

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

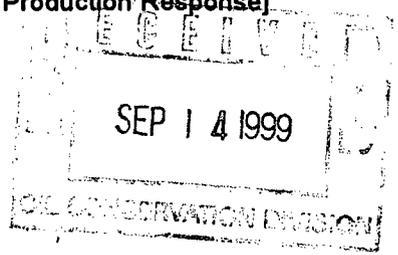
2473

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

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] and [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 - Statement of Understanding**

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, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Deborah Moore (281) 293-1005 Deborah Moore Regulatory Analyst 8/31/99
 Print or Type Name Signature Title Date

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410
DISTRICT IV
2040 S. Pacheco, Santa Fe, NM 87505

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
Revised August 1999

APPROVAL PROCESS:

Administrative Hearing

EXISTING WELLBORE

YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Conoco Inc. P.O. Box 2197 DU 3066, Houston, TX 77252

Operator Address

Storey C LS 6 A Sec. 22, T-28N, R-9W San Juan

Lease Well No. Unit Ltr. - Sec - Twp - Rge County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 005073 Property Code 22423 API NO. 30-045-07352 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	Aztec Pictured Cliffs 71280		Blanco Mesaverde 72319
2. Top and Bottom of Pay Section (Perforations)	2450 - 2492		4462 - 4828
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: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 259	a.	a. 563
	b. (Original) 760	b.	b. 1198
6. Oil Gravity (EAPI) or Gas BTU Content	1128		1331
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no) * 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, give date and oil/gas/water rates of recent test (within 60 days)	NO		NO
	Date: Rates:	Date: Rates:	Date: Rates:
	Date: April/May 99 rates Rates: 153 MCFD	Date: Rates:	Date: April/May 99 rates Rates: 22 MCFD
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 4 % Gas: 77 %	Oil: % Gas: %	Oil: 96 % Gas: 23 %

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

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. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S) _____

16. ATTACHMENTS:

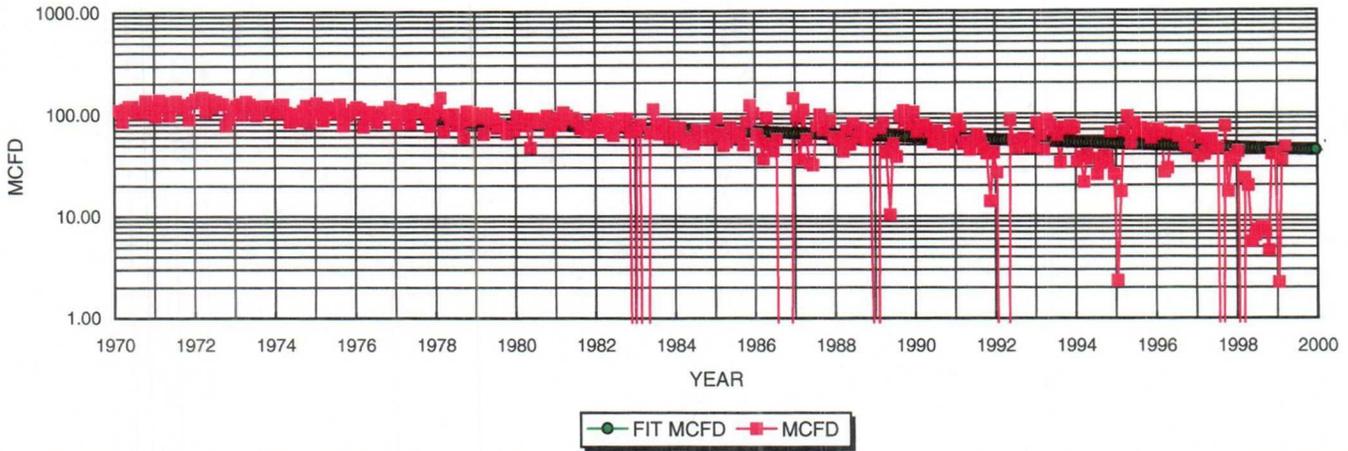
- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation method or formula.
- * Notification list of 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 Deborah Moore TITLE Regulatory Analyst DATE 08/3199

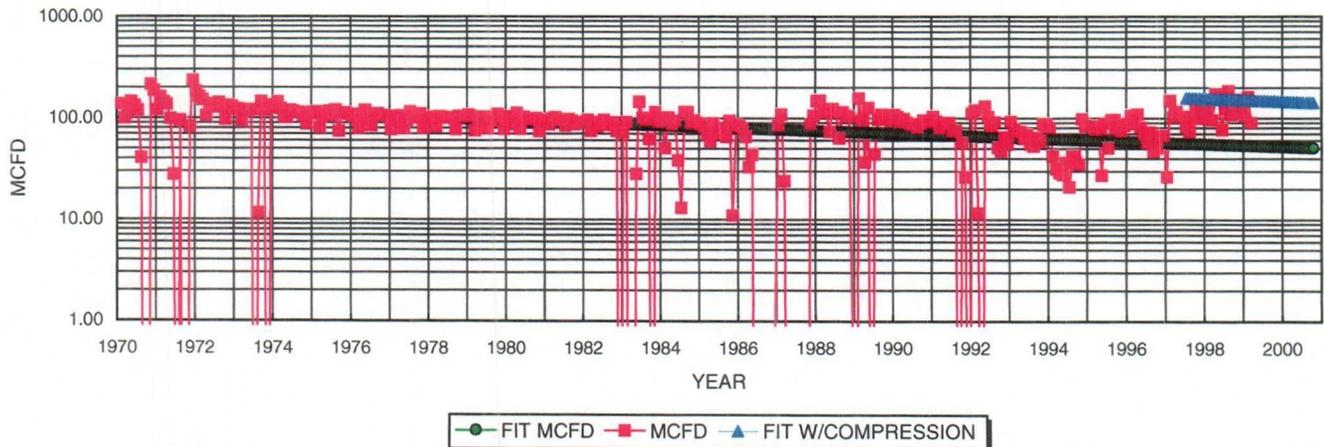
TYPE OR PRINT NAME Deborah Moore TELEPHONE NO. (281) 293-1005

**STOREY CLS #6 MESAVERDE PRODUCTION
SECTION 22A-28N-09W**



MESAVERDE HISTORICAL DATA:		1ST PROD: 09/57	MESAVERDE PROJECTED DATA:	
OIL CUM:	28.61	MBO	09/01/99 Qi:	45
GAS CUM:	1466.0	MMCF	DECLINE RATE:	3.0% (EXPONENTIAL)
OIL YIELD:	0.0195	BBL/MCF		

**STOREY CLS #6 PICTURED CLIFFS PRODUCTION
SECTION 22A-28N-09W**



PICTURED CLIFFS HISTORICAL DATA:		1ST PROD: 09/579	PICTURED CLIFFS PROJECTED DATA:	
OIL CUM:	0.5	MBO	09/01/99 Qi:	152
GAS CUM:	1513.8	MMCF	DECLINE RATE:	3.0% (EXPONENTIAL)
OIL YIELD:	0.0003	BBL/MCF		

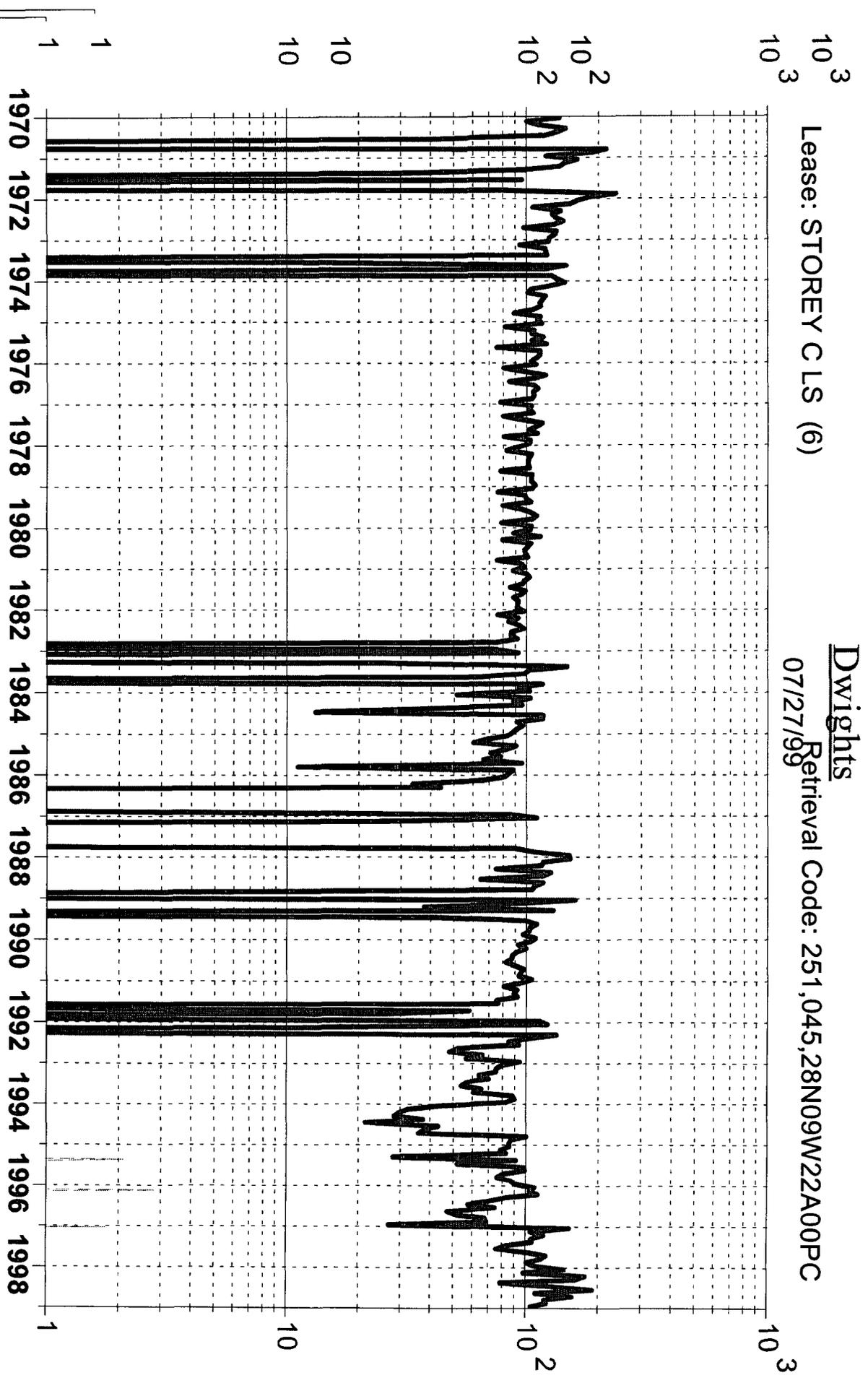
FIXED COMMINGLE ALLOCATION FACTORS:			API # 30-045-07352
	GAS	OIL	GAS ALLOCATION BASED ON PROJECTED 1999 RATES
MESAVERDE	23%	95%	OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS
PICTURED CLIFFS	77%	5%	

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGYDATA

Lease: STOREY C LS (6)

Dwights
07/27/99

Retrieval Code: 251,045,28N09W22A00PC



Oil (bbl/day)
Water (bbl/day)

Operator: CONOCO INC

Location: 22A 28N 9W

Lower Perf: 2492 ft

Upper Perf: 2450 ft

F.P. Date: 09/57

Oil Cum: 461 bbl

Gas Cum: 1514 mmcf

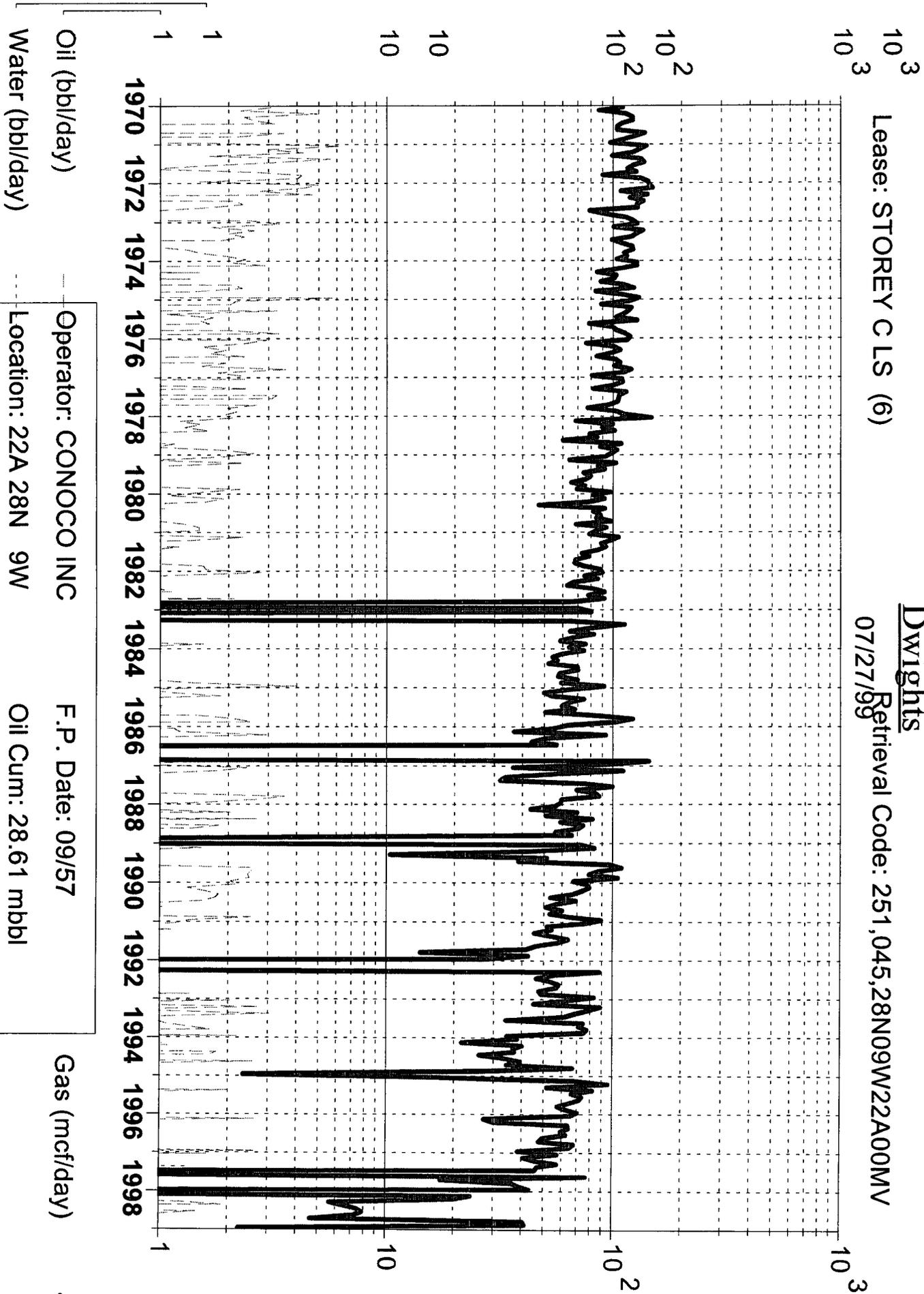
L.P. Date: 02/99

Gas (mcf/day)

Dwights

Retrieval Code: 251,045,28N09W22A00MV
07/27/99

Lease: STOREY C L S (6)



Oil (bbl/day)

Water (bbl/day)

Operator: CONOCO INC

Location: 22A 28N 9W

F.P. Date: 09/57

Oil Cum: 28.61 mbbl

Gas (mcf/day)

Lower Perf: 4828 ft

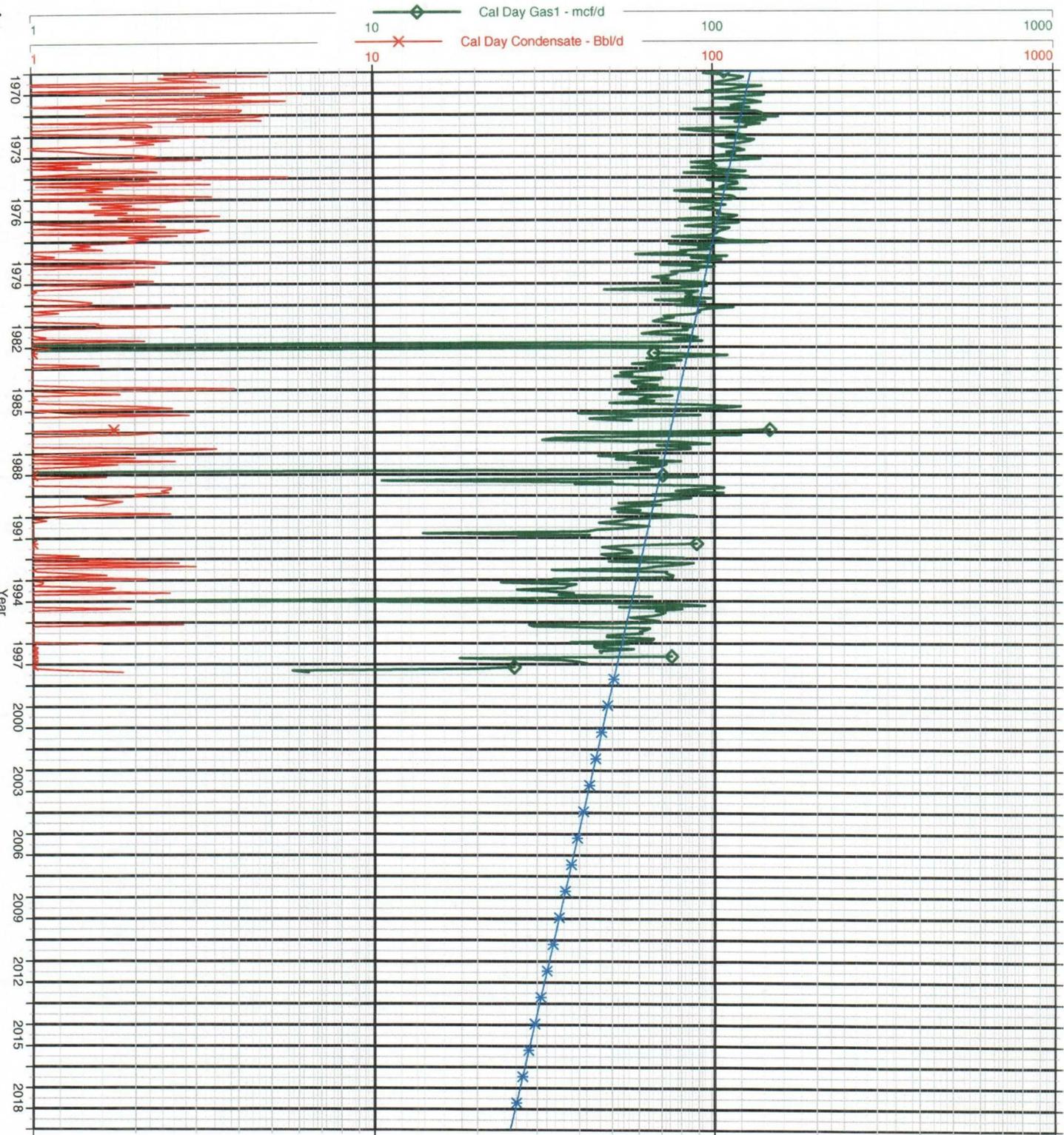
Gas Cum: 1466 mmcf

Upper Perf: 4462 ft

L.P. Date: 02/99

STOREY C L S 6 (251-045-28N09W22A00MV) Data: Jun.1957-May.1998
 Operator: AMOCO PRODUCTION CO
 Field: BLANCO (MESAVERDE) MV
 Zone: MESAVERDE
 Type: Gas
 Group: East Non 28-7
 Cal Day Gas FC 1 (Rate-Time)
 qi: 129.86 mcf/d, Jan. 1970
 qf: 25 mcf/d, Dec. 2019
 di(Exp): 3.24157 CTD: 786,728 MMSCF
 RR: 287,208 MMSCF Tot: 1073,94 MMSCF

Production Curns
 Oil: 0 MSTB
 Gas: 786,728 MMSCF
 Water: 0.133 MSTB
 Cond: 12.163 MSTB



◆ Cal Day Gas1 - mcf/d
 Cum: 786,728 MMSCF
 ◆ Cal Day Gas FC 1 - mcf/d
 qi: 129.86 mcf/d, Jan. 1970
 qf: 25 mcf/d, Dec. 2019
 di:(Exponential) : 3.24157
 RR: 287,208 MMSCF
 EUR: 1073,94 MMSCF
 ◆ Cal Day Condensate - Bbl/d
 Cum: 12.163 MSTB

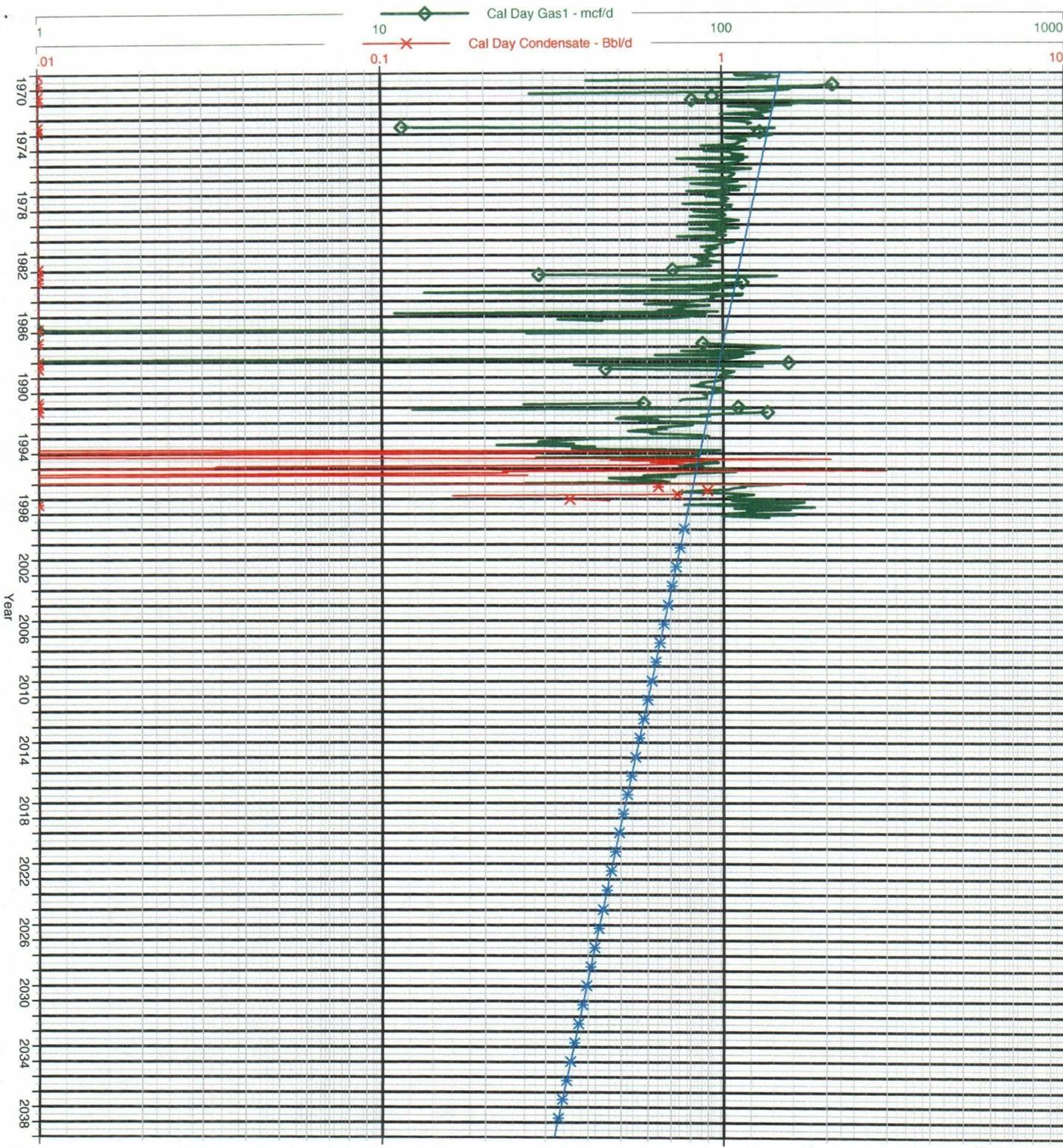
Pre 70 676,701
 < 3,349 >
 —————
 202,000 MCF

 16338
 < 93 >
 —————
 16245 B0

STOREY C L S 6 (251-045-28N09W22A00FC) Data: Jun.1957-Mar.1999
 Operator: AMOCO PRODUCTION CO
 Field: AZTEC (PICTURED CLIFFS)
 Zone: PICTURED CLIFFS
 Type: Other
 Group: East Non 28-7

Cal Day Gas FC 1 (Rate-Time)
 qi: 147,983 mcf/d, Jan, 1970
 qf: 31,7925 mcf/d, Dec, 2039
 dI(Exp): 2.173 CTD: 936,203 MMSCF
 RR: 765,406 MMSCF Tot: 1701.61 MMSCF

Production Cums
 Oil: 0 MSTB
 Gas: 936,203 MMSCF
 Water: 0 MSTB
 Cond: 0,461 MSTB



◆ Cal Day Gas1 - mcf/d
 Cumm: 936,203 MMSCF
 * Cal Day Gas FC 1 - mcf/d
 qi: 147,983 mcf/d, Jan, 1970
 qf: 31,7925 mcf/d, Dec, 2039
 dI:(Exponential) : 2.173
 RR: 765,406 MMSCF
 EUR: 1701.61 MMSCF
 * Cal Day Condensate - Bbl/d
 Cumm: 0,461 MSTB

Pre 70 586,005
 <4,165>
 581,840 mcf

NEW MEXICO
OIL CONSERVATION COMMISSION

WELL LOCATION AND/OR GAS PRORATION PLAT

DATE APRIL 4, 1957

OPERATOR EL PASO NATURAL GAS COMPANY (LEASE) STOREY "C" SF 077111

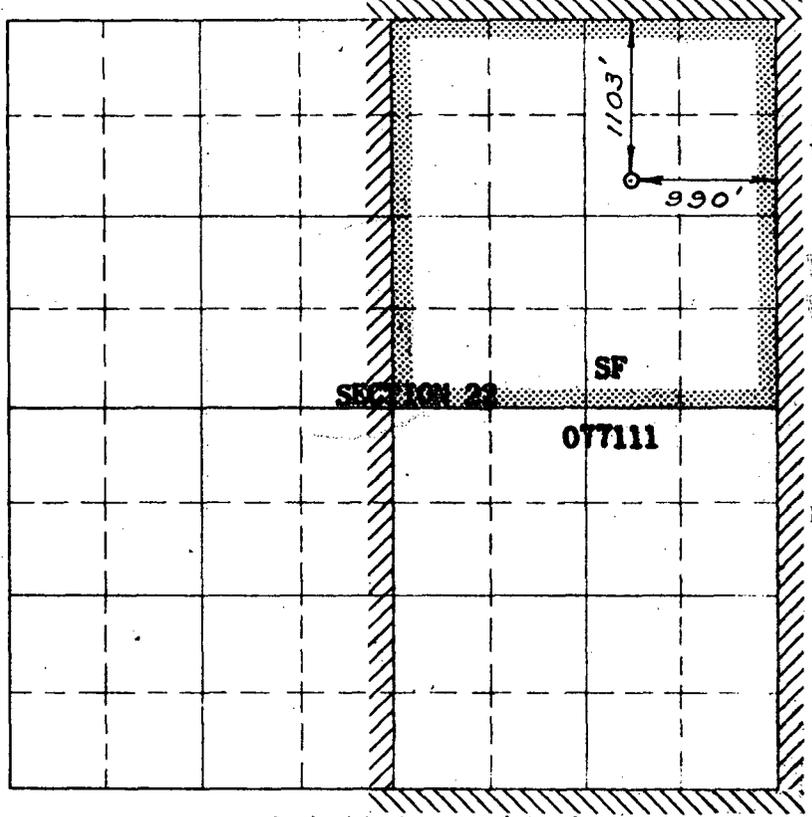
WELL NO. 6 (PH) SECTION 22 T. 28 N RANGE 9 W NMPM

LOCATED 1103 FEET FROM NORTH LINE 990 FEET FROM EAST LINE

SAN JUAN COUNTY, NEW MEXICO WELL ELEVATION 6162

NAME OF PRODUCING FORMATION P.C. & M.V. P.C. AZTEC EM. M.V. BLANCO DEDICATED ACREAGE 160 AC. P.C.
320 AC. M.V.
(1919 PLAT)

Note: All distances must be measured to center of section.



RECEIVED
APR 5 1957
U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

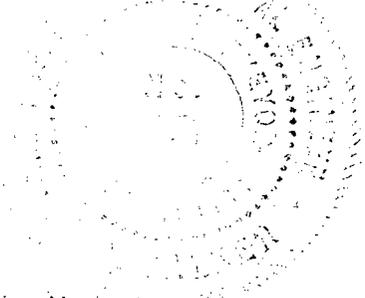
NOTE
This section of form is to be used for gas wells only

Scale 4 inches equal 1 mile

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed MARCH 5, 1957

E. O. Walker
Registered Professional Engineer and/or Land Surveyor



(Seal)
Farmington, New Mexico

1. Is this well a Dual Comp.
Yes No
2. If the answer to Question 1 is yes, are there any other dually completed wells within the dedicated acreage.
Yes No

Name Original Signed EWELL N. WALSH

Position Petroleum Engineer

Representing El Paso Natural Gas

Address Box 997 - Farmington, N.M.