

DATE IN 2/7/00	SUSPENSE 2/28/00	ENGINEER DC	LOGGED KW	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

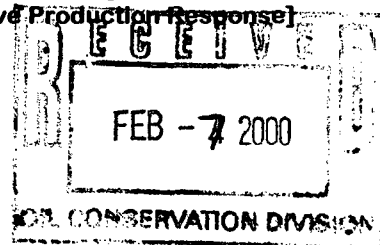
- Engineering Bureau -

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
 X 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] X 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.

Mary Corley
 Print or Type Name

Mary Corley
 Signature

Sr. Business Analyst
 Title

02/03/2000
 Date



Amoco Exploration & Production
501 Westlake Park Blvd.
Post Office Box 3092
Houston, TX 77079



February 3, 2000

Ms. Lori Wrotenbery, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P. O. Box 6429
Santa Fe, NM 87505

Application for Exception to Rule 303-A- Downhole Commingling
Day No. 2
Unit G Section 8-T29N-R8W
Blanco Mesaverde and Basin Dakota Pools
San Juan County, New Mexico

Enclosed please find an administrative application form (C-107-A) and attachments for downhole commingling for the captioned well. All working, overriding and royalty interests are identical in both zones, therefore, no notification of this application is required to be submitted via certified mail.

We respectfully request that this application for downhole commingling be approved within 20 days after the receipt of the application as all ownership is common in the zones to be commingled, waste will not occur, and correlative rights will not be violated.

Should you have questions regarding this application, do not hesitate to call me at 281-366-4491.

Sincerely,

Mary Corley
Enclosures

cc: Frank Chavez, Supervisor
NMOCD District III
1000 Rio Brazos Road
Aztec, NM 87410

Bureau of Land Management
1235 La Plata Hwy.
Farmington, NM 87401

James Dean

Well File

PRODUCTION ALLOCATION RECOMMENDATION

Day No. 2

Production is proposed to be allocated based on the subtraction method using the future projection of production for production from the Dakota. That production shall serve as a base for production subtracted from total production for the commingled well. The balance of the production will be attributed to the Blanco Mesaverde. Attached is the future production decline estimate for the Dakota.

WORKING, OVERRIDING, and ROYALTY INTEREST OWNERS NOTIFICATION

Day No. 2

All of the working, overriding, and royalty interest are identical in both proposed commingled zones.

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

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

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

DISTRICT III
1000 Rio Brazos Rd. Aztec, NM 87410-1693

EXISTING WELLBORE
☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Amoco Production Company

PO Box 3092 Houston, TX 77253-3092

Operator	Day	2	Address	G 8-29N-08W	San Juan
Lease	Well No.		Unit Ltr. - Sec Twp - Rge		County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 000778 Property Code 000417 API NO. 30-045-23361 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)	4654' - 5402' EST		7346' - 7578'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure	a. (Current) 537 psig (est)	a.	a. 1234 psig
Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	b. (Original) 2393 psig (est)	b.	b. 3281 psig
6. Oil Gravity (° API) or Gas BTU Content	BTU 1256		BTU 1098
7. Producing or Shut-In?	New zone		Producing
Production Marginal? (yes or no)	YES		YES
• If Shut-In, give data and oil/gas/water rates of last production	Date: Rates:	Date: Rates:	Date: Rates:
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)	Date: Rates:	Date: Rates:	Date: Rates: 1/7/2000 68 MCFD 0 BCPD 0 BWPD
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? ☐ 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 NO FEDERAL OR STATE LANDS

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. SEE ATTACHED
- * 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 Mary Corley TITLE Sr. Business Analyst DATE 2/3/2000
TYPE OR PRINT NAME Mary Corley TELEPHONE NO. (281) 366-4491

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised October 18, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

311 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-23361	Pool Code 71599 & 72319	Pool Name Basin Dakota & Blanco Mesaverde
Property Code 000417	Property Name Day	Well Number 2
OGRID No. 000778	Operator Name AMOCO PRODUCTION COMPANY	Elevation 6404' GR

Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
UNIT G	8	29N	8W		2340'	NORTH	1450'	EAST	San Juan

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
Dedicated Acreage: 312.43	Joint or Infill	Consolidation Code	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

	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 <i>Mary Corley</i> Printed Name MARY CORLEY
	Position Sr. Business Analyst
	Date 02/03/2000
	SURVEY 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 knowledge and belief.</i>
	09/29/1978
	Date of Survey
	Signature & Seal of Professional Surveyor Fred B. Kerr, Jr.
	Certificate No. 3950

Day # 2 Pressure Data

DK	0.08	PC	0.04
MV	0.07	FT	0.04
		CK	0.04

WELL NAME: **Day 2**

FORMATION: **DK**

SURFACE PRESS: **637**

PERFS TOP: **7346**

BOTTOM: **7578**

$$(7346 + 7578) / 2 = \underline{7462} \text{ Mid Perf}$$

$$7462 \times 0.08 = \underline{597}$$

$$596.96 + 637 = \underline{1234} \text{ Bottom Hole Pressure}$$

Initial Bottom Hole Pressure= **3281** est.

WELL NAME: **Day B 3R**

FORMATION: **MV**

SURFACE PRESS: **172**

PERFS TOP: **4732**

BOTTOM: **5439**

$$(4732 + 5439) / 2 = \underline{5086} \text{ Mid Perf}$$

$$5085.5 \times 0.07 = \underline{356}$$

$$355.99 + 172 = \underline{528} \text{ Bottom Hole Pressure}$$

Initial Bottom Hole Pressure= **2355** est.

WELL NAME: **Day B 3A**

FORMATION: **MV**

SURFACE PRESS: **186**

PERFS TOP: **4675**

BOTTOM: **5612**

$$(4675 + 5612) / 2 = \underline{5144} \text{ Mid Perf}$$

$$5143.5 \times 0.07 = \underline{360}$$

$$360.05 + 186 = \underline{546} \text{ Bottom Hole Pressure}$$

Initial Bottom Hole Pressure= **2430** est.

WELL NAME: **Day 2**

FORMATION: **MV**

$$\text{Initial Bottom Hole Pressure: } (2355 + 2430) / 2 = \underline{2393}$$

$$\text{Bottom Hole Pressure: } (528 + 546) / 2 = \underline{537} \text{ est.}$$

$$\text{Day B 3R + Day B 3A BBLs } (301 + 115) / 2 = \underline{208} \text{ est. annual production}$$

$$\text{Day B 3R + Day B 3A MCF } (83958 + 40984) / 2 = \underline{62471} \text{ est. annual production}$$

ALLOCATION: SUBTRACTION METHOD

Day 2 Future Production Decline Estimate

Month	Gas Volume
Jan-2000	68
Feb-2000	68
Mar-2000	68
Apr-2000	67
May-2000	67
Jun-2000	67
Jul-2000	67
Aug-2000	67
Sep-2000	66
Oct-2000	66
Nov-2000	66
Dec-2000	66
Jan-2001	66
Feb-2001	65
Mar-2001	65
Apr-2001	65
May-2001	65
Jun-2001	65
Jul-2001	64
Aug-2001	64
Sep-2001	64
Oct-2001	64
Nov-2001	64
Dec-2001	63
Jan-2002	63
Feb-2002	63
Mar-2002	63
Apr-2002	63
May-2002	63
Jun-2002	62
Jul-2002	62
Aug-2002	62
Sep-2002	62
Oct-2002	62
Nov-2002	61
Dec-2002	61

Month	Gas Volume
Jan-2003	61
Feb-2003	61
Mar-2003	61
Apr-2003	60
May-2003	60
Jun-2003	60
Jul-2003	60
Aug-2003	60
Sep-2003	60
Oct-2003	59
Nov-2003	59
Dec-2003	59
Jan-2004	59
Feb-2004	59
Mar-2004	59
Apr-2004	58
May-2004	58
Jun-2004	58
Jul-2004	58
Aug-2004	58
Sep-2004	57
Oct-2004	57
Nov-2004	57
Dec-2004	57
Jan-2005	57
Feb-2005	57
Mar-2005	56
Apr-2005	56
May-2005	56
Jun-2005	56
Jul-2005	56
Aug-2005	56
Sep-2005	55
Oct-2005	55
Nov-2005	55
Dec-2005	55

Month	Gas Volume
Jan-2006	55
Feb-2006	55
Mar-2006	54
Apr-2006	54
May-2006	54
Jun-2006	54
Jul-2006	54
Aug-2006	54
Sep-2006	53
Oct-2006	53
Nov-2006	53
Dec-2006	53
Jan-2007	53
Feb-2007	53
Mar-2007	53
Apr-2007	52
May-2007	52
Jun-2007	52
Jul-2007	52
Aug-2007	52
Sep-2007	52
Oct-2007	51
Nov-2007	51
Dec-2007	51
Jan-2008	51
Feb-2008	51
Mar-2008	51
Apr-2008	51
May-2008	50
Jun-2008	50
Jul-2008	50
Aug-2008	50
Sep-2008	50
Oct-2008	50
Nov-2008	49
Dec-2008	49

Month	Gas Volume
Jan-2009	49
Feb-2009	49
Mar-2009	49
Apr-2009	49
May-2009	49
Jun-2009	48
Jul-2009	48
Aug-2009	48
Sep-2009	48
Oct-2009	48
Nov-2009	48
Dec-2009	48
Jan-2010	47
Feb-2010	47
Mar-2010	47
Apr-2010	47
May-2010	47
Jun-2010	47
Jul-2010	47
Aug-2010	46
Sep-2010	46
Oct-2010	46
Nov-2010	46
Dec-2010	46
Jan-2011	46
Feb-2011	46
Mar-2011	45
Apr-2011	45
May-2011	45
Jun-2011	45
Jul-2011	45
Aug-2011	45
Sep-2011	45
Oct-2011	45
Nov-2011	44
Dec-2011	44

Day 2 Future Production Decline Estimate

Month	Gas Volume
Jan-2012	44
Feb-2012	44
Mar-2012	44
Apr-2012	44
May-2012	44
Jun-2012	43
Jul-2012	43
Aug-2012	43
Sep-2012	43
Oct-2012	43
Nov-2012	43
Dec-2012	43
Jan-2013	43
Feb-2013	42
Mar-2013	42
Apr-2013	42
May-2013	42
Jun-2013	42
Jul-2013	42
Aug-2013	42
Sep-2013	42
Oct-2013	41
Nov-2013	41
Dec-2013	41
Jan-2014	41
Feb-2014	41
Mar-2014	41
Apr-2014	41
May-2014	41
Jun-2014	40
Jul-2014	40
Aug-2014	40
Sep-2014	40
Oct-2014	40
Nov-2014	40
Dec-2014	40

Month	Gas Volume
Jan-2015	40
Feb-2015	39
Mar-2015	39
Apr-2015	39
May-2015	39
Jun-2015	39
Jul-2015	38
Aug-2015	38
Sep-2015	38
Oct-2015	38
Nov-2015	38
Dec-2015	37
Jan-2016	37
Feb-2016	37
Mar-2016	37
Apr-2016	37
May-2016	36
Jun-2016	36
Jul-2016	36
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Feb-2017	35
Mar-2017	35
Apr-2017	35
May-2017	34
Jun-2017	34
Jul-2017	34
Aug-2017	34
Sep-2017	34
Oct-2017	33
Nov-2017	33
Dec-2017	33

Month	Gas Volume
Jan-2018	33
Feb-2018	33
Mar-2018	33
Apr-2018	32
May-2018	32
Jun-2018	32
Jul-2018	32
Aug-2018	32
Sep-2018	32
Oct-2018	32
Nov-2018	31
Dec-2018	31
Jan-2019	31
Feb-2019	31
Mar-2019	31
Apr-2019	31
May-2019	30
Jun-2019	30
Jul-2019	30
Aug-2019	30
Sep-2019	30
Oct-2019	30
Nov-2019	30
Dec-2019	29
Jan-2020	29
Feb-2020	29
Mar-2020	29
Apr-2020	29
May-2020	29
Jun-2020	29
Jul-2020	28
Aug-2020	28
Sep-2020	28
Oct-2020	28
Nov-2020	28
Dec-2020	28

Month	Gas Volume
Jan-2021	28
Feb-2021	27
Mar-2021	27
Apr-2021	27
May-2021	27
Jun-2021	27
Jul-2021	27
Aug-2021	27
Sep-2021	26
Oct-2021	26
Nov-2021	26
Dec-2021	26
Jan-2022	26
Feb-2022	26
Mar-2022	26
Apr-2022	26
May-2022	25
Jun-2022	25
Jul-2022	25
Aug-2022	25
Sep-2022	25
Oct-2022	25
Nov-2022	25
Dec-2022	25
Jan-2023	24
Feb-2023	24
Mar-2023	24
Apr-2023	24
May-2023	24
Jun-2023	24
Jul-2023	24
Aug-2023	24
Sep-2023	23
Oct-2023	23
Nov-2023	23
Dec-2023	23

Day 2 Future Production Decline Estimate

Month	Gas Volume
Jan-2024	23
Feb-2024	23
Mar-2024	23
Apr-2024	23
May-2024	23
Jun-2024	22
Jul-2024	22
Aug-2024	22
Sep-2024	22
Oct-2024	22
Nov-2024	22
Dec-2024	22
Jan-2025	22
Feb-2025	22
Mar-2025	21
Apr-2025	21
May-2025	21
Jun-2025	21
Jul-2025	21
Aug-2025	21
Sep-2025	21
Oct-2025	21
Nov-2025	21
Dec-2025	20
Jan-2026	20
Feb-2026	20
Mar-2026	20
Apr-2026	20
May-2026	20
Jun-2026	20
Jul-2026	20
Aug-2026	20
Sep-2026	20
Oct-2026	19
Nov-2026	19
Dec-2026	19

Month	Gas Volume
Jan-2027	19
Feb-2027	19
Mar-2027	19
Apr-2027	19
May-2027	19
Jun-2027	19
Jul-2027	19
Aug-2027	19
Sep-2027	18
Oct-2027	18
Nov-2027	18
Dec-2027	18
Jan-2028	18
Feb-2028	18
Mar-2028	18
Apr-2028	18
May-2028	18
Jun-2028	18
Jul-2028	18
Aug-2028	17
Sep-2028	17
Oct-2028	17
Nov-2028	17
Dec-2028	17
Jan-2029	17
Feb-2029	17
Mar-2029	17
Apr-2029	17
May-2029	17
Jun-2029	17
Jul-2029	17
Aug-2029	16
Sep-2029	16
Oct-2029	16
Nov-2029	16
Dec-2029	16

Month	Gas Volume
Jan-2030	16
Feb-2030	16
Mar-2030	16
Apr-2030	16
May-2030	16
Jun-2030	16
Jul-2030	15
Aug-2030	15
Sep-2030	15
Oct-2030	15
Nov-2030	15
Dec-2030	15
Jan-2031	15
Feb-2031	15
Mar-2031	15
Apr-2031	15
May-2031	15
Jun-2031	15
Jul-2031	15
Aug-2031	15
Sep-2031	14
Oct-2031	14
Nov-2031	14
Dec-2031	14
Jan-2032	14
Feb-2032	14
Mar-2032	14
Apr-2032	14
May-2032	14
Jun-2032	14
Jul-2032	14
Aug-2032	14
Sep-2032	14
Oct-2032	14
Nov-2032	13
Dec-2032	13

Month	Gas Volume
Jan-2033	13
Feb-2033	13
Mar-2033	13
Apr-2033	13
May-2033	13
Jun-2033	13
Jul-2033	13
Aug-2033	13
Sep-2033	13
Oct-2033	13
Nov-2033	13
Dec-2033	13
Jan-2034	13
Feb-2034	12
Mar-2034	12
Apr-2034	12
May-2034	12
Jun-2034	12
Jul-2034	12
Aug-2034	12
Sep-2034	12
Oct-2034	12
Nov-2034	12
Dec-2034	12
Jan-2035	12
Feb-2035	12
Mar-2035	12
Apr-2035	12
May-2035	12
Jun-2035	12
Jul-2035	11
Aug-2035	11
Sep-2035	11
Oct-2035	11
Nov-2035	11
Dec-2035	11

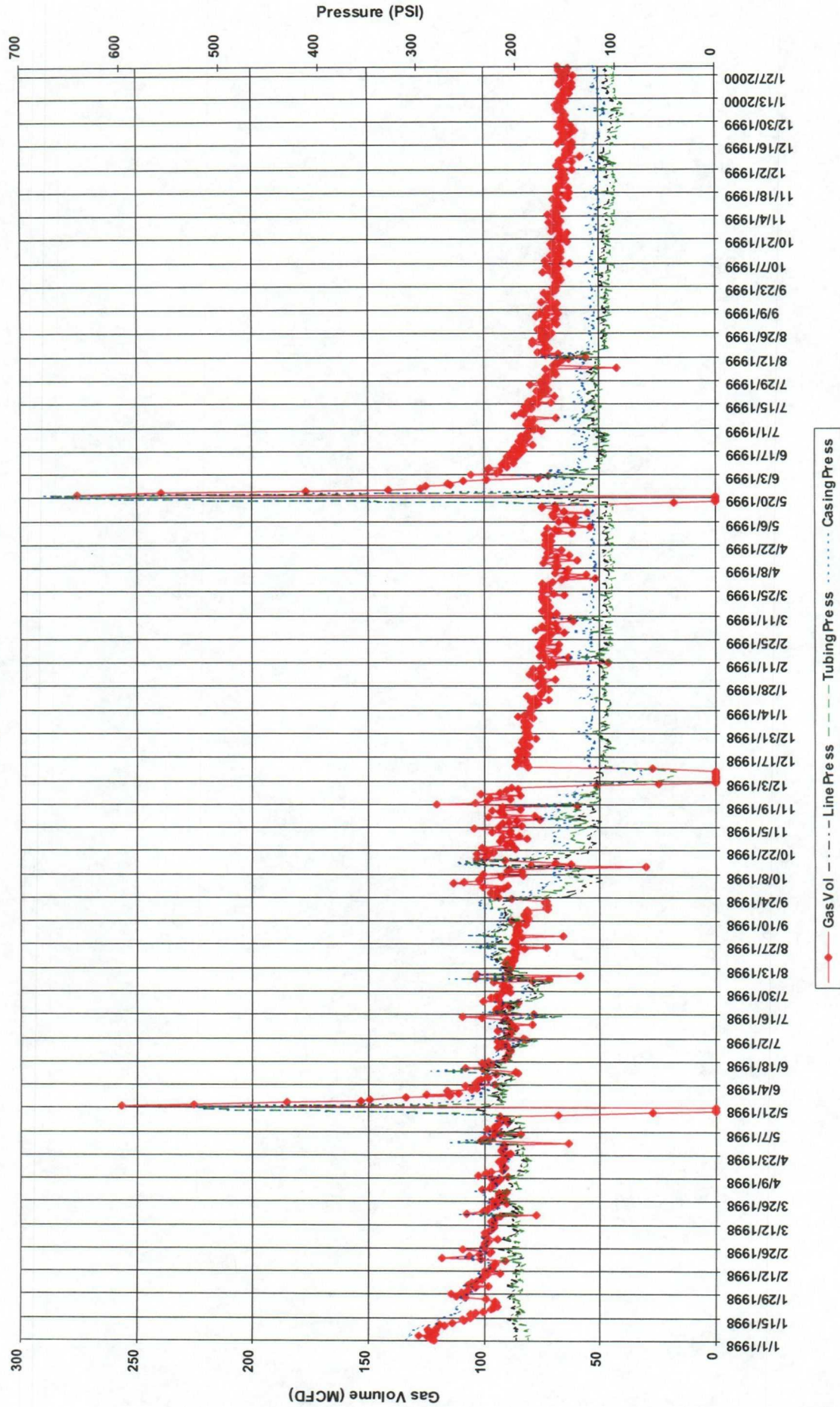
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Flacwell: 97950301

API: 300452336100

Amoco - OIDB/Synergy Data

Daily Well Production



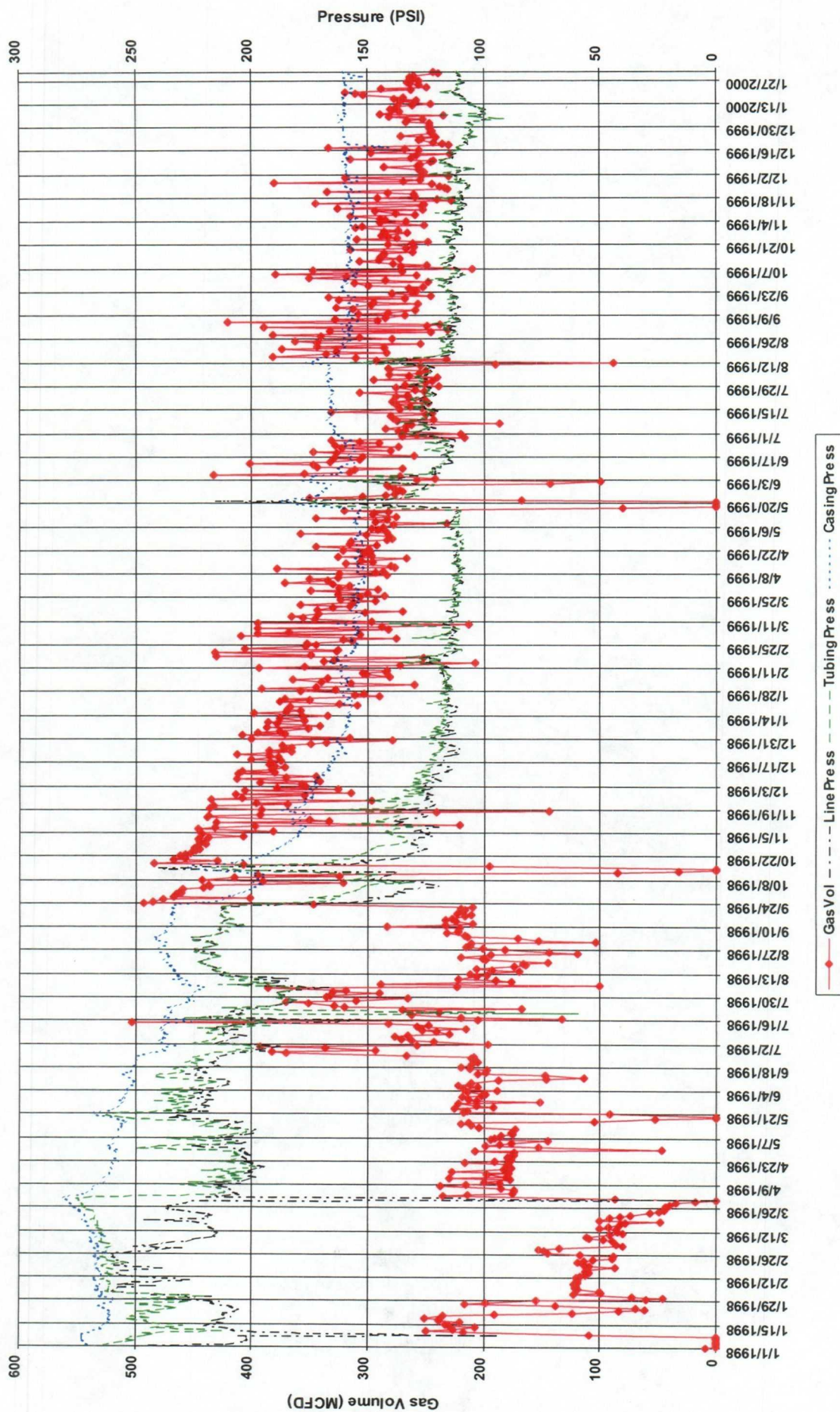
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Flacwell: 70306901

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Amoco - OIDB/Synergy Data

Daily Well Production



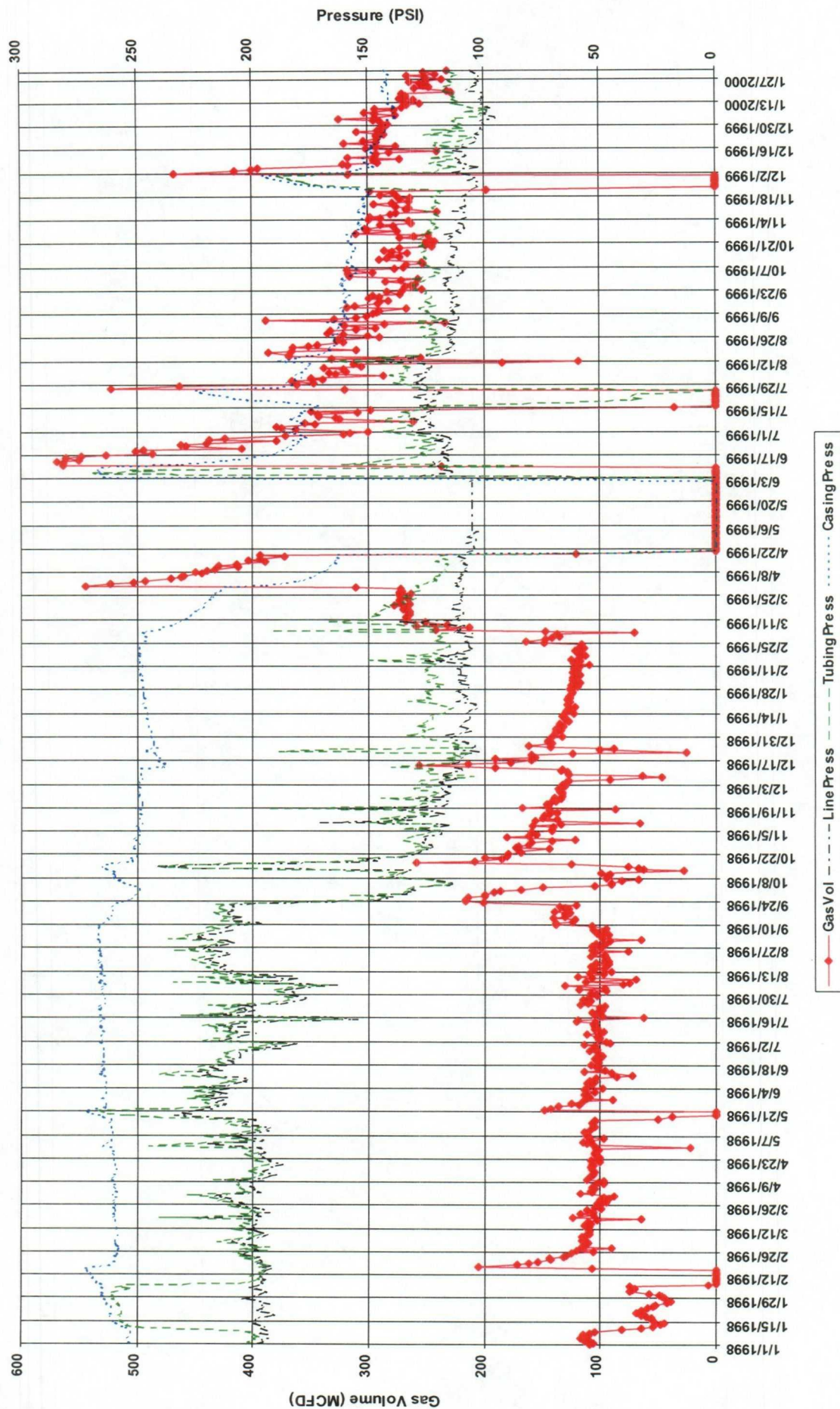
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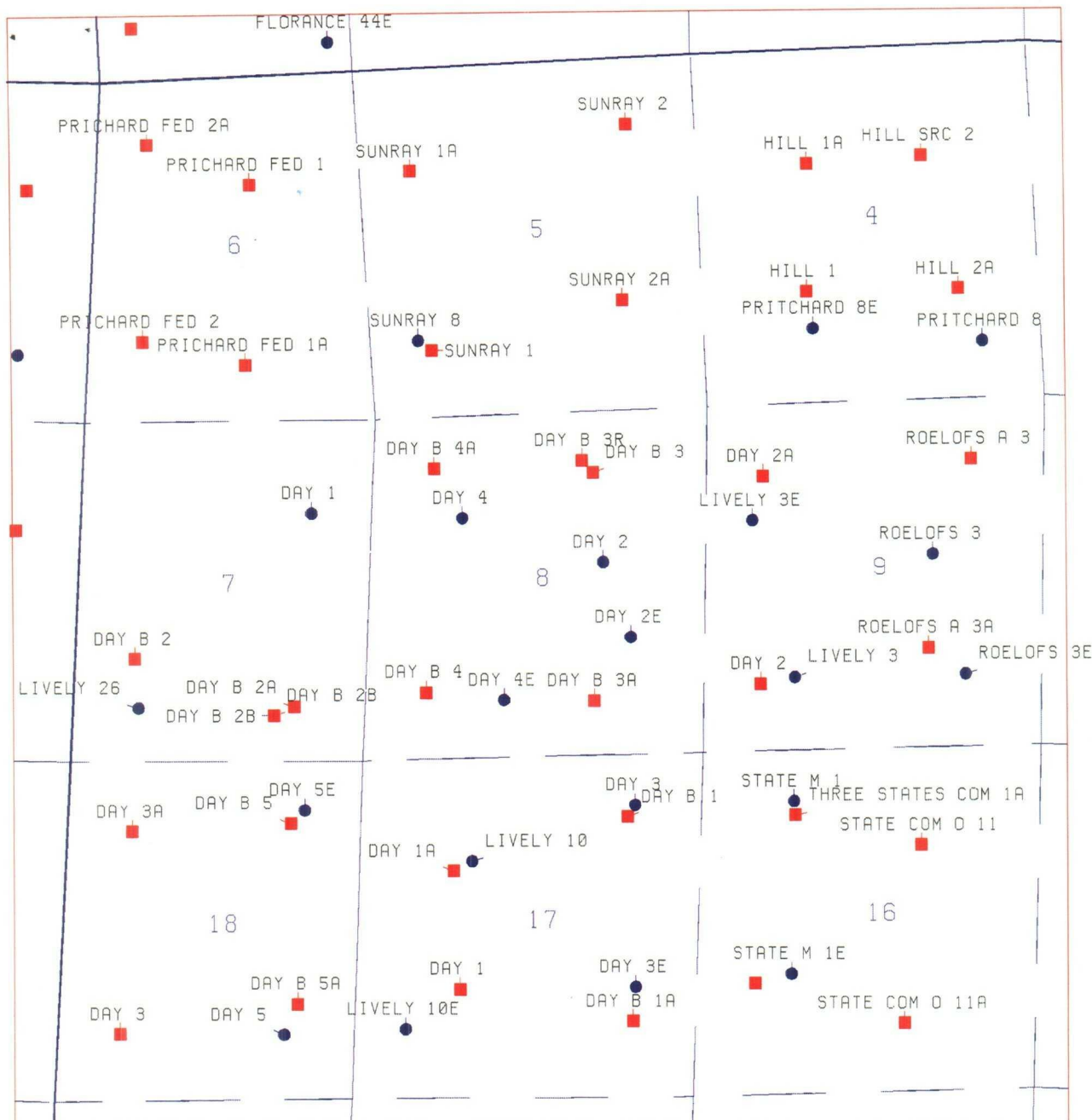
Flacwell: 97932301

API: 300452235800

Amoco - OIDB/Synergy Data

Daily Well Production





■ Mesaverde

● Dakota

AMOCO PRODUCTION COMPANY
HOUSTON, TX

WESTERN GAS BUSINESS UNIT

MESAVERDE & DAKOTA WELLS

T29N R08W SEC. 8

[REF. DAY 2]

SCALE 1"=2500'

DRAWN M. J. RITZ

DATE 1-FEB-2000

DRAWING