

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

OIL CONSERVATION DIVISION

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

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

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 San Juan 28-7 Unit Well No #183 Unit Ltr Sec Twp Rge section 1, T-27-N, R-7-W, G County Rio Arriba

OGRID NO. 005073 Property Code 016608 API NO. 30-039-20721 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)	4451-5185'		7046-7248'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Expected Flowing		Flowing
5. Bottomhole Pressure	a (Current)	a.	a.
Oil Zones - Artificial Lift: Estimated Current	457		751
Gas & Oil - Flowing: Measured Current	b(Original)	b.	b.
All Gas Zones: Estimated Or Measured Original	1230		2946
6. Oil Gravity ("API) or Gas BT Content	1223		1154
7. Producing or Shut-In?	To be Completed		Producing
Production Marginal? (yes or no)	Expected 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
	Allocation method by subtraction - See attached Chart	Date Rates	Mid-1999 (Expected) 80 MCFD, .2 BOPD
8. Fixed Percentage Allocation Formula - % for each zone	Oil: % Gas %	Oil: % Gas %	Oil: % Gas %

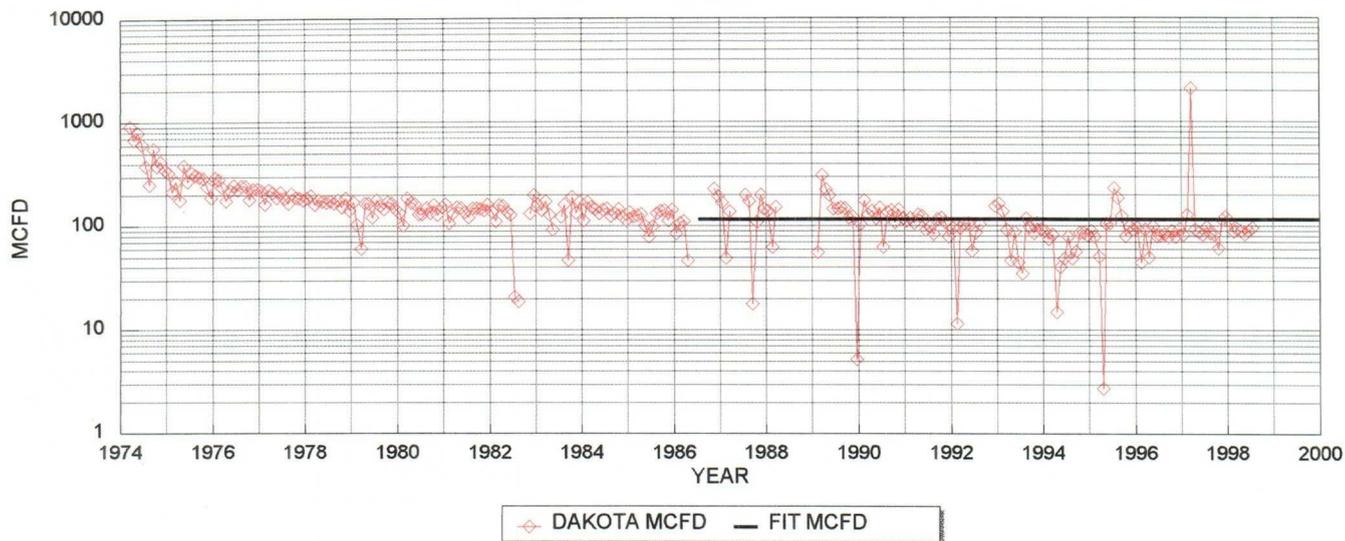
9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical 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? 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). 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 December 14, 1998

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

**SAN JUAN 28 7 UNIT #183 DAKOTA PRODUCTION
SECTION 1G-27N-07W**



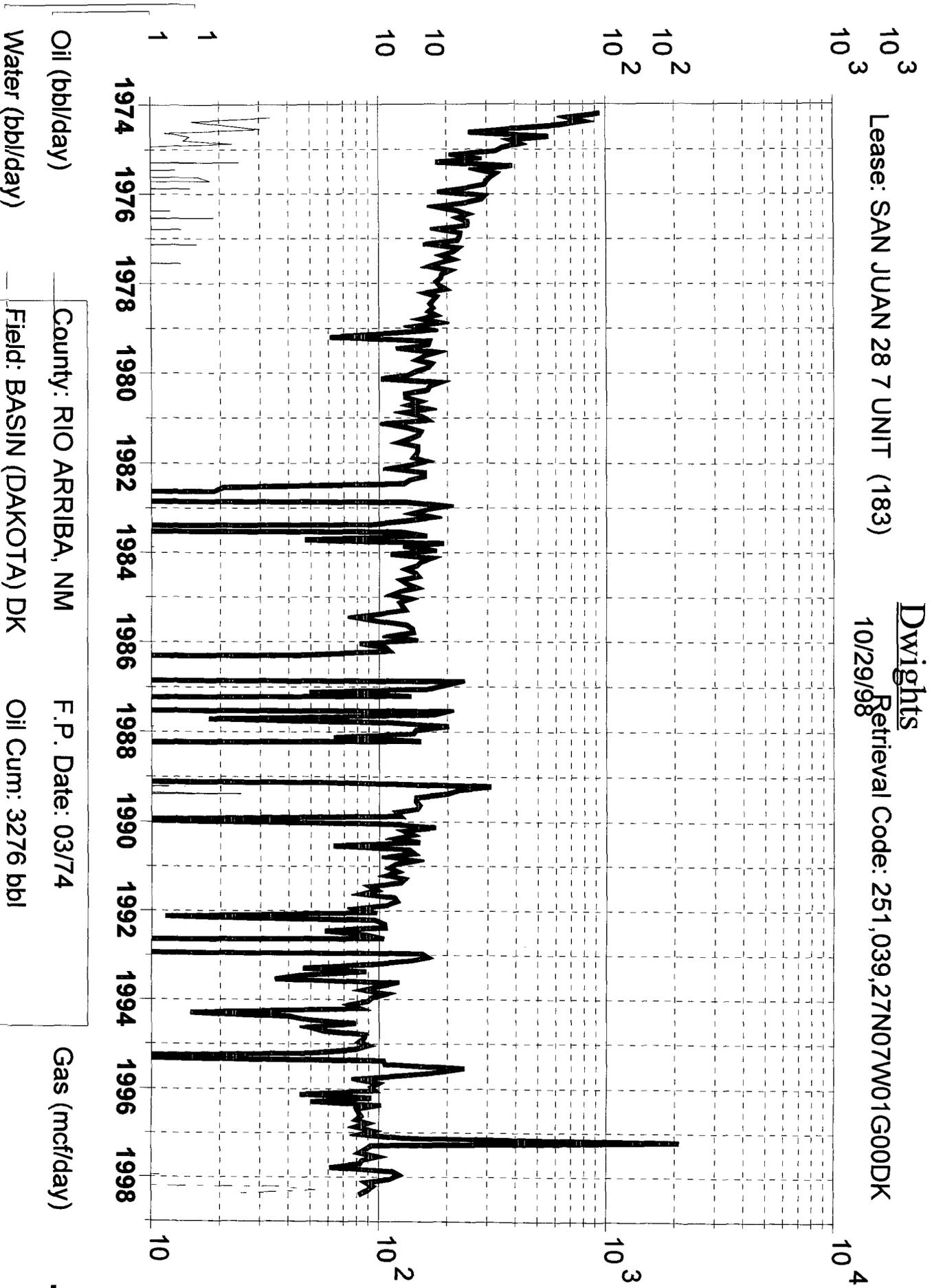
DAKOTA HISTORICAL DATA:		1ST PROD: 03/74		DAKOTA PROJECTED DATA	
OIL CUM:	3.30	MBO	1/1/99 Qi:	116	MCFD
GAS CUM:	1286.8	MMCF	DECLINE RATE:	2.8%	(EXPONENTIAL)
CUM OIL YIELD:	0.0026	BBL/MCF			
OIL YIELD:	0.0018	BBL/MCF, LAST 3 YRS			
AVG. USED:	0.0022	BBL/MCF			

YEAR	MID-YEAR	
	AVG. MCFD	AVG. BOPD
1999	113.9	0.2
2000	110.7	0.2
2001	107.6	0.2
2002	104.6	0.2
2003	101.7	0.2
2004	98.9	0.2
2005	96.1	0.2
2006	93.4	0.2
2007	90.8	0.2
2008	88.2	0.2
2009	85.8	0.2
2010	83.4	0.2
2011	81.0	0.2
2012	78.8	0.2
2013	76.6	0.2
2014	74.4	0.2
2015	72.3	0.2
2016	70.3	0.2
2017	68.3	0.1
2018	66.4	0.1
2019	64.6	0.1
2020	62.8	0.1
2021	61.0	0.1
2022	59.3	0.1
2023	57.6	0.1
2024	56.0	0.1
2025	54.4	0.1
2026	52.9	0.1
2027	51.4	0.1
2028	50.0	0.1
2029	48.6	0.1
2030	47.2	0.1
2031	45.9	0.1
2032	44.6	0.1
2033	43.4	0.1

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

Lease: SAN JUAN 28 7 UNIT (183)

Dwights
Retrieval Code: 251,039,27N07W01G00DK
10/29/98



Oil (bbl/day)

Water (bbl/day)

County: RIO ARRIBA, NM

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

Operator: CONOCO INC

F.P. Date: 03/74

Oil Cum: 3276 bbl

Gas Cum: 1281 mmcf

Location: 1G 27N 7W

Gas (mcf/day)

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 30-039-20721		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 016608		5 Property Name San Juan 28-7 Unit			6 Well Number #183
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 6131'

10 Surface Location

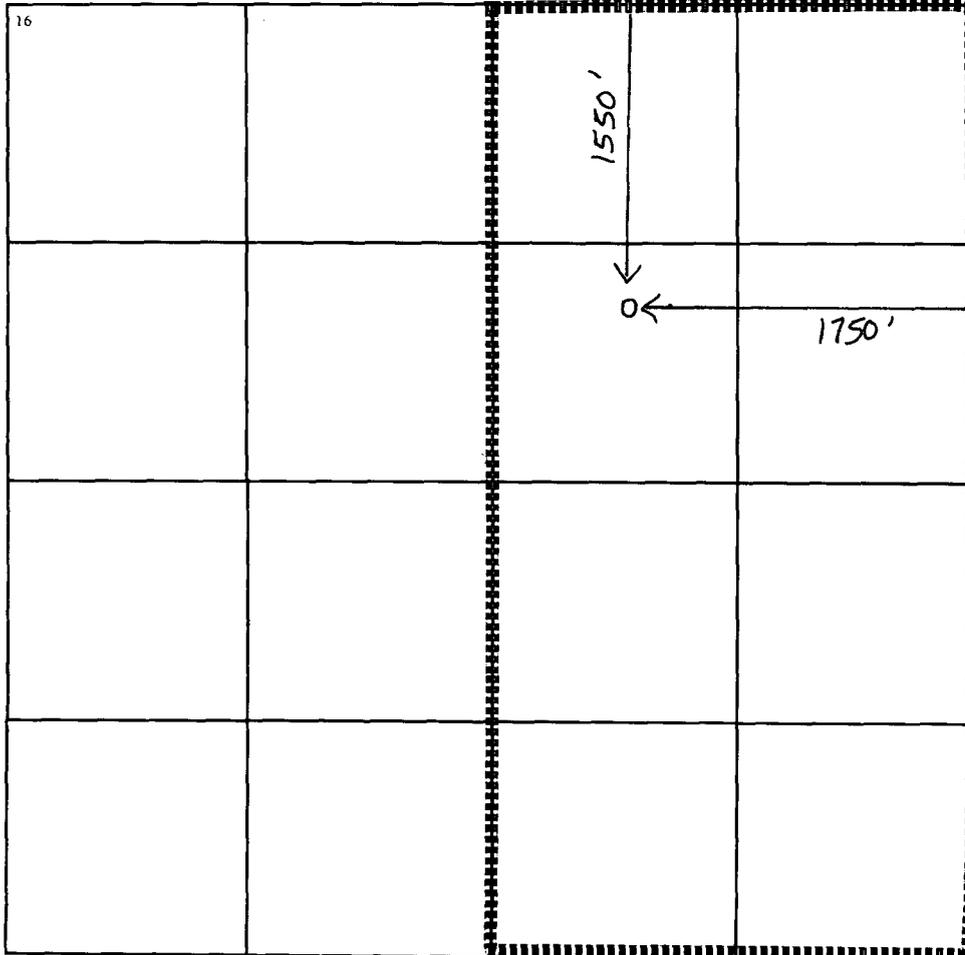
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	1	27N	7W		1550'	North	1750'	East	Rio Arriba

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.
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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

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

San Juan 28-7 Unit Well # 183
API # 30-039-20721
Section 1, T-27-N, R-7-W, G
Rio Arriba County, NM

RE: Downhole Commingle Application C-107A

Notification of Offset Operators:

Burlington Resources
PO Box 4289
Farmington, NM 87499

A copy of the Downhole Commingle Application (C-107A) has been sent to the above listed parties