



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 Southl 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 San Juan 28-7 Unit Well No #230M Unit Ltr Sec Twp Rge Section 29, T-28-N, R-7-W,J County Rio Arriba

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)	4479-5460'		7090-7328'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To flow		To flow
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	1267		1265
7. Producing or Shut-In?	To be completed		To be completed
Production Marginal? (yes or no)	Expected Yes		Expected Yes
• If Shut-In give date and oil/gas/water rates of lsst production	Date Rates	Date Rates	Date Rates
Note For new zones with no production history applicant shad 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 Expected rates 350-450 MCFD	Date Rates	Date Rates Expected rates 400-500 MCFD
8. Fixed Percentage Allocation Formula -% or each zone	oil: % Gas %	oil: % Gas %	Oil: % Gas %

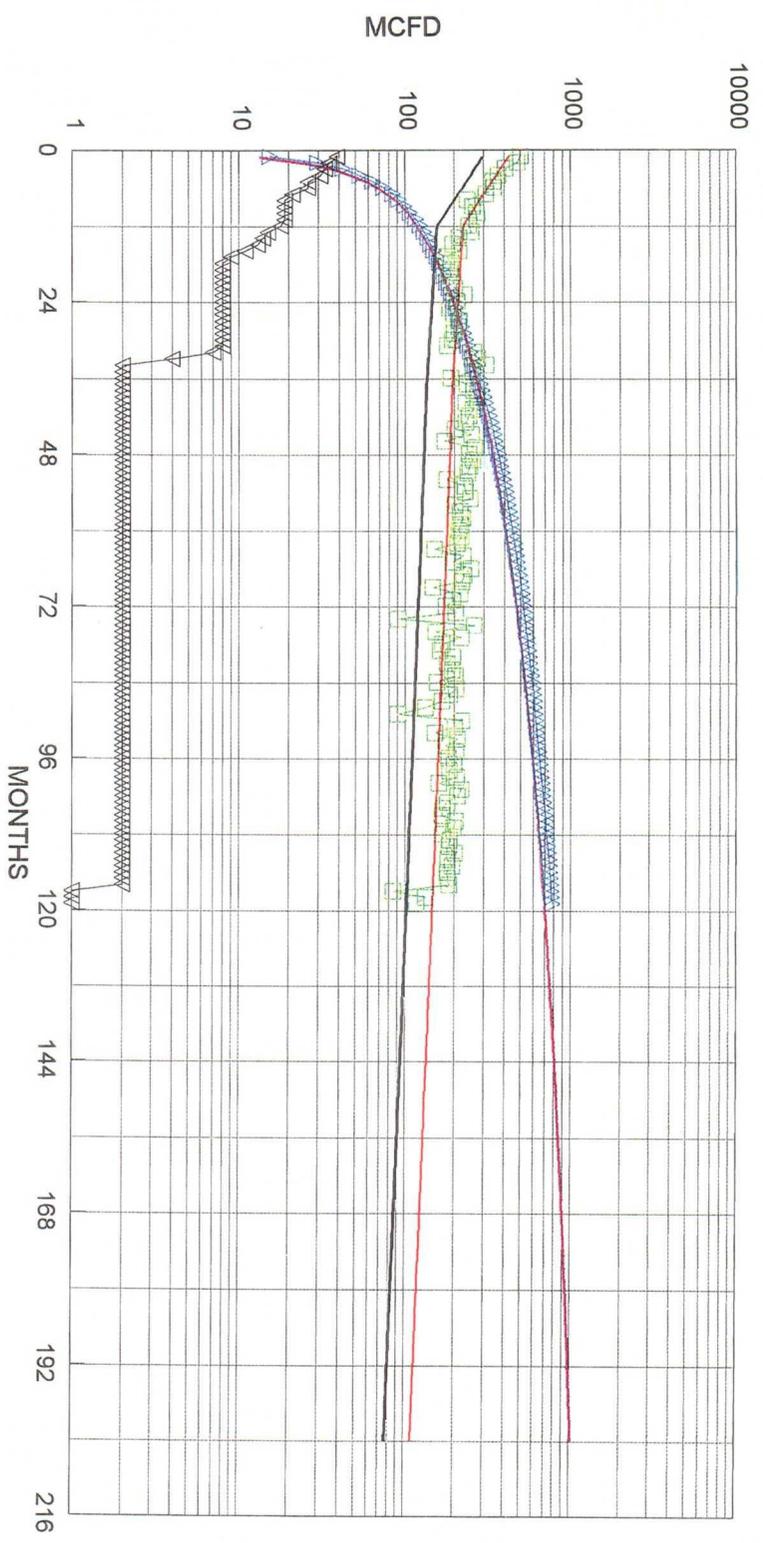
9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical 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). 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 January 28, 1999

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

**NORMALIZED MESAVERDE PRODUCTION**  
 PROD. SINCE 1985; 39 MV WELLS LOCATED IN 28N-7W (37 wells are 1990's completions)



Expected Mesaverde Production - 325 MCFD for Yr. 1

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

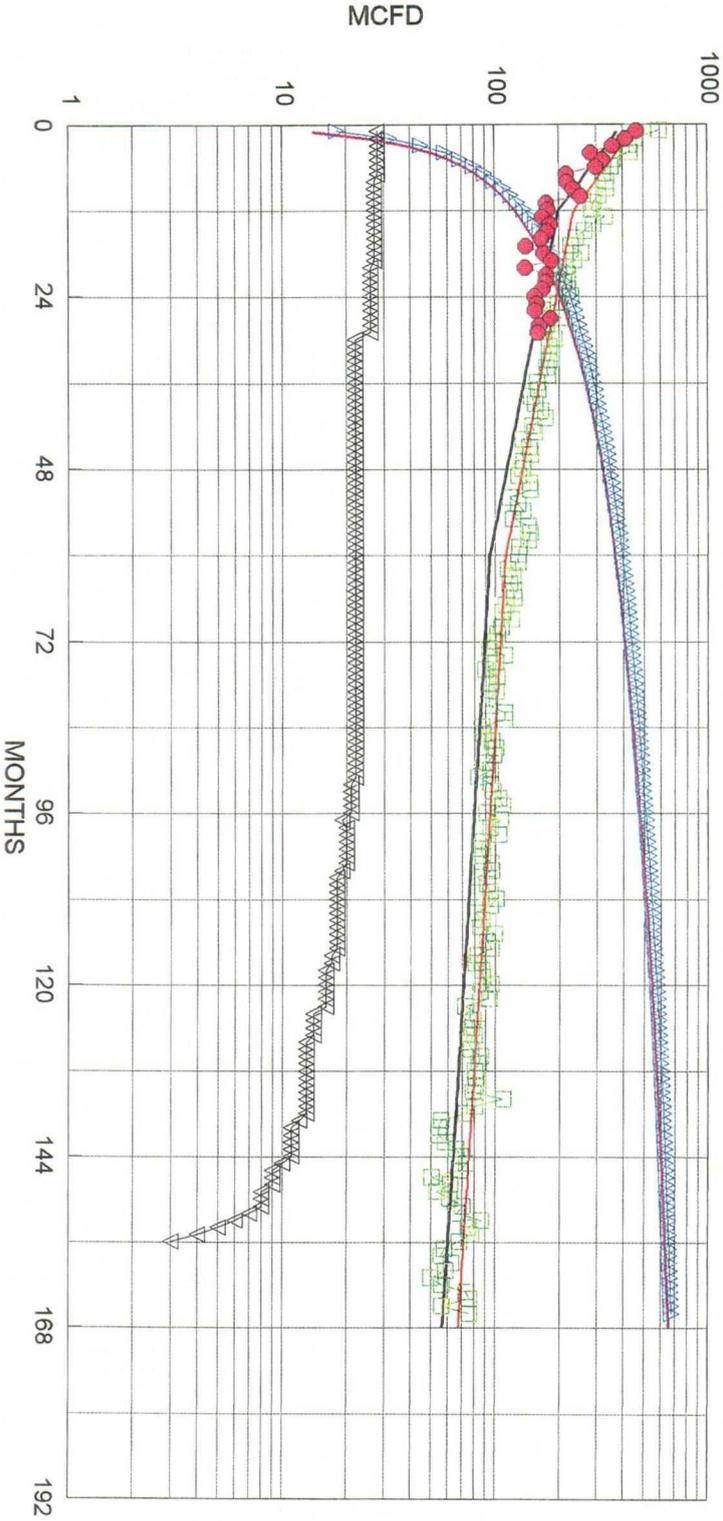
**NORMALIZED AVG:**

1788 MMCF EUR  
 1145 MMCF IN 20 YRS  
 25 MCFD E.L.  
 0.0139 bbl/mcf oil yield

**RISKED AVG:**      30% RISK

1184 MMCF EUR      315 MCFD IP  
 802 MMCF IN 20 YRS      50.0% DECLINE, 1ST 12 MONTHS  
 25 MCFD E.L.      7.0% DECLINE, NEXT 24 MONTHS  
 0.0139 bbl/mcf oil yield      4.0% FINAL DECLINE

**NORMALIZED DAKOTA PRODUCTION**  
 PROD. SINCE 1980; 29 DK WELLS LOCATED IN W 2/3 OF 28N-7W AND 27N-7W



Expected Avg. Rate for Yr. 1 = 339 MCFD  
 Expected Avg. Rate for Yr. 1 = 288 MCFD (for 1990's wells)

**NORMALIZED AVG:**

924 MMCF EUR	986 MMCF IN 40 YRS
779 MMCF IN 20 YRS	470 MCFD IP
25 MCFD E.L.	50% DECLINE, 1ST 12 MONTHS
0.0079 bbl/mcf oil yield	17% DECLINE, NEXT 48 MONTHS
	5.5% FINAL DECLINE

**RISKED AVG:** 15% RISK

761 MMCF EUR	400 MCFD IP
662 MMCF IN 20 YRS	50.0% DECLINE, 1ST 12 MONTHS
25 MCFD E.L.	17.0% DECLINE, NEXT 48 MONTHS
0.0079 bbl/mcf oil yield	5.5% FINAL DECLINE

District I  
 PO Box 590, Hobbs, NM 88241-1980

State of New Mexico  
 Energy, Minerals & Natural Resources Department

Form C-102  
 Revised February 21, 1994

District II  
 PO Drawer 00, Artesia, NM 88211-0719

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

District III  
 1000 Rio Brazos Rd., Aztec, NM 87410

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

AMENDED REPORT

District IV  
 PO Box 2088, Santa Fe, NM 87504-2088

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		230M
*OGRID No.	*Operator Name		*Elevation
005073	CONOCO, INC.		6259'

<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
J	29	28N	7W		2020	SOUTH	1900	EAST	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.

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

12-21-98

Date

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<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 14, 1998

Date of Survey

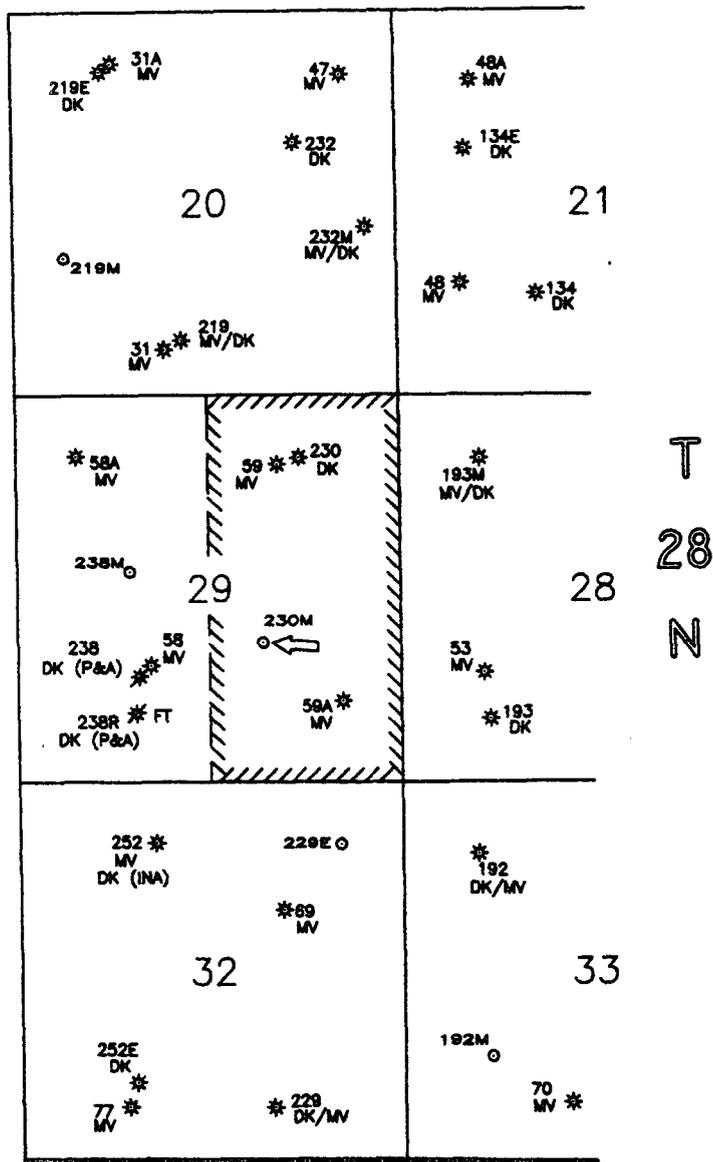
*Neale C. Edwards*

Signature and Seal

6857

Certificate No.

R 7 W



**SAN JUAN 28-7 UNIT  
RIO ARRIBA CO., NM**

<p><b>NOTES</b></p> <p>Conoco operates all wells in the 28-7 Unit, NSL is interior to the 28-7 Unit. Map shows only Mesaverde and Dakota wells. NSL is requested in order to accommodate both a primary 160 acre Dakota infill and a '100 acre' Mesaverde infill (Pursuant to an order to be issued out of case 12069).</p>	<p><b>DATE:</b> 1/7/99</p>		<p><b>CONOCO</b> EPNGNA MIDLAND DIVISION</p>
	<p><b>DRAWN BY:</b> GLG</p>		
	<p><b>CHECKED BY:</b></p>		
	<p><b>APPROVED BY:</b></p>		
	<p><b>SCALE:</b> 1" = 2640'</p>		<p>STATE <sup>API</sup> COUNTY WELL</p> <p>30 \ 039 \</p>
<p>STATE PLANE COORDINATES REFERRED TO NAD27 - N.M. WEST STATE PLANE COORDINATES ZONE - 3003</p>		<p>CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705</p>	



Conoco, Inc. is the only offset operator.