

DATE IN 1/29/98	SUSPENSE 2/18/98	ENGINEER DC	LOGGED BY MW	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

1825

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]

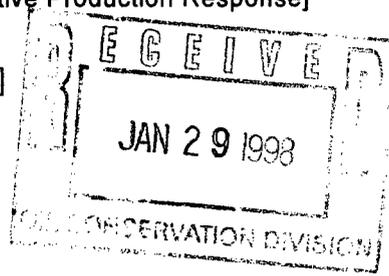
[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [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

Jan 26, 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

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

OIL CONSERVATION DIVISION

2040 S. Pacheco
 Santa Fe, New Mexico 87505-6429

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 Jicarilla 20 Well No 12 Unit Ltr Sec Twp Rge Section 18, T-24-N, R-4-W, E County Rio Arriba

OGRID NO. 005073 Property Code 003203 API NO. 30-039-24271 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		Lindrith Gallup-Dakota, West 39189
2. TOP and Bottom of Pay Section (Perforations)	5860-6105'		7010-8068'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Or Measured Original	a (Current) 583	a.	a. 860
	b(Original) 1314	b.	b. 2644
6. Oil Gravity (°API) or Gas BT Content	1269		1269
7. Producing or Shut-in?	To be completed		Producing
Production Marginal? (yes or no) • If Shut-in give date and oil/gas/water rates of last production Note For new zones with no production history applicant should be required to attach production estimates and supporting data • If Producing, date and oil/gas/water rates of recent test (within 60 days)	Yes		Yes
	Date Rates	Date Rates	Date Rates
	Date Rates Production by Subtraction, see attached table	Date Rates	Date Rates Est 7/98 23 MCFD, 1.3 BOPD, 0 BWPD
8. Fixed Percentage Allocation Formula -% or each zone	oil: % Gas %	oil: % Gas %	oil: % Gas %

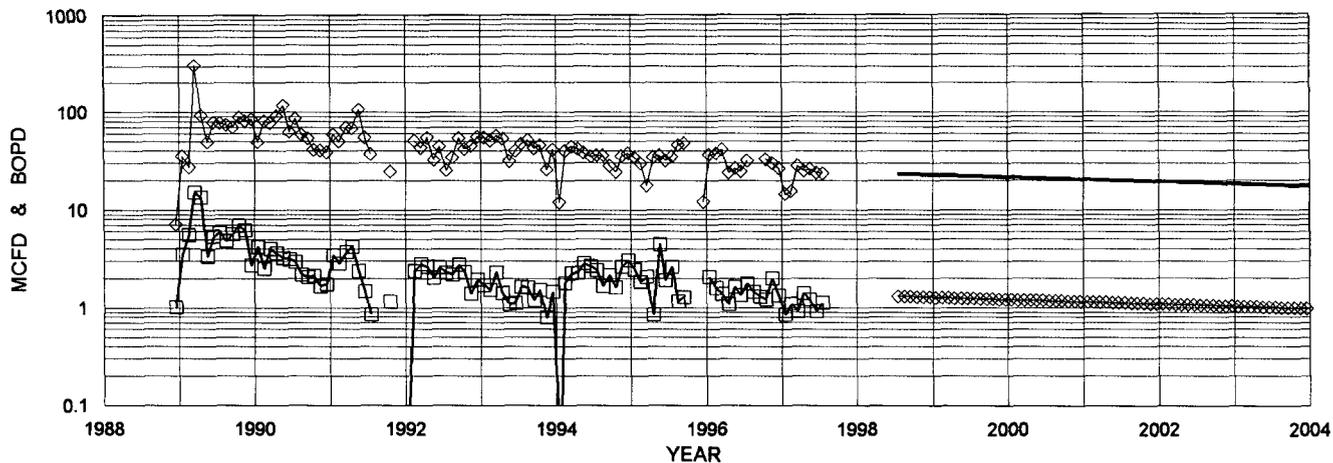
9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical 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? 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 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 *Kay Maddox* TITLE Regulatory Agent DATE January 26, 1998

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

**JICARILLA 20 NO. 12 GALLUP/DAKOTA PRODUCTION
SECTION 18E-25N-04W**



◇ GALLUP/DAKOTA MCFD — FIT MCFD □ BOPD - - - FIT BOPD

GALLUP DAKOTA HISTORICAL DATA: 1ST PROD: 12/88

OIL CUM: 7.47 MBO
 GAS CUM: 138.7 MMCF
 CUM OIL YIELD: 0.0538 BBL/MCF
 OIL YIELD: 0.0587 BBL/MCF, LAST 3 YRS
 AVG. USED: 0.0563 BBL/MCF

PROJECTED DATA

7/1/98 Qi: 23 MCFD
 DECLINE RATE: 5.1% (EXPONENTIAL)

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

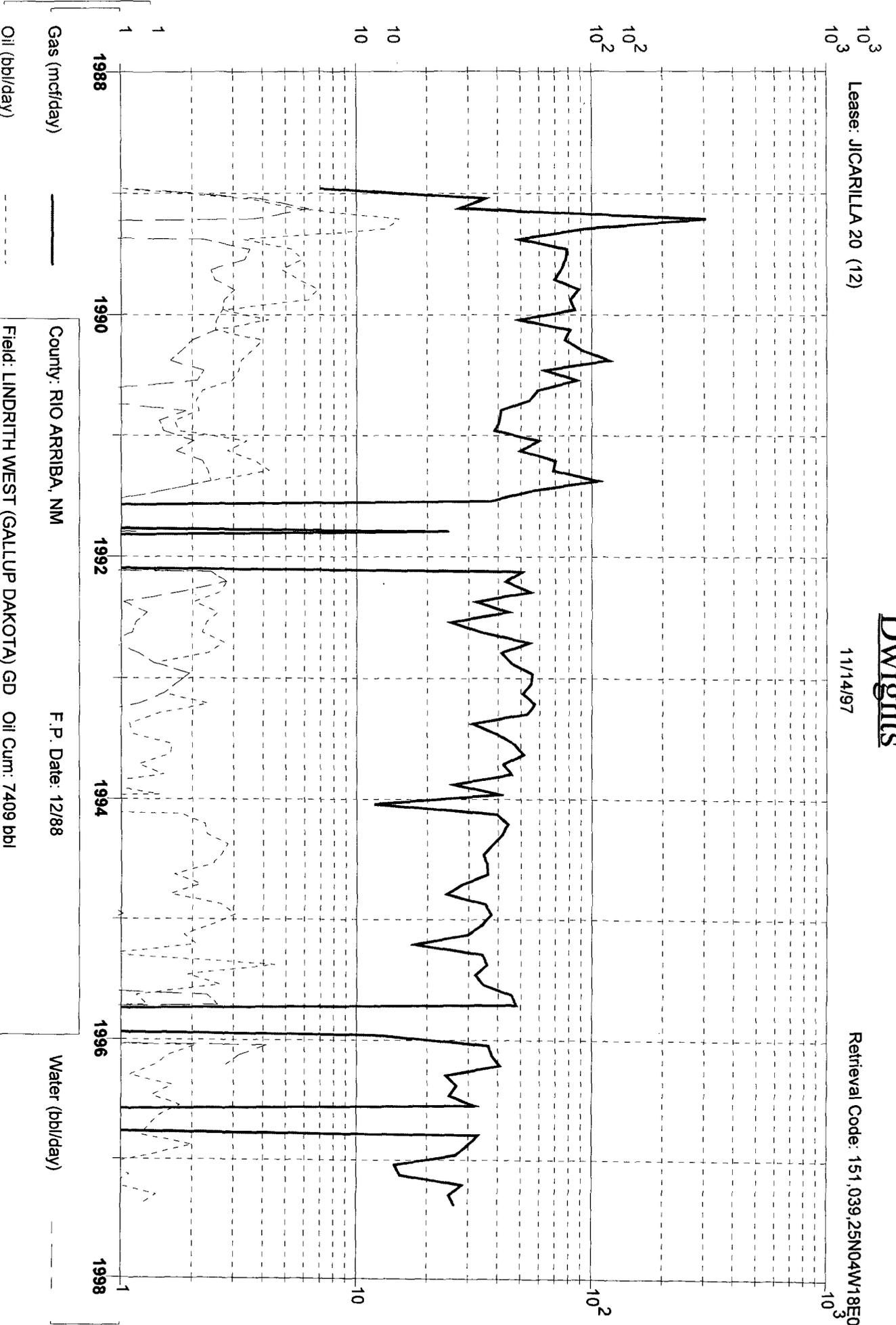
YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
1998	23	1.3
1997	22	1.2
1998	21	1.2
1999	20	1.1
2000	19	1.0
2001	18	1.0
2002	17	0.9
2003	16	0.9
2004	15	0.9
2005	14	0.8
2006	14	0.8
2007	13	0.7
2008	12	0.7
2009	12	0.7
2010	11	0.6
2011	10	0.6
2012	10	0.6
2013	9	0.5
2014	9	0.5
2015	8	0.5
2016	8	0.5
2017	8	0.4
2018	7	0.4
2019	7	0.4
2020	7	0.4
2021	6	0.3
2022	6	0.3
2023	6	0.3
2024	5	0.3
2025	5	0.3
2026	5	0.3
2027	5	0.3
2028	4	0.2
2029	4	0.2
2030	4	0.2

Dwights

11/14/97

Lease: JICARILLA 20 (12)

Retrieval Code: 151.039.25N04W18E00GD



County: RIO ARRIBA, NM

F.P. Date: 12/88

Field: LINDRITH WEST (GALLUP DAKOTA) GD

Oil Cum: 7409 bbl

Reservoir: GALLUP DAKOTA

Gas Cum: 137.3 mmcf

Operator: CONOCO INC

Location: 18E 25N 4W

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
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd. Aztec, NM 87410

PO Box 2088
Santa Fe, NM 87504-2088

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-24271		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 003202		5 Property Name Jicarilla 20			6 Well Number #12
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 7370' GL

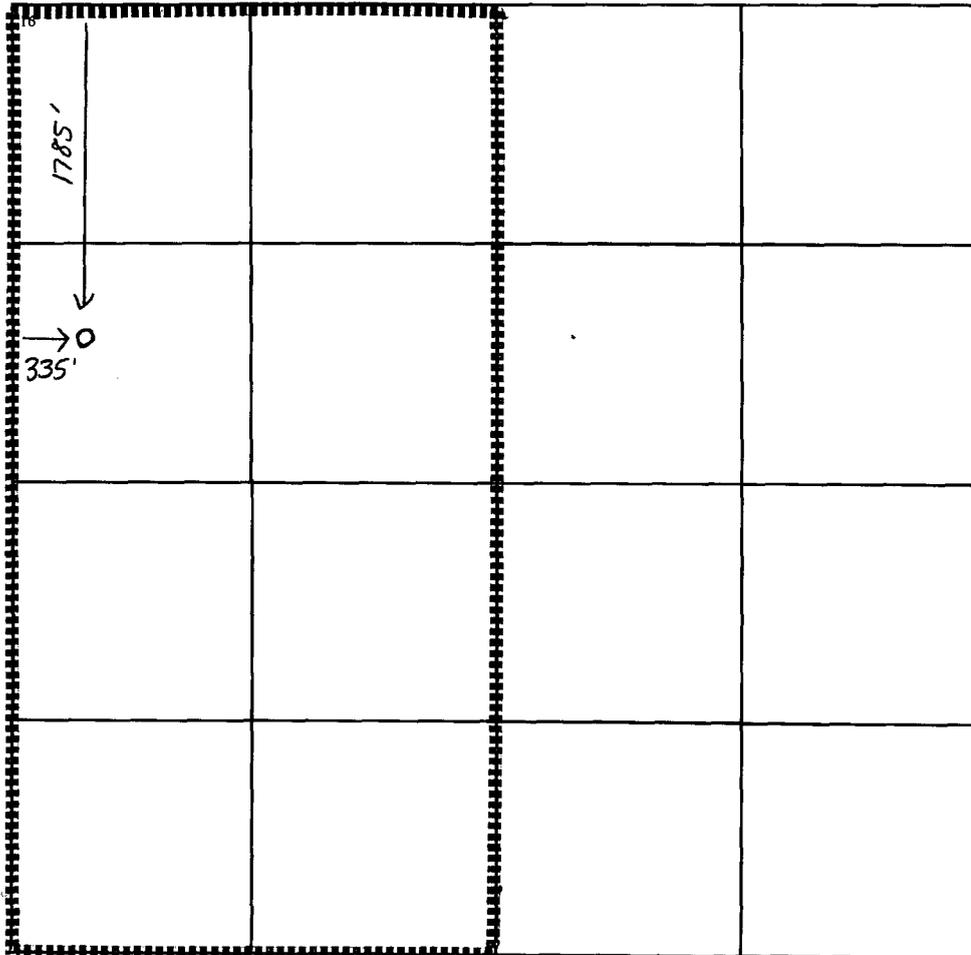
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	18	25N	4W		1785	North	335	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 320		13 Joint or Infill		14 Consolidation Code		15 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



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 26, 1998
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

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

Effective 1-1-77

CONOCO INC.		Lease		JICARILLA 20		Well No.	
E		18		25N		4W	
Section		Township		Range		County	
Rio Arriba		Rio Arriba		Rio Arriba		Rio Arriba	

Actual Footage Location of Well:

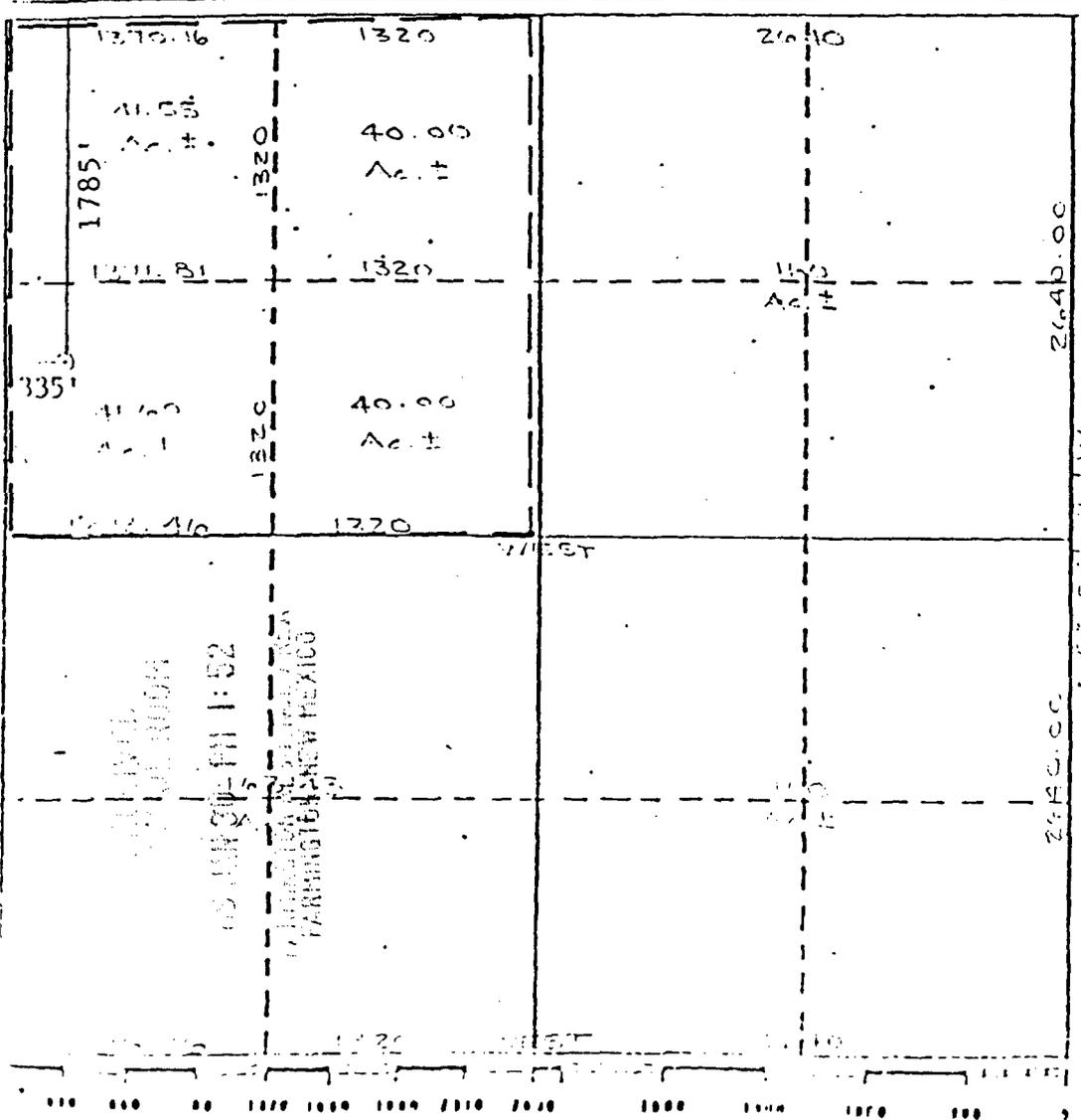
1785 feet from the North line and 335 feet from the West line

Ground Level Elev. 7370 Producing Formation Gallup Dakota Pool West Lindrith Dedicated Acreage 160

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 _____

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.



CERTIFICATION

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

Name: R. F. Fin for D.F. Fin

Position: Adm. Supervisor

Company: Conoco Inc.

Date: 7/19/88

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.

Cecil B. Tullis
Professional Engineer
9572

er Gallup: 3 bbls. 112% HCL-NG-FE
57 bbls. HCL-NG-FE

**Conoco, Inc.
Jicarilla 20 #12
Section 18, T-25-N, R-4-W,E
Rio Arriba County, New Mexico**

Re: Application for Downhole Commingling

Offset Operators:

Burlington Resources Oil & Gas
PO Box 4289
Farmington, New Mexico 87499

Amoco Production Co.
PO Box 800
Denver, Co. 80201

Elm Ridge Resources Inc.
4925 Greenville Ave Ste 1305
Dallas, TX 75206