

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

1832

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]

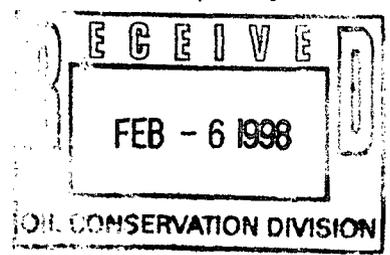
[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [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.

<u>Kay Maddox</u> Print or Type Name	 Signature	<u>Regulatory Agent</u> Title	<u>Feb 3, 1998</u> Date
---	---------------	----------------------------------	----------------------------

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241 1980

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

DISTRICT II  
811 South First St. Artesia NM 88210 2835

OIL CONSERVATION DIVISION

APPROVAL PROCESS:

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

Administrative  Hearing

DISTRICT III  
1000 Rio Brazos Rd. Aztec, NM 87410 1693

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

YES  NO

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

Lease Jicarilla A Well No 11 Unit Ltr Sec Twp Rge Section 14, T-26-N, R-4-W, J County Rio Arriba

OGRID NO. 005073 Property Code 18018 API NO. 30-039-20122 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	Wildhorse Gallup 87360	Basin Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	5954-6086'	7510-7526'	7982-8176'
3. Type of production (Oil or Gas)	Gas	Gas	Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow	Flowing	Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Or Measured Original	a (Current) 583	a. 327	a. 619
	b(Original) 1411	b. 2132	b. 3152
6. Oil Gravity (°API) or Gas BT Content	1203	1315	1315
7. Producing or Shut-In?	To Be Completed	Producing	Producing
Production Marginal? (yes or no)	Yes	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
	Production Alloc. By Subtraction - See Attached Table	Est 7/98 67 MCFD, 0.4 BOPD, 0 BOPD	Est 7/98 98 MCFD, 1.9 BOPD, 0 BWPD
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?  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) \_\_\_\_\_

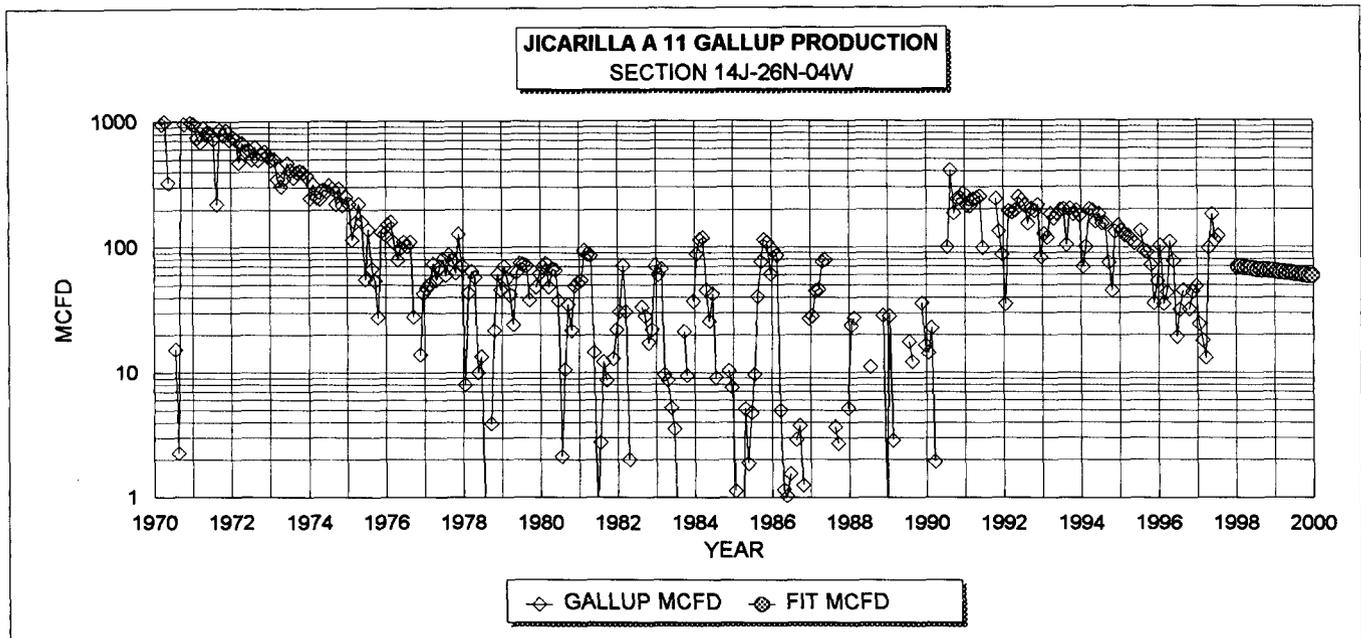
16. ATTACHMENTS

- \* 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.

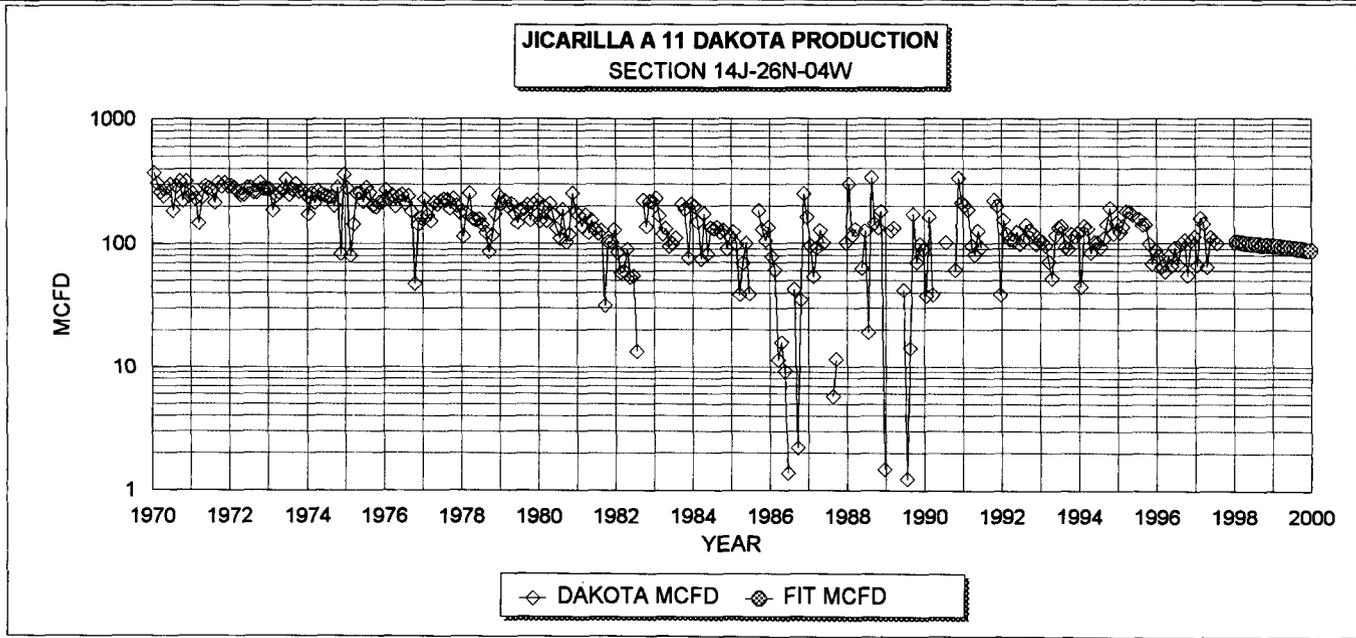
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kay Maddox TITLE Regulatory Agent DATE Feb 3, 1998

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



<b>GALLUP HISTORICAL DATA:</b>		<b>1ST PROD: 12/68</b>	<b>PROJECTED DATA</b>	
<b>OIL CUM:</b>	<b>12.65 MBO</b>		<b>7/1/98 QI:</b>	<b>67 MCFD</b>
<b>GAS CUM:</b>	<b>1833.0 MMCF</b>		<b>DECLINE RATE:</b>	<b>8.0% (EXPONENTIAL)</b>
<b>OIL YIELD:</b>	<b>0.0069 BBL/MCF</b>			



<b>DAKOTA HISTORICAL DATA</b>		<b>1ST PROD: 12/68</b>	<b>DAKOTA PROJECTED DATA</b>	
<b>OIL CUM:</b>	<b>33.7 MBO</b>		<b>7/1/98 QI:</b>	<b>98 MCFD</b>
<b>GAS CUM:</b>	<b>1658.0 MMCF</b>		<b>DECLINE RATE:</b>	<b>8.0% (EXPONENTIAL)</b>
<b>OIL YIELD:</b>	<b>0.0203 BBL/MCF</b>			

<b>FIXED COMMINGLE ALLOCATION FACTORS:</b>		
	<b>GAS</b>	<b>OIL</b>
<b>CHACRA</b>	<b>40%</b>	<b>19%</b>
<b>DAKOTA</b>	<b>60%</b>	<b>81%</b>

**GAS ALLOCATION BASED ON PROJECTED 1997 RATES**  
**OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS**  
**NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGYDATA**

JICARILLA A 11: GALLUP AND DAKOTA FORECAST FOR SUBTRACTION COMMINGLE WITH MESAVERDE  
 14J-26N-04W

(6-12/97 AVG)

YEAR	GALLUP MCFD	DAKOTA MCFD	TOTAL MCFD
1998	65	95	160
1998	61	90	152
1999	56	83	140
2000	52	77	128
2001	48	70	118
2002	44	65	109
2003	40	60	100
2004	37	55	92
2005	34	50	85
2006	31	46	78
2007	29	43	72
2008	27	39	66
2009	25	36	61
2010	23	33	56
2011	21	31	51
2012	19	28	47
2013	18	26	43
2014	16	24	40
2015	15	22	37
2016	14	20	34
2017	13	19	31
2018	12	17	29
2019	11	16	26
2020	10	14	24
2021	9	13	22
2022	8	12	21
2023	8	11	19
2024	7	10	17
2025	6	10	16
2026	6	9	15
2027	5	8	14
2028	5	7	12
2029	5	7	11
2030	4	6	11

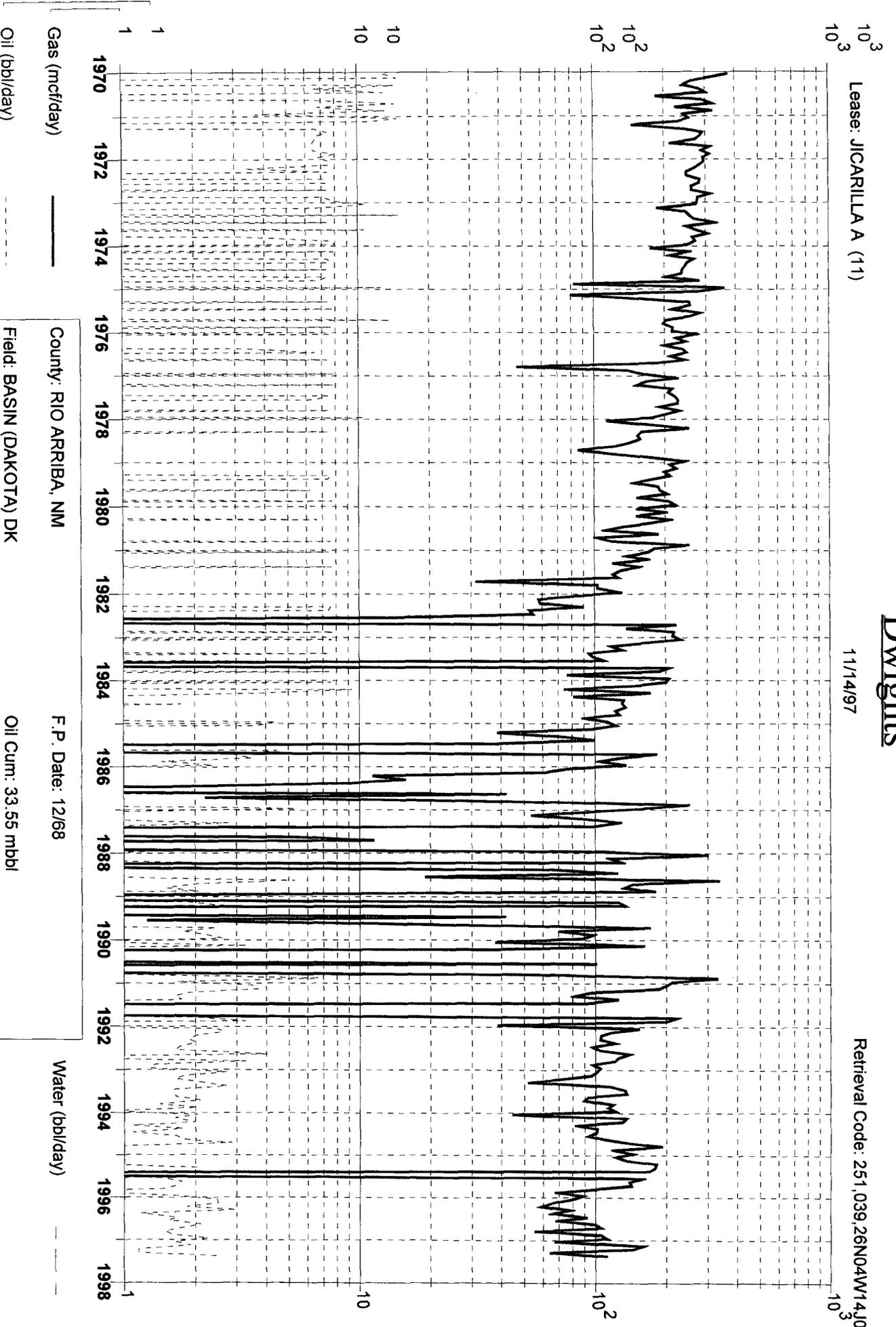
GALLUP OIL; BOPD	DAKOTA OIL; BOPD	TOTAL OIL; BOPD
0.4	1.9	2.4
0.0	1.8	1.8
0.0	1.7	1.7
0.0	1.6	1.6
0.0	1.4	1.4
0.0	1.3	1.3
0.0	1.2	1.2
0.0	1.1	1.1
0.0	1.0	1.0
0.0	0.9	0.9
0.0	0.9	0.9
0.0	0.8	0.8
0.0	0.7	0.7
0.0	0.7	0.7
0.0	0.6	0.6
0.0	0.6	0.6
0.0	0.5	0.5
0.0	0.5	0.5
0.0	0.4	0.4
0.0	0.4	0.4
0.0	0.4	0.4
0.0	0.3	0.3
0.0	0.3	0.3
0.0	0.3	0.3
0.0	0.2	0.2
0.0	0.2	0.2
0.0	0.2	0.2
0.0	0.2	0.2
0.0	0.2	0.2
0.0	0.2	0.2
0.0	0.1	0.1
0.0	0.1	0.1

# Dwights

Lease: JICARILLA A (11)

11/14/97

Retrieval Code: 251,039,26N04W14,100DK



Gas (mcf/day)

Oil (bbl/day)

County: RIO ARRIBA, NM

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

Operator: CONOCO INC

F.P. Date: 12/68

Oil Cum: 33.55 mbbl

Gas Cum: 1652 mmcf

Location: 14J 26N 4W

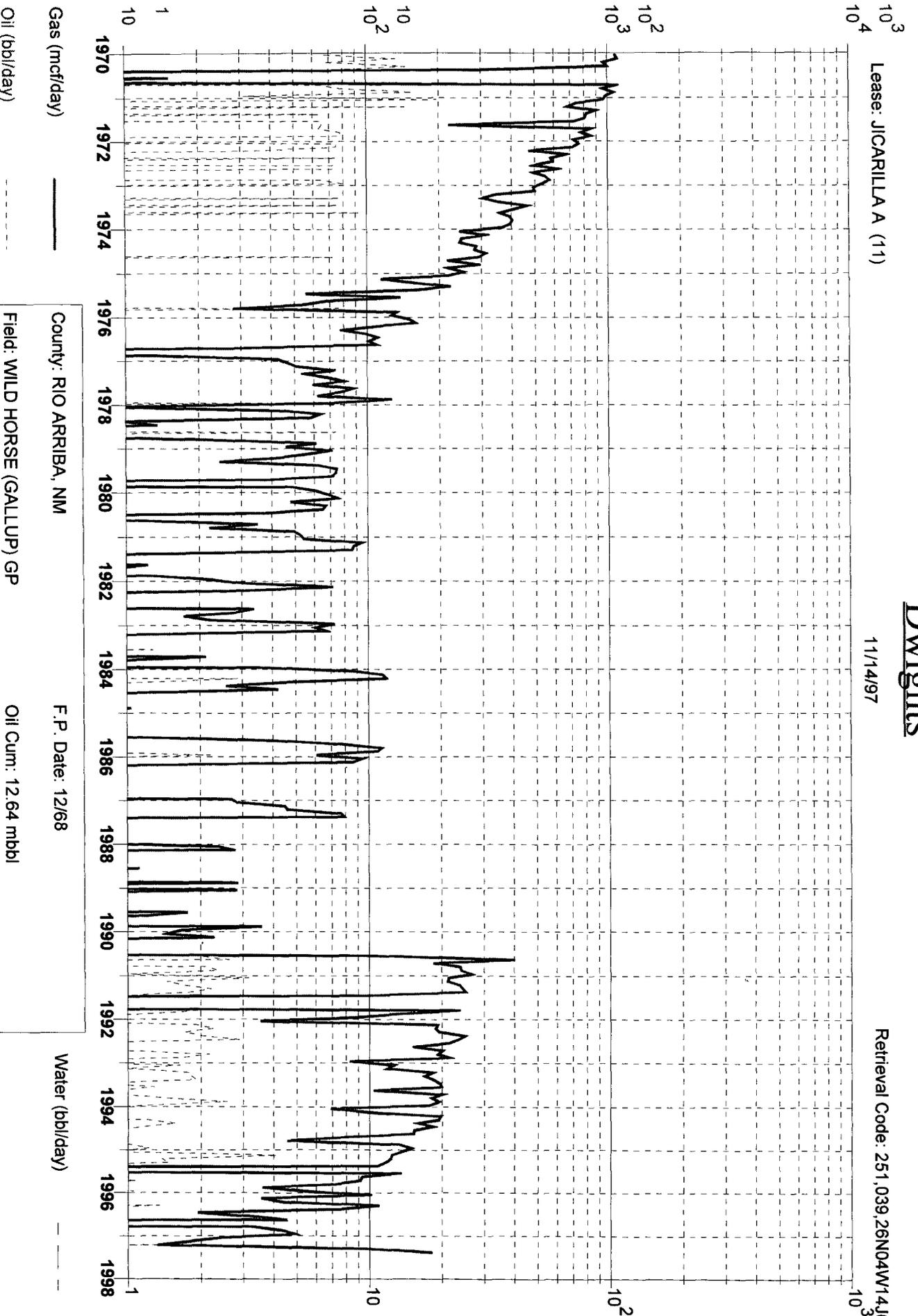
Water (bbl/day)

# Dwights

Lease: JICARILLA A (11)

11/14/97

Retrieval Code: 251,039,26N04W/14J00GP



Gas (mcf/day)

Oil (bbl/day)

County: RIO ARRIBA, NM

Field: WILD HORSE (GALLUP) GP

Reservoir: GALLUP

Operator: CONOCO INC

F.P. Date: 12/68

Oil Cum: 12.64 mbbl

Gas Cum: 1826 mmcf

Location: 14J 26N 4W

Water (bbl/day)

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

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

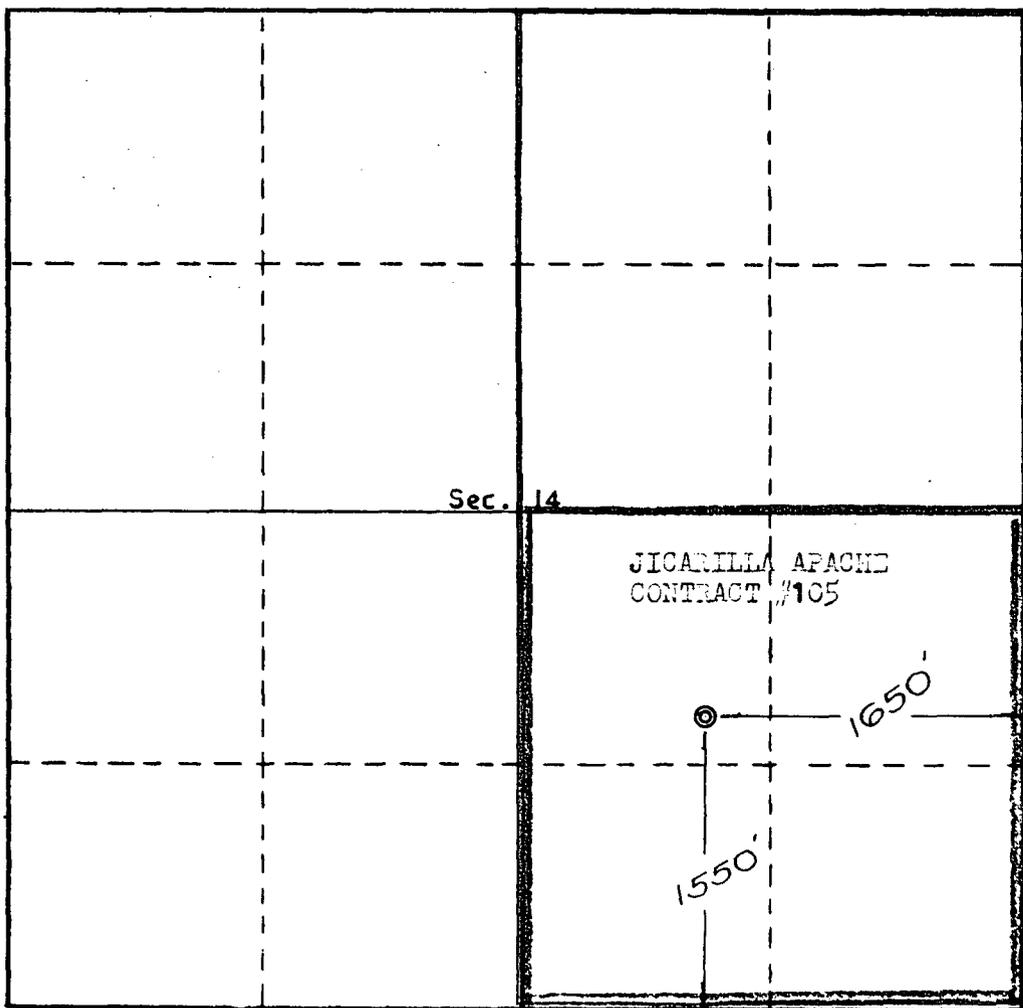
Operator <b>SOUTHERN UNION PRODUCTION COMPANY</b>		Lease <b>JICARILLA</b>		A		Well No. <b>11</b>	
Unit Letter <b>J</b>	Section <b>14</b>	Township <b>26 North</b>	Range <b>4 West</b>	County <b>Rio Arriba</b>			
Actual Footage Location of Well: <b>1550</b> feet from the <b>South</b> line and <b>1650</b> feet from the <b>East</b> line							
Ground Level Elev. <b>7134</b>	Producing Formation <b>Dakota</b> <b>Pictured Cliffs</b>		Pool <b>Basin Dakota</b> <del><b>Tropicito Pictured Cliffs</b></del>	Dedicated Acreage: <b>2/2 320</b> <b>SE/4 160</b> 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 \_\_\_\_\_

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. \_\_\_\_\_ Dedicated Dakota Acreage \_\_\_\_\_ Dedicated Pictured Cliffs Acreage



CERTIFICATION

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

*B. R. Vanderslice*  
Name

B. R. Vanderslice  
Position

Area Superintendent  
Company

Southern Union Production Co.  
Date

July 16, 1968

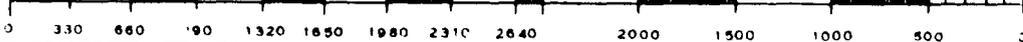
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed

March 21, 1955

Registered Professional Engineer and/or Land Surveyor

*E. H. Eakin*  
Certificate No. 3602



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 30-039-20122		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 18018		5 Property Name Jicarilla A			6 Well Number #11
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 7134' GL

**10 Surface Location**

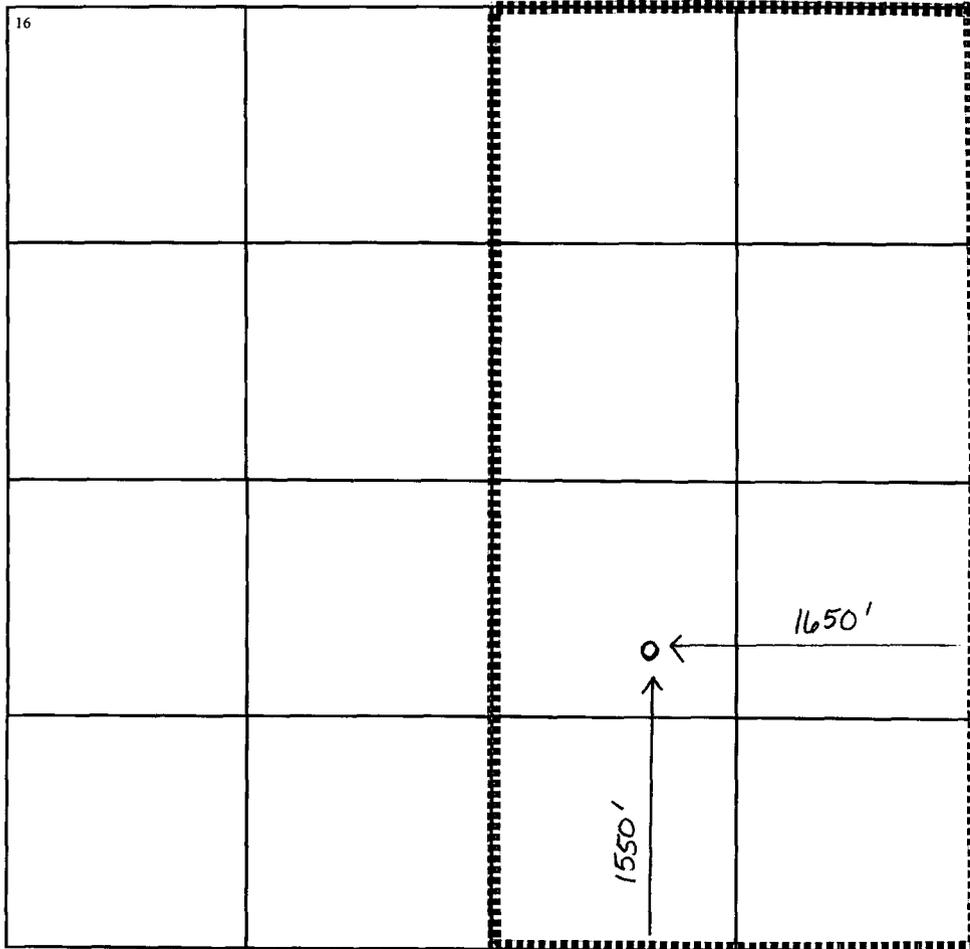
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	14	26N	4W		1550	South	1650	East	Rio Arriba

**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  
Feb 3, '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

**Conoco, Inc.  
Jicarilla A #11  
Section 14, T-25-N, R-4-W, J  
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

Chateau Oil & Gas Inc.  
2515 McKinney Ave Ste 840  
Dallas, TX 75201