



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 Stewart A COM Well No #2M Unit Ltr Sec Twp Rge Section 32, T-30-N, R-10-W, D County San Juan

OGRID NO. 005073 Property Code \_\_\_\_\_ API NO. \_\_\_\_\_ 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)	4270-4970'		6845-6945'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a (Current) 608	a.	a. 767
	b(Original) 1228	b.	b. 2491
6. Oil Gravity (°API) or Gas BT Content	1200 EST		1200 EST
7. Producing or Shut-In?	To Be Completed		To Be Completed
Production Marginal? (yes or no)	No		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
	To be supplied upon completion	To be supplied upon completion	To be supplied upon completion
8. Fixed Percentage Allocation Formula -% or each zone	oil: % Gas %	oil: % Gas %	oil: % Gas %

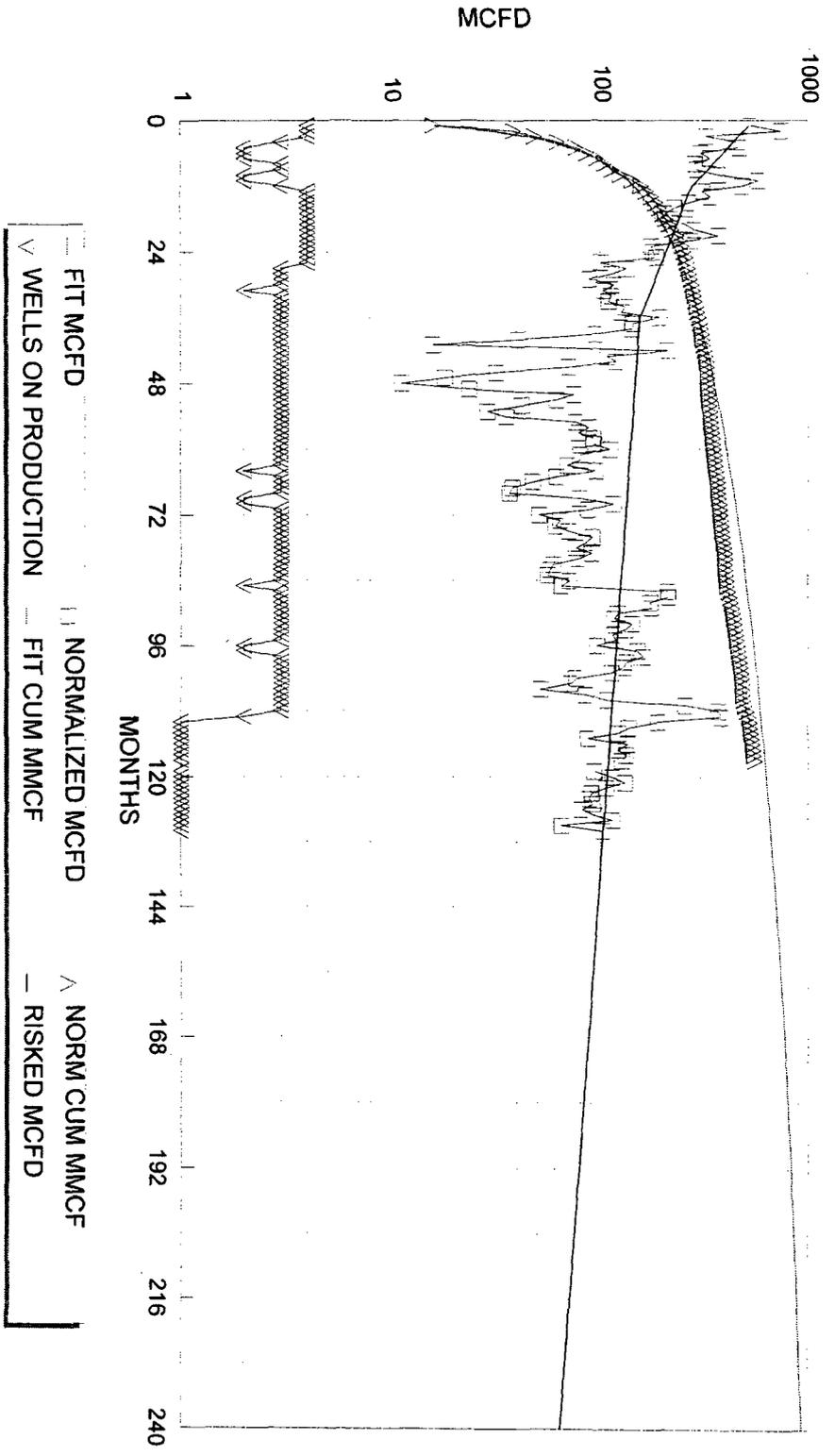
9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical in all commingled zones? X Yes X No  
 If not, have all working, overriding, and royalty interests been notified by certified mail? X 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). \_\_\_\_\_
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 6/6/98

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

**NORMALIZED MESAVERDE PRODUCTION**  
**4 WELLS SINCE 1980. OFFSET TO SECTION 36-30N-11W**



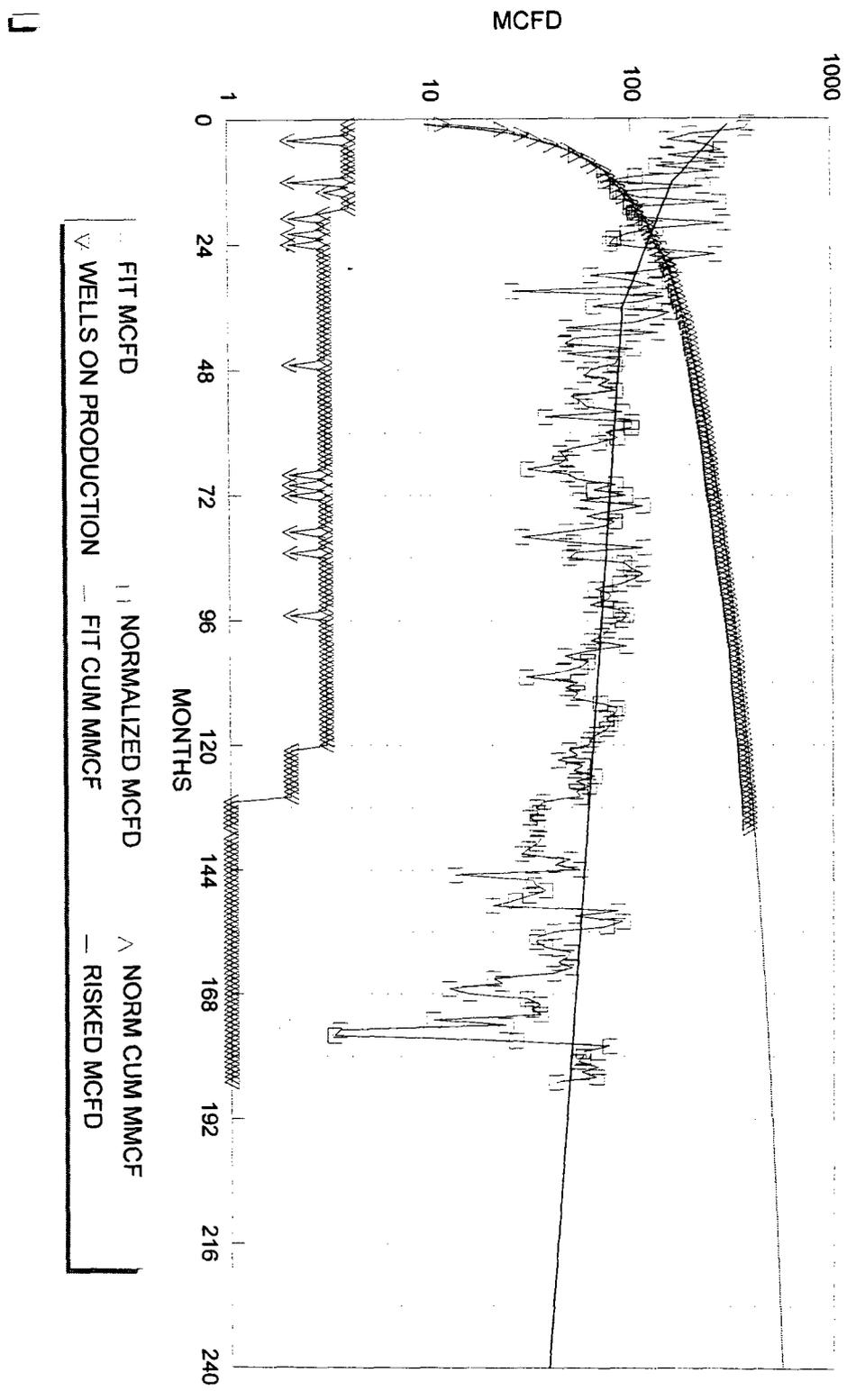
**NORMALIZED AVG:**  
 1220 MMCF EUR  
 940 MMCF IN 20 YRS  
 25 MCFD E.L.  
 0.0021 bbl/mcf oil yield

550 MCFD IP  
 50% DECLINE, 1ST 12 MONTHS  
 25% DECLINE, NEXT 24 MONTHS  
 5.0% FINAL DECLINE

**RISKED AVG:**  
 0% RISK  
 1220 MMCF EUR  
 940 MMCF IN 20 YRS  
 25 MCFD E.L.  
 0.0021 bbl/mcf oil yield

560 MCFD IP  
 50.0% DECLINE, 1ST 12 MONTHS  
 25.0% DECLINE, NEXT 24 MONTHS  
 5.0% FINAL DECLINE

**NORMALIZED DAKOTA PRODUCTION**  
**4 WELLS SINCE 1980. OFFSET TO SECTION 36-30N-11W**



**NORMALIZED AVG:**  
 648 MMCF EUR  
 555 MMCF IN 20 YRS  
 25 MCFD E.L.  
 0.0050 bbl/mcf oil yield

325 MCFD IP  
 50% DECLINE, 1ST 12 MONTHS  
 25% DECLINE, NEXT 24 MONTHS  
 5.0% FINAL DECLINE

**RISKED AVG:** 0% RISK  
 648 MMCF EUR  
 555 MMCF IN 20 YRS  
 25 MCFD E.L.  
 0.0050 bbl/mcf oil yield

325 MCFD IP  
 50.0% DECLINE, 1ST 12 MONTHS  
 25.0% DECLINE, NEXT 24 MONTHS  
 5.0% FINAL DECLINE

FIT MCFD  
 WELLS ON PRODUCTION  
 FIT CUM MMCF  
 NORMALIZED MCFD  
 NORM CUM MMCF  
 RISKED MCFD

District II  
900 Crown Dr., Artesia, NM 88211-0719

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

District III  
1900 Rio Brazos Rd., Aztec, NM 87410

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
		STEWART A COM			2M
*OGRID No.		*Operator Name			*Elevation
005073		CONOCO, INC.			6014'

<sup>10</sup> Surface Location

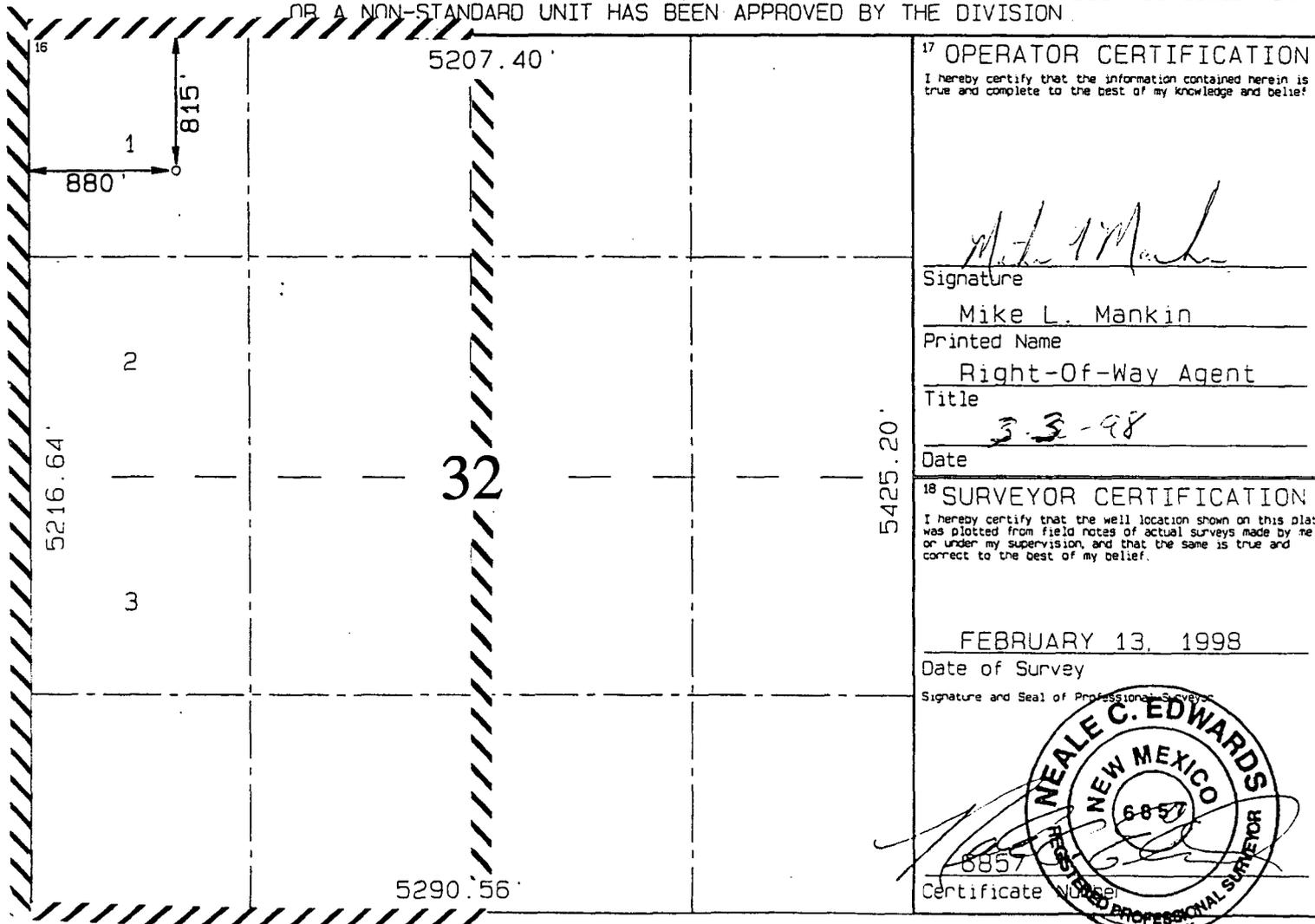
UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County
D	32	30N	10W		815	NORTH	880	WEST	SAN JUAN

<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			

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  
3-3-98  
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.

FEBRUARY 13, 1998  
Date of Survey  
Signature and Seal of Professional Surveyor  
*Neale C. Edwards*  
NEALE C. EDWARDS  
NEW MEXICO  
6857  
REGISTERED PROFESSIONAL SURVEYOR  
Certificate Number

Stewart A COM # 2M  
Section 32, T-30-N, R-10-W, D  
San Juan County, New Mexico

RE: Downhole Commingle C-107A  
Mesaverde & Dakota

**Offset Operators:**

Burlington Resources  
PO Box 4289  
Farmington, New Mexico 87499

Amoco  
PO Box 800  
Denver, CO 80226

Merrion Oil & Gas  
610 Reilly Ave  
Farmington, New Mexico 87401-2634

Dugan Production Co.  
PO Box 420  
Farmington, New Mexico 87499-0420



Stewart A Com #2M  
Section 32, T-30-N, R-10-W,D  
San Juan County, New Mexico

RE: Downhole Commingle Application C-107A

**Interest Owners:**

Thommas Brown  
1536 S State ST #235  
Hemet, CA 92543-7621

Minerals Mgt Service  
Onshore Federal # 17555  
PO Box 5810  
Denver, CO 80217-5810

Neward Corporation  
500 Throckmorton Street  
Suite 2805  
Fort Worth, TX 76102-3815

Phillips Production Company  
5525 Highway 64  
Farmington, New Mexico 87401

Dugan Production Company  
PO Box 420  
Farmington, New Mexico 87499

Williams Production Company  
PO Box 3102 MS 37-3  
One Williams Center  
Tulsa, OK 74101-3102

State Of New Mexico  
Commisioner of Public Lands  
Oil & Gas  
PO Box 2308  
Santa Fe, NM 87504

Chase Oil Corporation  
PO Box 276  
Artesia, NM 88211-0276

Fred S. Reynolds  
C/O Neward Corporation  
500 Throckmorton St,  
STE 2805  
Fort Worth, TX 76102-3815

Fred N. Reynolds  
C/O Neward Corporation  
500 Throckmorton St  
STE 2805  
Fort Worth, TX 76102-3815

Please find attached evidence that the above listed parties have been notified of this Downhole Commingle (C-107A) Application by certified mail on this the 8<sup>th</sup> day of June 1998.

P 497 374 131

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	State of Nm of Public Lands
Street & Number	PO BOX 2308
Post Office, State, & ZIP Code	SANTA FE, NM 87504
Postage	\$

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JS Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Williams Prod. Co.
Street & Number	PO BOX 3102 MS 37-3
Post Office, State, & ZIP Code	Tulsa, OK 74101-3102
Postage	\$

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US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Phillips Prod. Co.
Street & Number	5525 Hwy 64
Post Office, State, & ZIP Code	Hamington, Nm 87401
Postage	\$

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US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Dugan Prod. Co.
Street & Number	PO BOX 420
Post Office, State, & ZIP Code	Hamington, Nm 87499
Postage	\$

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JS Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Neward Corporation
Street & Number	500 Throckmorton St. STE 2805
Post Office, State, & ZIP Code	Fert Worth, TX 76102-3815
Postage	\$

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US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Minerals Mat. Service
Street & Number	PO BOX 58110
Post Office, State, & ZIP Code	Denver, CO 80217-5810
Postage	\$

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US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Thomas Brown
Street & Number	1536 S. State St. #235
Post Office, State, & ZIP Code	Hemet, CA 92543-7621
Postage	\$

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JS Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Chase Oil Corp.
Street & Number	PO BOX 276
Post Office, State, & ZIP Code	Htesia, Nm 88211-0276
Postage	\$
Certified Fee	
Special Delivery Fee	

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US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for international Mail (See reverse)

Sent to	Fred S. Reynolds
Street & Number	500 Throckmorton St. STE 2805
Post Office, State, & ZIP Code	Fert Worth, TX 76102-3815
Postage	\$
Certified Fee	
Special Delivery Fee	

P 497 374 134

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Fred N. Reynolds
Street & Number	500 Throckmorton St. STE 2805
Post Office, State, & ZIP Code	Fert Worth, TX 76102-3815
Postage	\$
Certified Fee	
Special Delivery Fee	