



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 San Juan Unit 28-7 Well No #109M Unit Ltr Sec Twp Rge Section 18, T-27-N, R-7-W, D County Rio Arriba

OGRID NO. 005073 Property Code 16608 API NO. 30-039-25794 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)	4562-5521'		7247-7494'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow		To Flow
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a (Current) 457	a.	a. 713
	b(Original) 1230	b.	b. 2946
6. Oil Gravity (°API) or Gas BT Content	1352		1238
7. Producing or Shut-In?	To be Completed		To be Completed
Production Marginal? (yes or no)	Yes (expected)		Yes (expected)
• 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 160 MCFD Anticipated 1st Yr average	Date Rates	Date Rates 210 MCFD Anticipated 1st Yr Average
8. Fixed Percentage Allocation Formula -% for each zone	oil: % Gas %	oil: % Gas %	oil: % Gas %

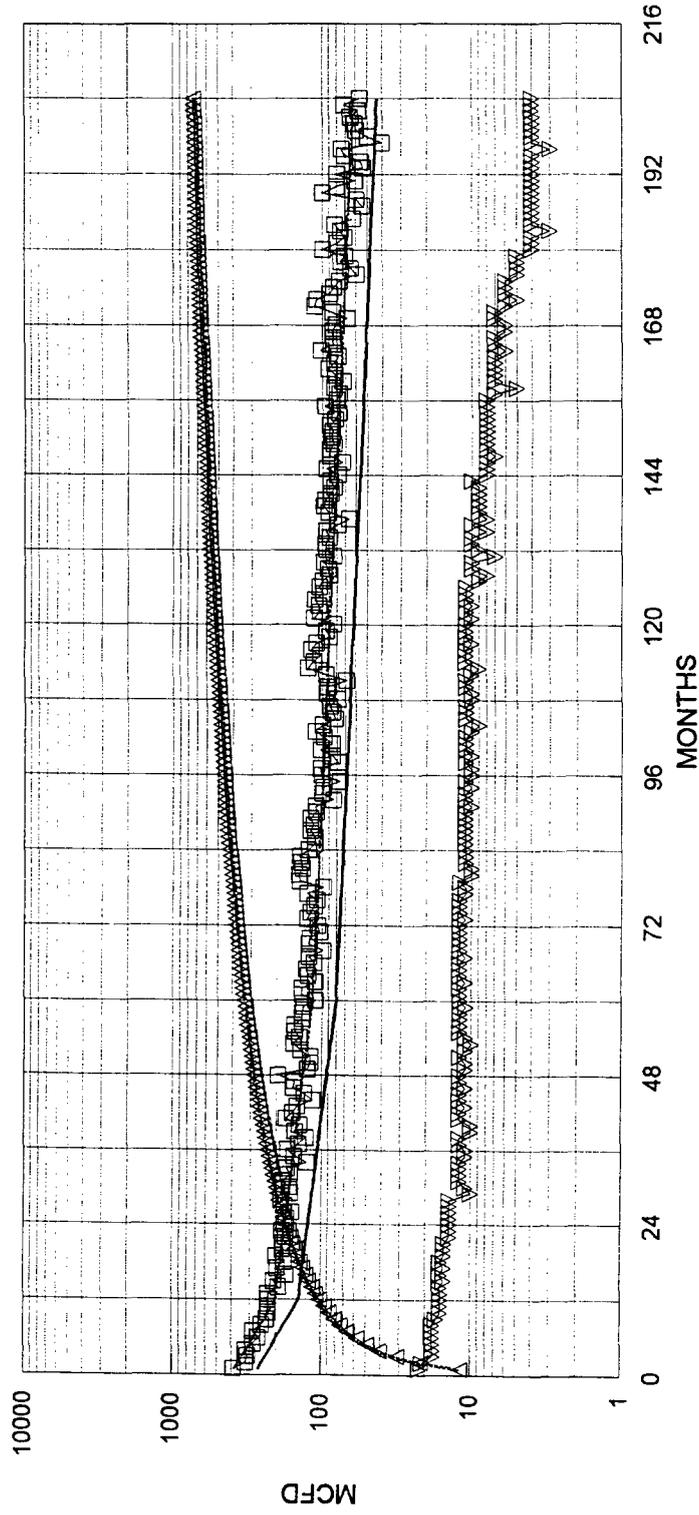
9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical 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) 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 4/6/98

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

**NORMALIZED MESAVERDE PRODUCTION  
PROD. SINCE 1972; 22 MV WELLS LOCATED IN 27N-7W AND 27N-8W**



— FIT MCFD    □ WELLS ON PRODUCTION    — FIT CUM MMCF  
▽ NORMALIZED MCFD    △ NORM CUM MMCF    — RISKED MCFD

Expected Mesaverde Production - #237M, 98M, 109M  
Expected Avg. Rate for Yr. 1 = 289 MCFD

OIL CONSERVATION DIVISION  
 PO Box 2088  
 Santa Fe, NM 87504-2088

Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

APC Number: 88211-0719  
 District: IV  
 PO Box 2088, Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code	*Pool Name
		72319/71599	Blanco Mesaverde/Basin Dakota
*Property Code	*Property Name		*Well Number
016608	SAN JUAN 28-7 UNIT		109M
*OGRID No.	*Operator Name		*Elevation
005073	CONOCO, INC.		5554'

<sup>10</sup> Surface Location

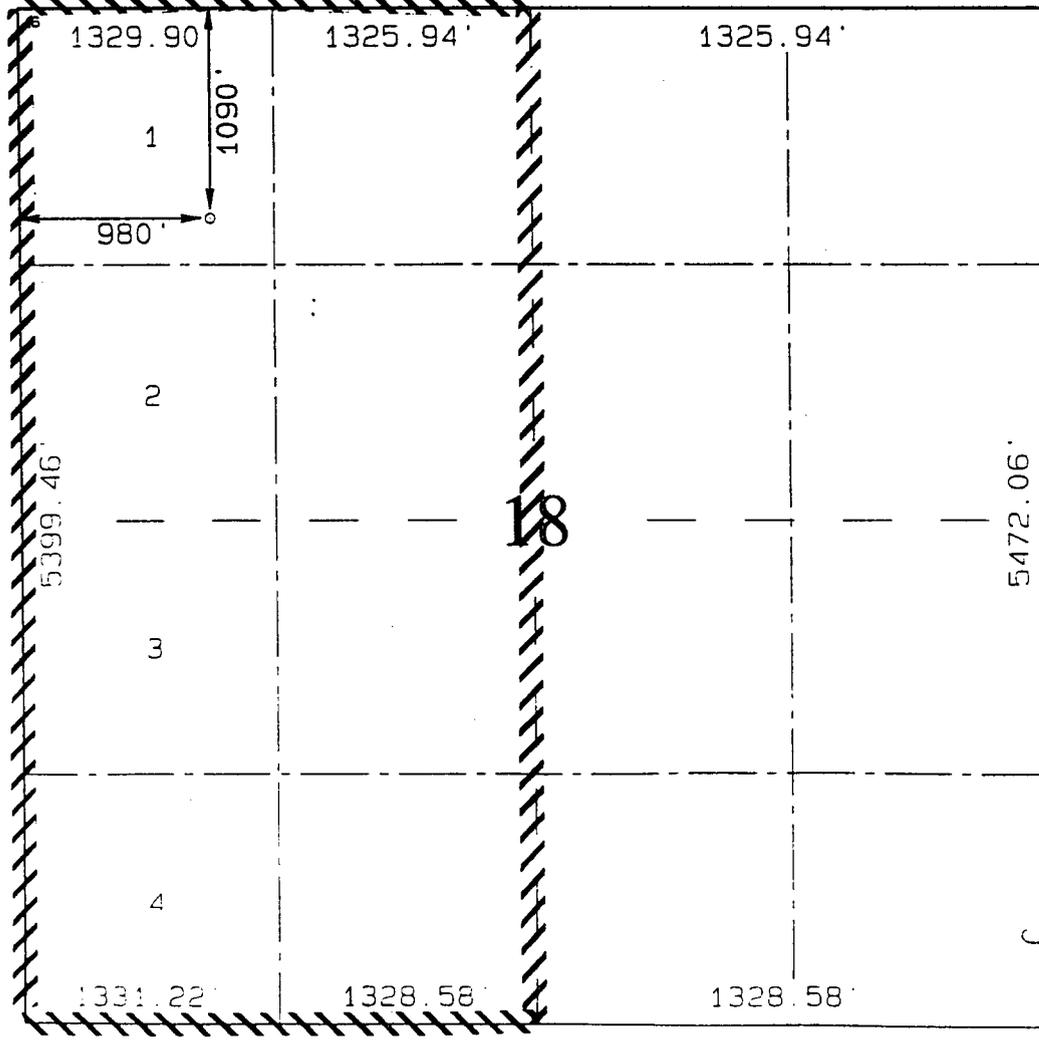
UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County
D	18	27N	7W		1090	North	980	West	RIO ARRIBA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
320.36	Y	U	

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



<sup>17</sup> OPERATOR CERTIFICATION

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

*Mike L. Mankin*  
 Signature  
 Mike L. Mankin  
 Printed Name  
 Right of Way Agent  
 Title  
 2-12-98  
 Date

<sup>18</sup> 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.

OCTOBER 22, 1997  
 Date of Survey

Signature and Seal of Professional Surveyor

**NEALE C. EDWARDS**  
 NEW MEXICO  
 6857  
 REGISTERED PROFESSIONAL SURVEYOR

6857  
 Certificate No.

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

SUBMIT IN TRIPLICATE  
(Other instructions on reverse side)

FORM APPROVED  
OMB NO. 1004-0136  
Expires February 28, 1995

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK  
 DRILL                       DEEPEN

b. TYPE OF WELL  
 OIL WELL       GAS WELL       OTHER   
 SINGLE ZONE       MULTIPLE ZONE

2. NAME OF OPERATOR  
 Conoco Inc. *5073*

a. ADDRESS AND TELEPHONE NO  
 10 Desta Dr. Ste 430E, Midland, Tx. 79705-4500

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements \*)  
 At surface    1090' FNL & 980' FWL  
  
 At proposed prod. zone    1090' FNL & 980' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

5. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if Any)

16. NO OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 320.36

8. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH  
 7494'

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc)  
 6554' GR

22. APPROX. DATE WORK WILL START\*  
 3/15/98

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

**PROPOSED CASING AND CEMENTING PROGRAM**

**DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED GENERAL REQUIREMENT**

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	GENERAL REQUIREMENT
12-1/4"	K-55, 9-5/8"	36#	250'	145 sxs, circ.
8-3/4"	K-55, 7"	23#	3247'	430 sxs, circ.
6-1/4"	K-55, 4-1/2"	9.5#	7494'	535 sxs, toc @ 3100'

It is proposed to drill a vertical wellbore to the Blanco Mesaverde and Basin Dakota Pools. An NOS was filed 10/13/97. The well will be drilled and equipped according to the following additional attachments:

1. Well Location & Acreage Dedication Plat (C-102).
2. Proposed Well Plan Outline.
3. Cementing Plan.
4. Blowout Preventer Hookup.
5. Surface Use Plan with Production Facility layout.
6. Pipeline Tie Specifications with plat.

**RECEIVED**  
 MAR - 2 1998  
**OIL CON. DIV.**  
 DIST. 3

RECEIVED  
 FILED  
 96 FEB 13 PM 1:32  
 OTO FARMINGTON, N.M.

This application includes ROW's for the well pad, access road, cathodic protection and pipeline.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED *Jo Ann Johnson* TITLE Property Analyst DATE 2-12-98

PERMIT NO \_\_\_\_\_ APPROVAL DATE FEB 25 1998

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY.

APPROVED BY *AS/Duane W. Spencer* TITLE \_\_\_\_\_ DATE FEB 25 1998

\*See Instructions On Reverse Side

Title 18 U S C Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**NMOCD**

*CAE*

April 6, 1998

San Juan Unit 28-7 # 109M  
Section 18, T-27-N, R-7-W, D  
Rio Arriba County, TX

RE: Application C-107A to Downhole Commingle

**Notification of Offset Operators:**

Burlington Resources  
PO Box 4289  
Farmington, NM 87499

Bledsoe Petroleum  
1717 Main STE 5850  
Dallas, TX 75201

Western Oil & Minerals  
PO Drawer 1228  
Farmington, NM 87499

Chateau Oil & Gas  
5802 US HWY 64  
Farmington, NM 87401

Amoco  
PO Box 800  
Denver, CO 80201

A copy of the C-107A has been sent to the above listed parties