

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 2040 South Pacheco, Santa Fe, NM 87505



2076

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATION FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

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]

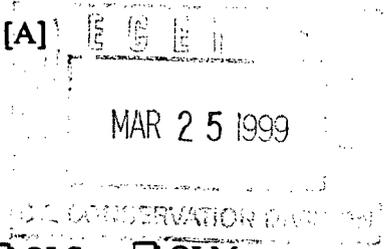
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] or [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 - Certification

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 (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

[Handwritten Signature]

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

Burlington Resources Oil & Gas Company

PO Box 4289, Farmington, NM 87499

Operator Address
San Juan 27-4 Unit 54 A 32-27N-04W Rio Arriba
Lease Well No. Unit Ltr. - Sec - Twp - Rge County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 14538 Property Code 7452 API NO. 30-039-20141 Federal x 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)	will be supplied upon completion		will be supplied upon completion
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	(Current) a. 595 psi (see attachment) (Original) b. 1436 psi (see attachment)	a. b.	a. 1113 psi (see attachment) b. 3024 psi (see attachment)
6. Oil Gravity (API) or Gas BTU Content	BTU 1181		BTU 1236
7. Producing or Shut-in?	shut in		shut in
Production Marginal? (yes or no)	no		yes
* If Shut-In and oil/gas/water rates of last production <small>Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data</small>	Date: n/a Rates:	Date: Rates:	Date: n/a Rates:
* If Producing, give data and oil/gas/water water of recent test (within 60 days)	Date: n/a Rates:	Date: Rates:	Date: n/a Rates:
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: % Gas: % will be supplied upon completion	Oil: % Gas: %	Oil: % Gas: % will be supplied upon completion

- 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 other? 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. NMOC Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). _____ attached
- 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 *Wayne Fletcher* TITLE: Production Engineer DATE: 03-08-99

TYPE OR PRINT NAME: Wayne Fletcher TELEPHONE NO.: (505) 326-9700

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

Form C-10
 Revised February 21, 1990
 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 30-039-20141		2 Pool Code 72319/71599		3 Pool Name Blanco Mesaverde/Basin Dakota	
4 Property Code 7452		5 Property Name San Juan 27-4 Unit			6 Well Number 54
7 OGRID No. 14538		8 Operator Name Burlington Resources Oil & Gas Company			9 Elevation 7143 GR

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	32	27N	4W		810	North	910	East	RA

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 Area MV-E/320 DK-E/320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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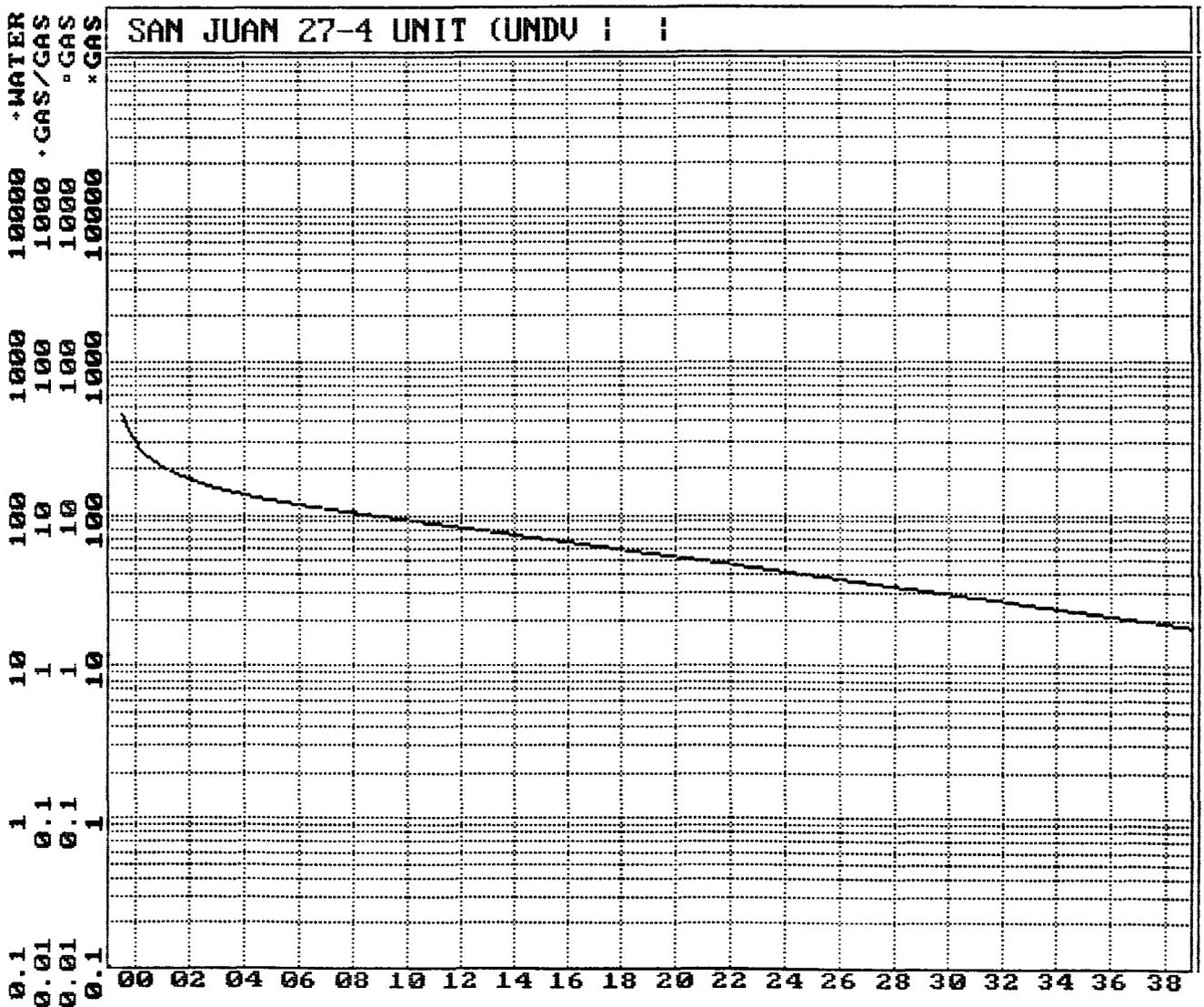
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16 Original plat from David O. Vilven 7-24-68		17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>
		Signature Peggy Bradfield Printed Name Regulatory Administrator Title
		Date
		18 SURVEYOR CERTIFICATION <i>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.</i>
		Date of Survey
		Signature and Seal of Professional Surveyor:
		Certificate Number

San Juan 27-4 Unit #54

Expected Production Curve

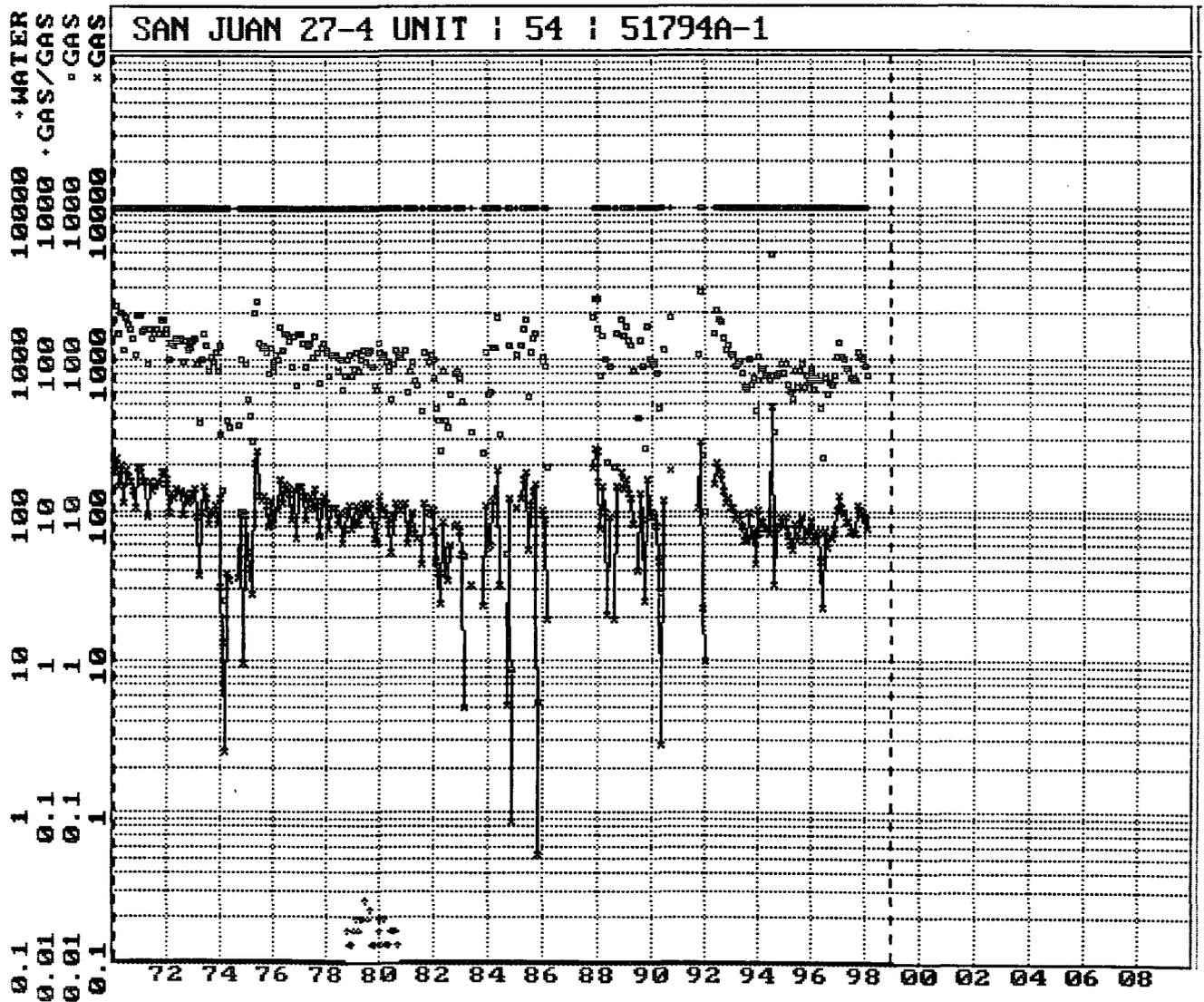
Mesaverde Formation



San Juan 27-4 Unit #54

Actual Production

Dakota Formation



San Juan 27-4 Unit #54

Bottom Hole Pressures
Flowing and Static BHP
Cullender and Smith Method
Version 1.0 3/13/94

Mesaverde	Dakota																																																
<u>MV-Current</u>	<u>DK-Current</u>																																																
<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 80%;">GAS GRAVITY</td><td style="text-align: right; border-bottom: 1px solid black;">0.695</td></tr> <tr><td>COND. OR MISC. (C/M)</td><td style="text-align: right; border-bottom: 1px solid black;">C</td></tr> <tr><td>%N2</td><td style="text-align: right; border-bottom: 1px solid black;">0.5</td></tr> <tr><td>%CO2</td><td style="text-align: right; border-bottom: 1px solid black;">0.89</td></tr> <tr><td>%H2S</td><td style="text-align: right; border-bottom: 1px solid black;">0</td></tr> <tr><td>DIAMETER (IN)</td><td style="text-align: right; border-bottom: 1px solid black;">2.375</td></tr> <tr><td>DEPTH (FT)</td><td style="text-align: right; border-bottom: 1px solid black;">6557</td></tr> <tr><td>SURFACE TEMPERATURE (DEG F)</td><td style="text-align: right; border-bottom: 1px solid black;">60</td></tr> <tr><td>BOTTOMHOLE TEMPERATURE (DEG F)</td><td style="text-align: right; border-bottom: 1px solid black;">137</td></tr> <tr><td>FLOWRATE (MCFPD)</td><td style="text-align: right; border-bottom: 1px solid black;">0</td></tr> <tr><td>SURFACE PRESSURE (PSIA)</td><td style="text-align: right; border-bottom: 1px solid black;">503</td></tr> <tr><td>BOTTOMHOLE PRESSURE (PSIA)</td><td style="text-align: right; border: 1px solid black;">594.9</td></tr> </table>	GAS GRAVITY	0.695	COND. OR MISC. (C/M)	C	%N2	0.5	%CO2	0.89	%H2S	0	DIAMETER (IN)	2.375	DEPTH (FT)	6557	SURFACE TEMPERATURE (DEG F)	60	BOTTOMHOLE TEMPERATURE (DEG F)	137	FLOWRATE (MCFPD)	0	SURFACE PRESSURE (PSIA)	503	BOTTOMHOLE PRESSURE (PSIA)	594.9	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 80%;">GAS GRAVITY</td><td style="text-align: right; border-bottom: 1px solid black;">0.728</td></tr> <tr><td>COND. OR MISC. (C/M)</td><td style="text-align: right; border-bottom: 1px solid black;">C</td></tr> <tr><td>%N2</td><td style="text-align: right; border-bottom: 1px solid black;">0.22</td></tr> <tr><td>%CO2</td><td style="text-align: right; border-bottom: 1px solid black;">0.94</td></tr> <tr><td>%H2S</td><td style="text-align: right; border-bottom: 1px solid black;">0</td></tr> <tr><td>DIAMETER (IN)</td><td style="text-align: right; border-bottom: 1px solid black;">2.375</td></tr> <tr><td>DEPTH (FT)</td><td style="text-align: right; border-bottom: 1px solid black;">8163</td></tr> <tr><td>SURFACE TEMPERATURE (DEG F)</td><td style="text-align: right; border-bottom: 1px solid black;">60</td></tr> <tr><td>BOTTOMHOLE TEMPERATURE (DEG F)</td><td style="text-align: right; border-bottom: 1px solid black;">198</td></tr> <tr><td>FLOWRATE (MCFPD)</td><td style="text-align: right; border-bottom: 1px solid black;">0</td></tr> <tr><td>SURFACE PRESSURE (PSIA)</td><td style="text-align: right; border-bottom: 1px solid black;">892</td></tr> <tr><td>BOTTOMHOLE PRESSURE (PSIA)</td><td style="text-align: right; border: 1px solid black;">1112.7</td></tr> </table>	GAS GRAVITY	0.728	COND. OR MISC. (C/M)	C	%N2	0.22	%CO2	0.94	%H2S	0	DIAMETER (IN)	2.375	DEPTH (FT)	8163	SURFACE TEMPERATURE (DEG F)	60	BOTTOMHOLE TEMPERATURE (DEG F)	198	FLOWRATE (MCFPD)	0	SURFACE PRESSURE (PSIA)	892	BOTTOMHOLE PRESSURE (PSIA)	1112.7
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Page No.: 1
Print Time: Tue Mar 02 16:05:23 1999
Property ID: 1225
Property Name: SAN JUAN 27-4 UNIT | 20A | 50224A-1
Table Name: Q:\PUBLIC\GENTITY\GDPNOS\TEST.DBF

--DATE-- ---CUM GAS-- M SIWHP
.....Mcf.....Psi

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12/08/80	21093	823.0
11/03/82	85797	651.0
11/03/86	147291	563.0
11/27/89	186941	493.0
03/17/90	192630	689.0
06/17/91	199979	491.0
07/01/91	199980	503.0

San Juan 27-4 Unit #54

Mesaverde Offset

Page No.: 1

Print Time: Tue Mar 02 16:05:13 1999

Property ID: 1267

Property Name: SAN JUAN 27-4 UNIT | 54 | 51794A-1

Table Name: Q:\PUBLIC\GENTITY\GDPNOS\TEST.DBF

--DATE-- ---CUM GAS-- M SIWHP
.....Mcf.....Psi

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06/24/70	107646	1040.0
05/18/71	159044	921.0
06/13/72	216124	812.0
07/06/77	396984	822.0
05/01/79	461922	821.0
06/01/81	526538	723.0
05/20/85	605428	972.0
04/22/90	726234	983.0
06/15/93	801881	892.0

San Juan 27-4 Unit #54

Existing Dakota

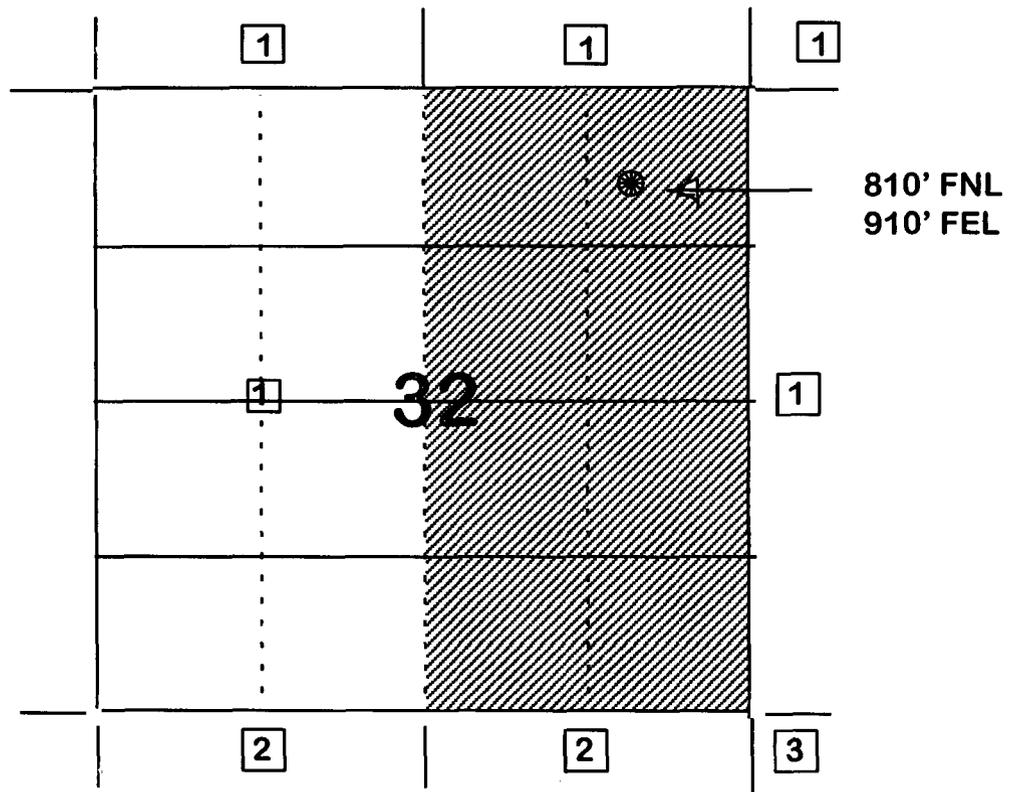
BURLINGTON RESOURCES OIL AND GAS COMPANY

**San Juan 27-4 Unit #54
OFFSET OPERATOR \ OWNER PLAT**

Mesaverde/Dakota Formations

Commingled well

Township 27 North, Range 4 West



- 1) Burlington Resources
- 2) Greystone Resources, Inc.
PO Box 101831
Denver, Colorado 80250-1831

- 3) Amoco Production Company
C/O Don Duhrkopf
501 West Lake Park Blvd.
Houston, TX 77079-2696

BURLINGTON
RESOURCES

SAN JUAN DIVISION
3535 East 30th Street: (87402-8801)
P.O. BOX 4289
Farmington, New Mexico 87499-4289

BURLINGTON
RESOURCES

SAN JUAN DIVISION
3535 East 30th Street: (87402-8801)
P.O. BOX 4289
Farmington, New Mexico 87499-4289

Cinco General Partnership
PO Box 451
Albuquerque, NM 87103-0451

x

Bedrock Limited Partners
PO Box 36480
Albuquerque, NM 87176

BURLINGTON
RESOURCES

SAN JUAN DIVISION
3535 East 30th Street: (87402-8801)
P.O. BOX 4289
Farmington, New Mexico 87499-4289

BURLINGTON
RESOURCES

SAN JUAN DIVISION
3535 East 30th Street: (87402-8801)
P.O. BOX 4289
Farmington, New Mexico 87499-4289

Tempe LTD Partnership
c/o F.E. & M. K. Harrington
652 Fearington Post
Pittsboro, NC 27312

x

Harco LTD Partnership
PO Box 216
Roswell, NM 88202

BURLINGTON
RESOURCES

SAN JUAN DIVISION
3535 East 30th Street: (87402-8801)
P.O. BOX 4289
Farmington, New Mexico 87499-4289

BURLINGTON
RESOURCES

SAN JUAN DIVISION
3535 East 30th Street: (87402-8801)
P.O. BOX 4289
Farmington, New Mexico 87499-4289

James V. Harrington
PO Box 13535
Albuquerque, NM 87192

x

Mary Jone Chappell
PO Box 1865
Corrales, NM 87048