

ABOVE THIS LINE FOR DIVISION USE ONLY

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

*1246*

**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]

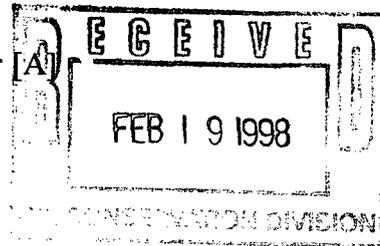
[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [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.

<u>Kay Maddox</u> Print or Type Name	<u><i>Kay Maddox</i></u> Signature	<u>Regulatory Agent</u> Title	<u>2/16/98</u> Date
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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

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

APPROVAL PROCESS:  
 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 22 Well No 7 Unit Ltr Sec Twp Rge Section 21, T-25-N, R-4-W, A County Rio Arriba

OGRID NO. 005073 Property Code 003203 API NO. 30-039-20447 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)	5697-6000'		6831-7967'
3. Type of production (Oil or Gas)	Gas		Oil
4. Method of Production (Flowing or Artificial Lift)	To Flow		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a (Current) 583	a:	a. 860
	b(Original) 1314	b.	b. 497
6. Oil Gravity (*API) or Gas BT Content	1269		1269
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 should 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 to be allocated by subtraction - See attached table	Date Rates	Est 7/98 30 MCFD, 1 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

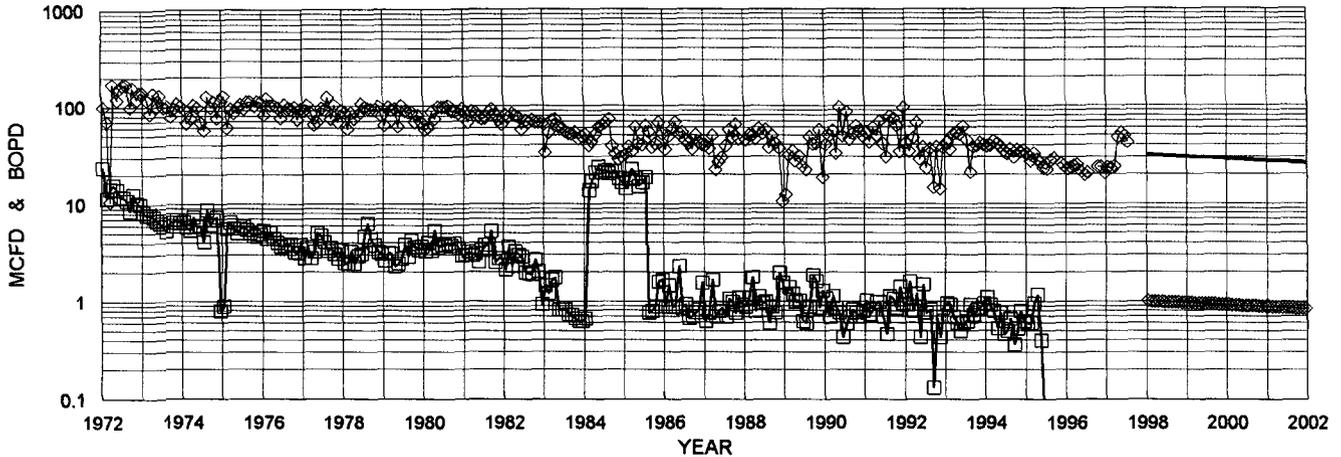
- \* C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- \* Production curve for each zone for at least one year. (If not available, attach explanation.)
- \* For zones with no production history, estimated production rates and supporting data.
- \* Data to support 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 February 16, 1998

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

**JICARILLA 22 NO. 7 GALLUP/DAKOTA PRODUCTION  
SECTION 21A-25N-04W**



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

**GALLUP DAKOTA HISTORICAL DATA: 1ST PROD: 01/72**

**OIL CUM:** 33.67 MBO  
**GAS CUM:** 589.7 MMCF  
**CUM OIL YIELD:** 0.0571 BBL/MCF  
**OIL YIELD:** 0.0076 BBL/MCF, LAST 3 YRS  
**AVG. USED:** 0.0324 BBL/MCF

**PROJECTED DATA**

**7/1/98 Qi:** 30 MCFD  
**DECLINE RATE:** 4.6% (EXPONENTIAL)

**PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION**

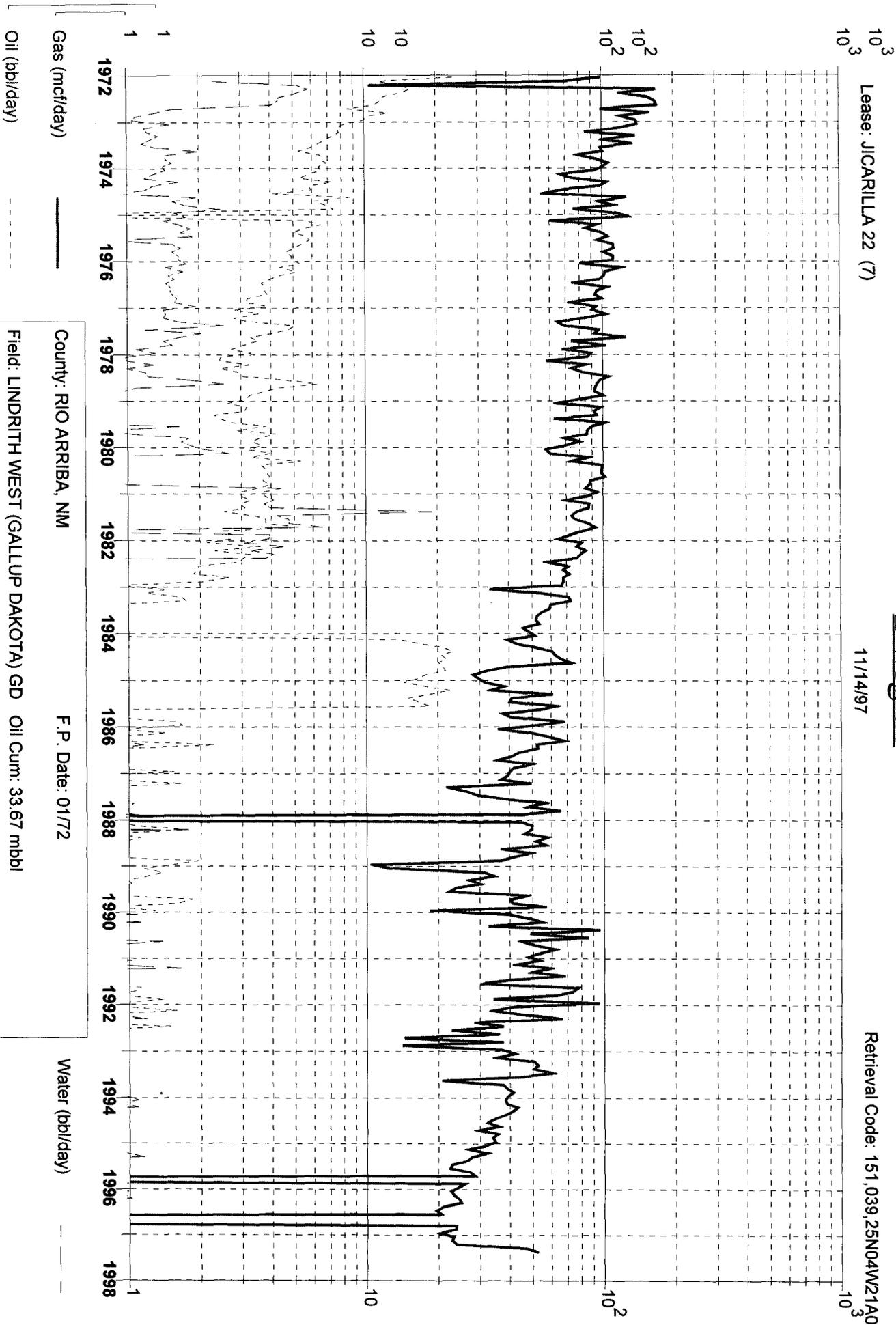
YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
1998	30	1.0
1997	29	0.9
1998	27	0.9
1999	26	0.8
2000	25	0.8
2001	24	0.8
2002	23	0.7
2003	22	0.7
2004	21	0.7
2005	20	0.6
2006	19	0.6
2007	18	0.6
2008	17	0.6
2009	16	0.5
2010	16	0.5
2011	15	0.5
2012	14	0.5
2013	14	0.4
2014	13	0.4
2015	12	0.4
2016	12	0.4
2017	11	0.4
2018	11	0.3
2019	10	0.3
2020	10	0.3
2021	9	0.3
2022	9	0.3
2023	8	0.3
2024	8	0.3
2025	8	0.2
2026	7	0.2
2027	7	0.2
2028	7	0.2
2029	6	0.2
2030	6	0.2

# Dwights

11/14/97

Retrieval Code: 151.039.25N04W21A00GD

Lease: JICARILLA 22 (7)



County: RIO ARRIBA, NM

F.P. Date: 01/72

Field: LINDRITH WEST (GALLUP DAKOTA) GD

Oil Cum: 33.67 mbbl

Reservoir: GALLUP DAKOTA

Gas Cum: 587.0 mmcf

Operator: CONOCO INC

Location: 21A 25N 4W

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

Revised February 21, 1994

instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-20447		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 003203		5 Property Name Jicarilla 22			6 Well Number #7
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
A	21	25N	4W		990	North	990	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

16			<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief	
	Signature		Kay Maddox	
	Printed Name		Regulatory Agent	
	Title			
Date				
		<b>18 SURVEYOR CERTIFICATION</b> 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				

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

All distances must be from the outer boundaries of the Section

Operator <b>CONTINENTAL OIL COMPANY</b>			Lease <b>JICARILLA 22</b>		Well No. <b>7</b>
Unit Letter <b>A</b>	Section <b>21</b>	Township <b>25 NORTH</b>	Range <b>4 West</b>	County <b>RIO ARRIBA</b>	
Actual well Location of Well: <b>990</b> feet from the <b>NORTH</b> line and <b>990</b> feet from the <b>EAST</b> line					
Ground Level Elev. <b>7134.0</b>	Producing Formation		Pool	Dedicated Acreage: <b>40</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 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 Original Signed By:  
**J. A. UBBEN**

Position  
**Administrative Supervisor**

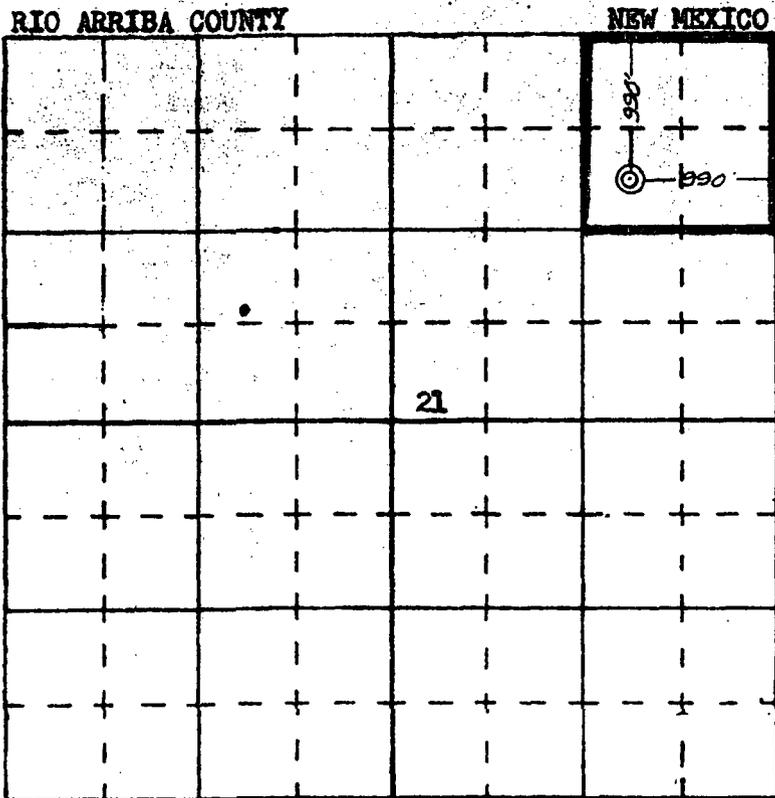
Company  
**Continental Oil Company**

Date  
**December 2, 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.

20 November 1971  
Date Surveyed

*James P. Leese*  
Registered Professional Engineer  
and/or Land Surveyor **James P. Leese**  
N.M. Reg. #1463



SCALE—4 INCHES EQUALS 1 MILE

**Conoco, Inc.  
Jicarilla 22 #7  
Section 21, T-25-N, R-4-W, A  
Rio Arriba County, New Mexico**

**Re: Application for Downhole Commingling**

**Offset Operators:**

Robert L. Bayless  
PO Box 168  
Farmington, New Mexico 87499