

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2731

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

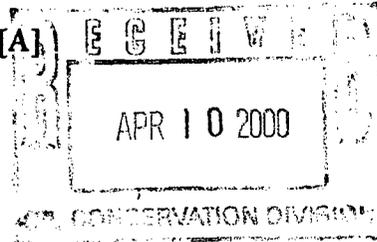
Check One Only for [B] and [C]

[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 DMarberg Regulatory Analyst 4/7/00
 Print or Type Name Signature Title Date

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

CONOCO, INC.

Operator

P.O. BOX 2197 HOUSTON, TX 77252

Address

STATE COM 0

12

16 29N 8W

SAN JUAN

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

OGRID NO. 005073

Property Code 003275

API NO. 30-045-29748

Spacing Unit Lease Types: (check 1 or more)
Federal State (and/or) Fee

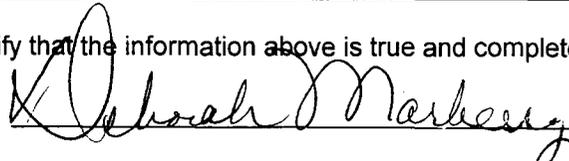
The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	BLANCO MESAVERDE 72319		BASIN DAKOTA 71599
2. Top and Bottom of Pay Section (Perforations)	4665' - 5432' (MD) ASSUME KB=6425'		7323' - 7563' (MD) ASSUME KB=6425'
3. Type of production (Oil or Gas)	GAS EXPECTED		GAS EXPECTED
4. Method of Production (Flowing or Artificial Lift)	FLOWING INITIALLY		FLOWING INITIALLY
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) EST. 500 PSI	a.	a. EST. 900-1000 PSI*
	b. (Original) EST. 1,230 PSI	b.	b. EST. 2,800 PSI
6. Oil Gravity (° API) or Gas BTU Content	1,280		1,128
7. Producing or Shut-In?	TO BE COMPLETED		TO BE COMPLETED
Production Marginal? (yes or no)	YES		YES
* 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.	Date: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates: EST. IP 600-800MCFD	Date: Rates:	Date: Rates: EST. IP 450-650MCFD
8. Fixed Percentage Allocation Formula -% for each zone	Allocate by test Oil: % Gas: %	Oil: % Gas: %	Allocate by test 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
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 all offset operators.
 * Notification list of all working, overriding, and royalty interests for uncommon interest cases.
 * Any additional statements, data, or documents required to support commingling

*Average BHP for the area

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE



TITLE REGULATORY ANALYST DATE 04/06/2000

TYPE OR PRINT NAME DEBORAH MARBERRY

TELEPHONE NO. () (281)293-1005

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102
 Revised October 18, 1994
 Instruction on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-29748		² Pool Code 72319/71599		³ Pool Name BLANCO MESAVERDE / BASIN DAKOTA	
⁴ Property Code 003275		⁵ Property Name STATE COM O			⁶ Well Number 12
⁷ OGRID No. 005073		⁸ Operator Name CONOCO, INC.			⁹ Elevation

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
1	16	29N	8W		1825	SOUTH	790	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

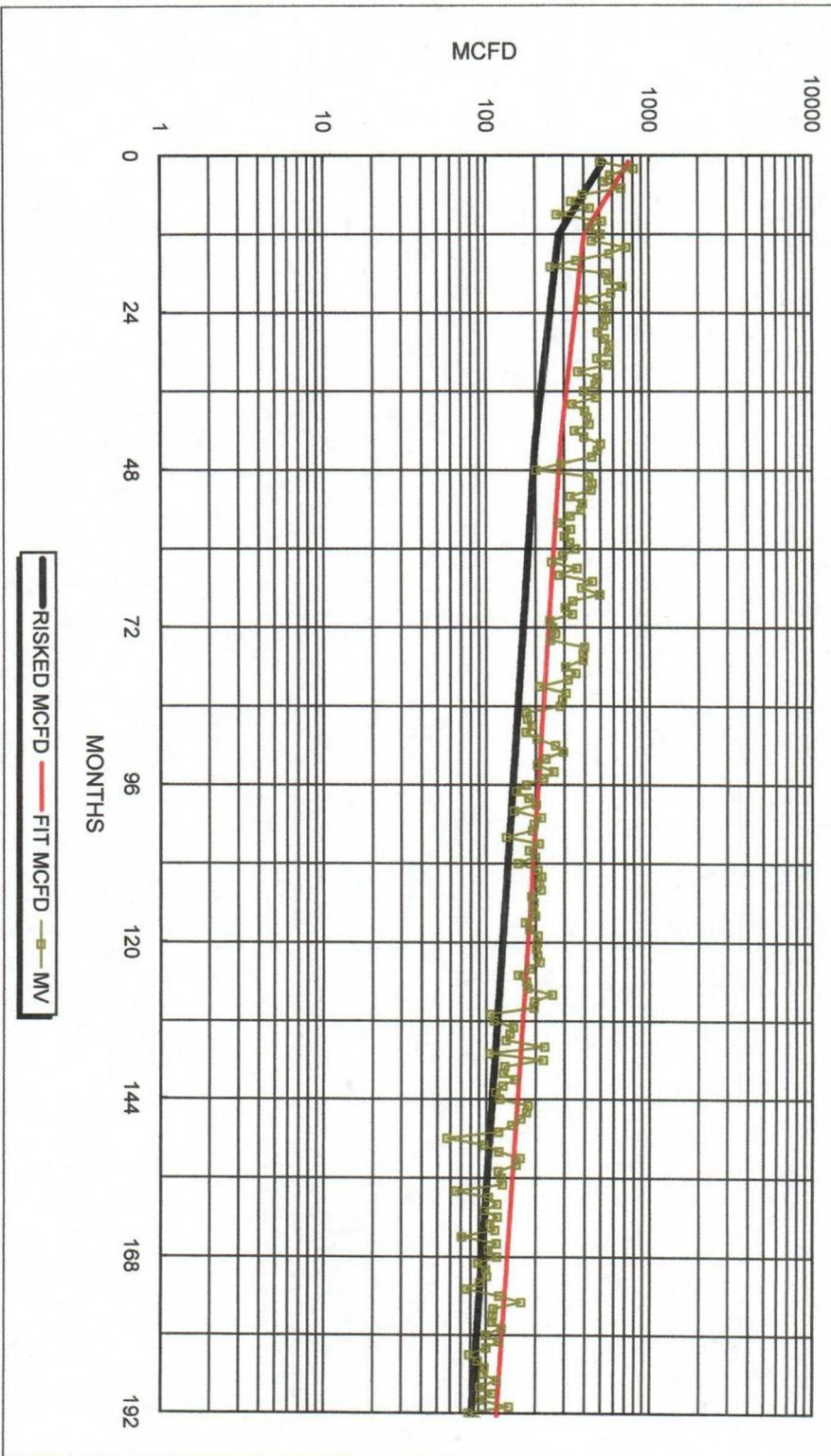
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 80/160	¹³ Joint or Infill 1	¹⁴ Consolidation Code	¹⁵ 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

16				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 <u>Deborah Marberry</u>	
				Printed Name DEBORAH MARBERRY	
		Title REGULATORY ANALYST			
		Date 04/06/2000			
			¹⁸ SURVEYOR CERTIFICATION		
			<i>I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys made by me or under</i>		
			Date of Survey		
			Signature and Seal of Professional Surveyer		
			Certificate Number		

NORMALIZED MESAVERDE PRODUCTION
 State Com 11 and 11A (16-29N-8W)



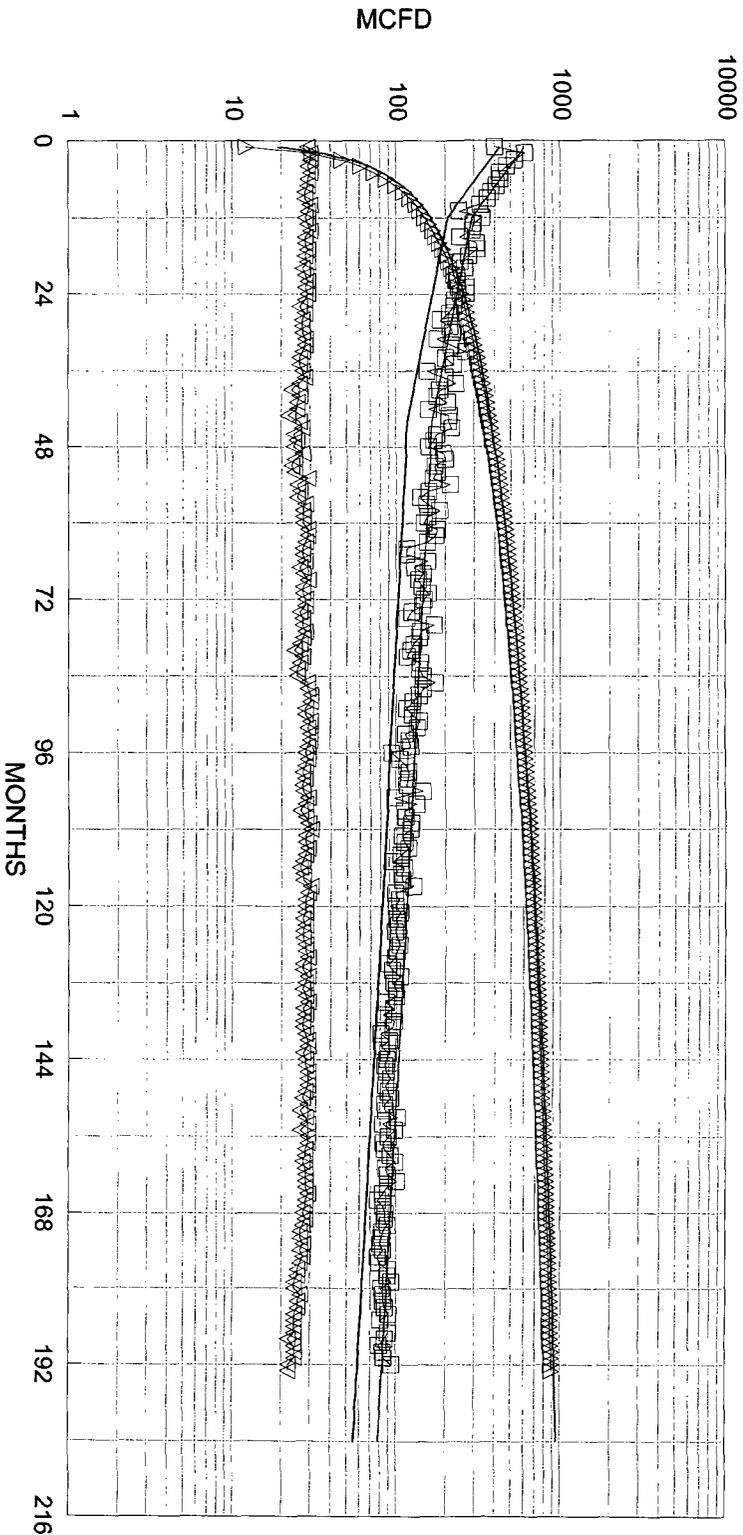
NORMALIZED AVG:
 1921 MMCF EUR
 (Note : above EUR based on 160's)
 25 MCFD E.L.
 0.013331 bbl/mcf oil yield

800 MCFD IP
 50% DECLINE, 1ST 12 MONTHS
 12% DECLINE, NEXT 36 MONTHS
 7% FINAL DECLINE

RISKED AVG: 30% RISK
 1330 MMCF EUR
 (Note : above EUR based on 160's)
 25 MCFD E.L.
 0.013331 bbl/mcf oil yield

560 MCFD IP
 50% DECLINE, 1ST 12 MONTHS
 12% DECLINE, NEXT 36 MONTHS
 7% FINAL DECLINE

NORMALIZED DAKOTA PRODUCTION
 PROD. SINCE 1970; 30 DK WELLS OFFSETTING 16-29N-8W



Normalized plot for supporting State Com O-12 and O-12E wells

NORMALIZED AVG: 1296 MMCF EUR 1293 MMCF/ 37YRS 25 MCFD E.L. 0.001561 bbl/mcf oil yield		650 MCFD IP 55% DECLINE, 1ST 12 MONTHS 19% DECLINE, NEXT 36 MONTHS -5.5% FINAL DECLINE		RISKED AVG: 30% RISK 868 MMCF EUR 865 MMCF/ 31 YRS 25 MCFD E.L. 0.001561 bbl/mcf oil yield		455 MCFD IP 55% DECLINE, 1ST 12 MONTHS 19% DECLINE, NEXT 36 MONTHS 6% FINAL DECLINE	
--	--	---	--	--	--	--	--

REB
Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C103
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

RECEIVED
OCT 14 1999
OIL CON. DIV.
DIST. 3

DISTRICT I

P. O. Box 1980, Hobbs, NM 88240

P.O. Drawer DD, Artesia, NM 88210

DISTRICT II

1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-045-29748

Indicate type of Lease STATE FEE

State Oil & Gas Lease No.

Lease Name or Unit Agreement Name

Well No. 12

Pool Name or Wellcat. Dakota

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR DEEPEN OR PLUG BACK TO
DIFFERENT RESERVOIR. USE APPLICATION FOR PERMIT
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well
Oil Well Gas Well Other

2. Name of Operator
Conoco Inc.

3. Address of Operator
10 Desta Dr., Suite 632W, Midland, Texas 79705-4500

4. Well Location
Unit Letter I 1825 Feet From The South Line and 790 Feet From The East Line
Section 16 Township 29N Range 8W NMPM San Juan County

10. Elevation (Show whether DF, K&B, RT, GK, etc.)
6396'

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENT TO:

SUBSEQUENT REPORT OF:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- OTHER: Extension of time
- PLUG AND ABANDON
- CHANGE PLANS

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING TEST AND CEMENT JOB
- OTHER:
- ALTERING CASING
- PLUG AND ABANDONMENT

12. Describe proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work)SEE RULE 1103.

This is a request to extend the approved APD for another 12 month period.

EXT: 12-9-2000

13. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Jo Ann Johnson TITLE Sr. Property Analyst DATE October 8, 1999

TYPE OR PRINT NAME Jo Ann Johnson TELEPHONE NO. 915-686-5515

(this space for State Use)

APPROVED BY _____ ORIGINAL SIGNED BY ERNIE BUSCH
TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE NOV 1 1999

Reg

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-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. Conoco Inc 10 Desta Dr. Ste. 430E Midland, Tx. 79705-4500		OGRID No. 005073
Property Code 003275		API Number 30-0 45-29 748
Property Name State Com O		Well No. 12

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	16	29N	8W		1825'	South	790'	East	San Juan

s Proposed 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
* Proposed Pool 1 Basin Dakota					* Proposed Pool 2				

* Work Type Code	* Well Type Code	* Cable/Rotary	* Lease type Code	14 Ground Level Elevation
N 16 Multiple No	G 17 Proposed Depth 7873'	R 18 Formation Dakota	S 19 Contractor N/A	6396' 20 Spud Date 1/2/99

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	9-5/8", K-55	36#	250'	150 sx. circ.	Surface
8-3/4"	7", K-55	20#	3356'	449 sx circ	Surface
6-1/4"	4-1/2", K-55	9.5#	7573'	580 sx circ.	Surface

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

It is proposed to drill a vertical wellbore to the Basin Dakota Pool. The well will be drilled and equipped according to the following additional attachments:

1. Well Location & Acreage Dedication Plat (C-102)
2. Proposed Well Plan Outline
3. Cementing program
4. BOP/Choke Diagram

RECEIVED

DEC 14 1998

CONOCO
ROW&C

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Jo Ann Johnson</i>		OIL CONSERVATION DIVISION	
Printed name: Jo Ann Johnson		Approved by: <i>Ernest Busch</i>	
Title: Sr. Property Analyst		Title: DEPUTY OIL & GAS INSPECTOR, DIST. #3	
Date: 12/3/98	Phone: 915/686-5515	Approval Date: DEC 9 1998	Expiration Date: DEC 9 1999
Conditions of Approval: Attached			

Z 202 611 171

Z 202 611 169

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to
Street & Number
Post Office, State, & ZIP
Postage
Certified Fee
Special Delivery Fee
Restricted Delivery Fee
Return Receipt Showing Whom & Date Delivered
Return Receipt Showing to Date, & Addressee's Address
TOTAL Postage & Fees
Postmark or Date

LINDEN FAMILY TRUST
JAMES S. LINDEN TRUSTEE
1413 32ND AVENUE
ROCK ISLAND, IL 61201-6128

PS Form 3800, April 1995

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to
Street & Number
Post Office, State, & ZIP
Postage
Certified Fee
Special Delivery Fee
Restricted Delivery Fee
Return Receipt Showing Whom & Date Delivered
Return Receipt Showing to Whom, Date, & Addressee's Address
TOTAL Postage & Fees
Postmark or Date

5
GENE BAKER DE LOACH
4716 #F# LA VILLA MA
MARINA DEL REY, CA 90292-7023

PS Form 3800, April 1995

Z 202 611 170

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to
Street & Number
Post Office, State, & ZIP
Postage
Certified Fee
Special Delivery Fee
Restricted Delivery
Return Receipt Showing Whom & Date Delivered
Return Receipt Showing to Whom, Date, & Addressee's Address
TOTAL Postage & Fees
Postmark or Date

ROSEMARY ANN HUTCHINS
313 FAIRFIELD DR
THIBODAUX, LA 70301-3721

PS Form 3800, April 1995

State Com U#12

mailed 11/00 JCF

Z 202 611 166

Z 202 611 174

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

COMM OF PUBLIC LANDS
STATE OF NEW MEXICO
P O BOX 1148
SANTA FE, NM 87504-1148

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

CONOCO A/C SHIRLEY
BERNSTEIN
654 MADISON AVE
NEW YORK, NY 10021-8404

Z 202 611 167

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

BURLINGTON RESOURCES
OIL & GAS COMPANY
PO BOX 840656
DALLAS, TX 75284-0656

Restricted Delivery Fee	
-------------------------	--

Z 202 611 172

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

CONOCO A/C KATHLEEN B
LIPKINS
812 PARK AVE #4A
NEW YORK, NY 10021-2759

Special Delivery Fee

Z 202 611 168

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to

F J ODENDAHL INVESTMENTS
INC
110 E 7TH AVE
COLDNA, IL 61241-9364

Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	

Z 202 611 173

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to
CONOCO A/C ATWELL & CO
C/O UNITED STATES TR
CO OF NY
BOX 456 WALL ST
STATION
NEW YORK, NY 10005

PS Form 3800 April 1995	Return Receipt Showing to Whom & Date Delivered	
	Return Receipt Showing to Whom, Date, & Addressee's Address	
	TOTAL Postage & Fees	\$
	Postmark or Date	

PS Form 3800 April 1995	Restricted Delivery Fee	
	Return Receipt Showing to Whom & Date Delivered	
	Return Receipt Showing to Whom, Date, & Addressee's Address	
	TOTAL Postage & Fees	\$
Postmark or Date		

281 293 5466 TO 915058278172 P.03/03

1111 01 2000 07:35 FR CONOCO