DATA</b>	
OIL CUM:	35.73	MBO		1/1/98 Qi:	335 MCFD
GAS CUM:	2759.8	MMCF		DECLINE RATE:	11.1% (EXPONENTIAL)
CUM OIL YIELD:	0.0129	BBL/MCF			
OIL YIELD:	0.0139	BBL/MCF, LAST 3 YRS			
AVG. USED:	0.0134	BBL/MCF			

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
1998	316.7	4.2
1999	281.6	3.8
2000	250.3	3.4
2001	222.5	3.0
2002	197.8	2.7
2003	175.9	2.4
2004	156.3	2.1
2005	139.0	1.9
2006	123.6	1.7
2007	109.8	1.5
2008	97.7	1.3
2009	86.8	1.2
2010	77.2	1.0
2011	68.6	0.9
2012	61.0	0.8
2013	54.2	0.7
2014	48.2	0.6
2015	42.9	0.6
2016	38.1	0.5
2017	33.9	0.5
2018	30.1	0.4
2019	26.8	0.4
2020	23.8	0.3
2021	21.2	0.3
2022	18.8	0.3
2023	16.7	0.2
2024	14.9	0.2
2025	13.2	0.2
2026	11.7	0.2
2027	10.4	0.1
2028	9.3	0.1
2029	8.3	0.1
2030	7.3	0.1
2031	6.5	0.1
2032	5.8	0.1

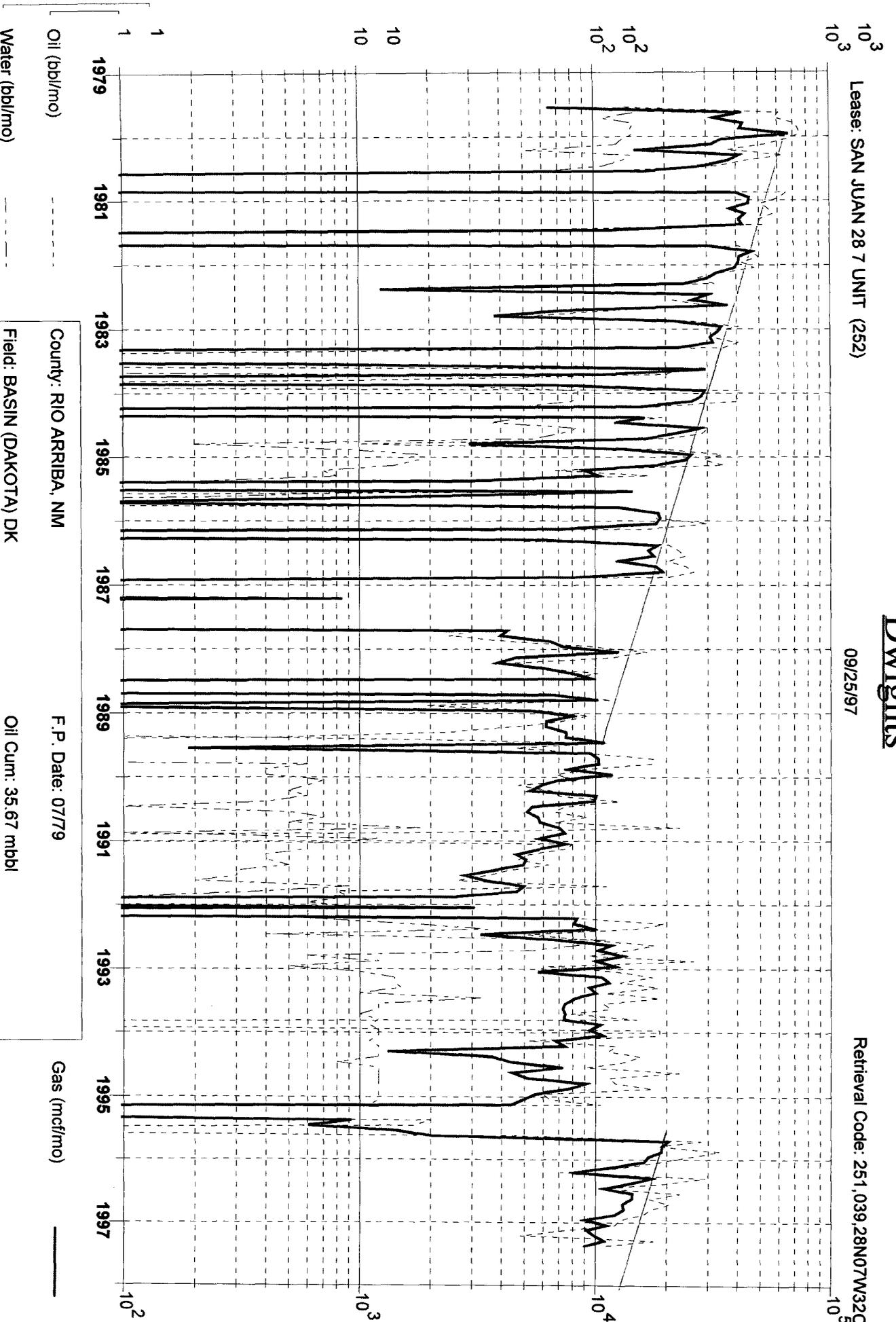
PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

# Dwights

Lease: SAN JUAN 28 7 UNIT (252)

09/25/97

Retrieval Code: 251,039,28N07W32C00DK



County: RIO ARRIBA, NIM

F.P. Date: 07/79

Field: BASIN (DAKOTA) DK

Oil Cum: 35.67 mbbl

Reservoir: DAKOTA

Gas Cum: 2751 mmcf

Operator: CONOCO INC

Location: 32C 28N 7W

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Revised February 21, 1994  
instructions on back

District II  
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

Submit to Appropriate District Office

District III  
1000 Rio Brazos Rd. Aztec, NM 87410

PO Box 2088

State Lease - 4 Copies

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

Santa Fe, NM 87504-2088

Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-21653		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 016608		5 Property Name San Juan 28-7 Unit			6 Well Number 252
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 6036' GL

10 Surface Location

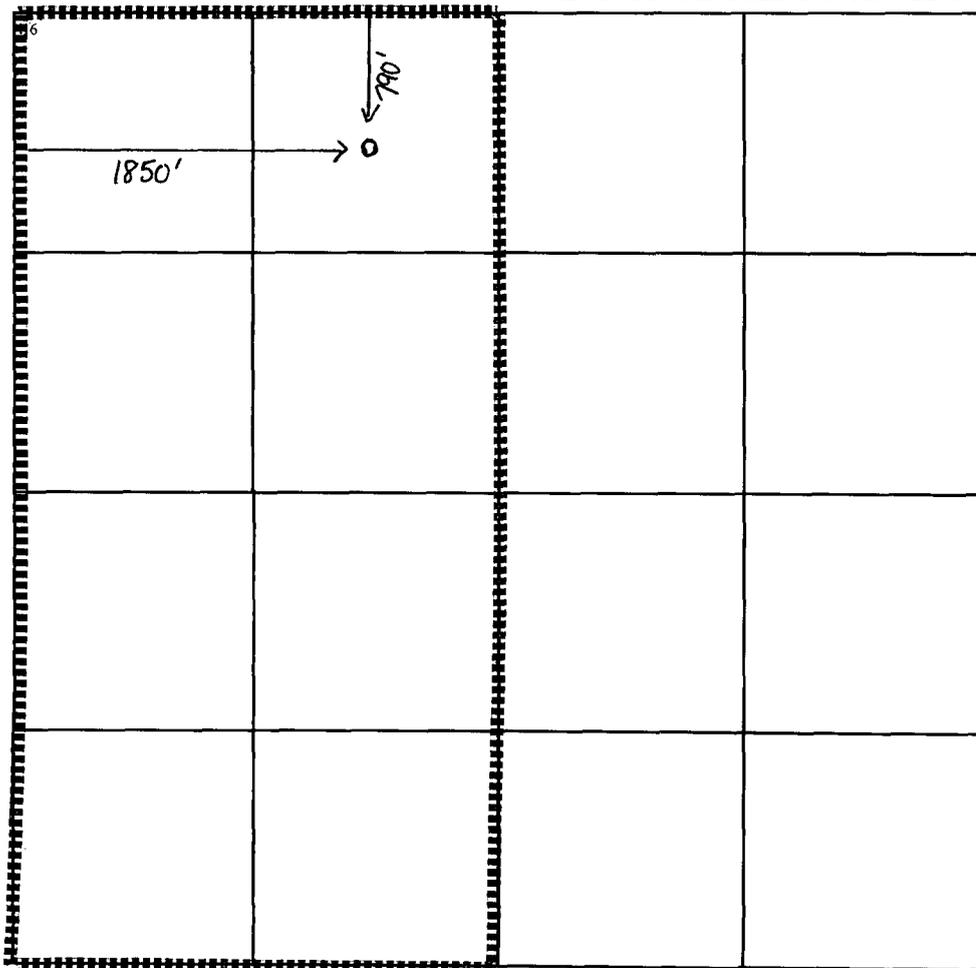
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	32	28N	7W		790	North	1850	West	Rio Arriba

11 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

12 Dedicated Acres 315.36	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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



17 OPERATOR CERTIFICATION

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

*Kay Maddox*  
Signature

Kay Maddox  
Printed Name

Regulatory Agent  
Title

January 6, '98  
Date

18 SURVEYOR CERTIFICATION

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.

Date of Survey  
Signature and Seal of Professional Surveyor:

Certificate Number

N MEXICO OIL CONSERVATION COMMISS  
WE LOCATION AND ACREAGE DEDICATION PLAT

PLAT NO. 1

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

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

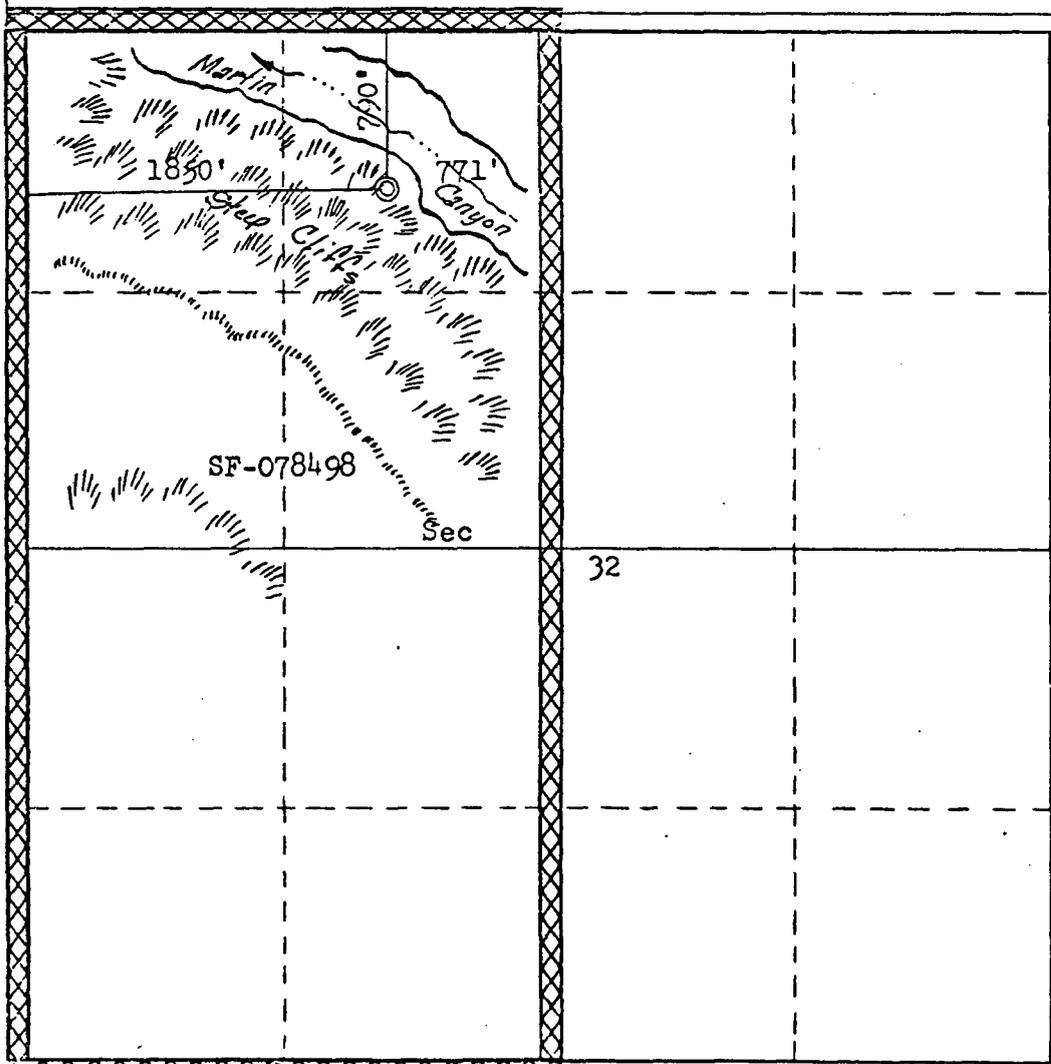
Operator El Paso Natural Gas Company		Lease San Juan 28-7 Unit (SF-078498)		Well No. 252
Unit Letter C	Section 32	Township 28N	Range 7W	County Rio Arriba
Actual Footage Location of Well:				
790 feet from the North		line and 1850		feet from the West line
Ground Level Elev. 6036	Producing Formation Dakota	Pool Basin Dakota	Dedicated Acreage: 315.36 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 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. NOTE: THIS PLAT REISSUED TO SHOW TERRAIN FOR UNORTHODOX LOCATION. 6-13-79



CERTIFICATION

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

*J. P. Guises*

Name

Drilling Clerk

Position

El Paso Natural Gas Co.

Company

June 21, 1979

Date

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

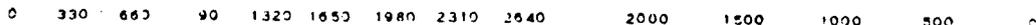
November 27, 1977

Registered Professional Engineer and/or Land Surveyor

*Fred B. Kerr Jr.*  
Fred B. Kerr Jr.

Certificate No.

3950





STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR  
LARRY KEHOE  
SECRETARY

June 26, 1979

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

El Paso Natural Gas Company  
P. O. Box 990  
Farmington, New Mexico 87401

Attention: L. A. Aimes

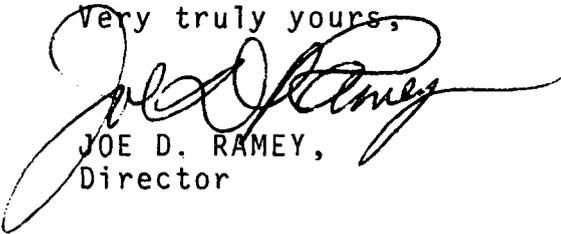
Administrative Order NSL-1051

Gentlemen:

Reference is made to your application for a non-standard location for your San Juan 28-7 Unit Well No. 252 to be located 790 feet from the North line and 1850 feet from the West line of Section 32, Township 28 North, Range 7 West, NMPM, Basin-Dakota Pool, Rio Arriba County, New Mexico.

By authority granted me under the provisions of Rule 3 of Order No. R-1670-V of the Division Rules and Regulations, the above-described unorthodox location is hereby approved.

Very truly yours,

  
JOE D. RAMEY,  
Director

JDR/RLS/dr

cc: Oil Conservation Division - Aztec  
Oil & Gas Engineering Committee - Hobbs  
U. S. Geological Survey - Farmington

San Juan 28-7 Unit  
Downhole Commingle Application C-107-A

RE: Offset Operators

Conoco, Inc is the only offset operator.