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, NA 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

## APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107-A Revised March 17, 1999 APPROVAL PROCESS:

\_\_X\_ Administrative \_\_\_Hearing

EXISTING WELLBORE \_\_\_\_ YES \_\_\_\_ NO

Conoco Inc. P.O. Bo	ox 2197 DU 3066 Houston, TX 7		· · · · · · · · · · · · · · · · · · ·
Operator San Juan	#155 K. Se	es. ec. 22, T-27N, R-7W	Rio Arriba
Cease OGRID NO. 005073 Property Code			County cing Unit Lease Types: (check 1 or more)  LX , State, (and/or) Fee
Pool Name and     Pool Code	Blanco P.C. South 72439		Otera Chacra 82329
Top and Bottom of Pay Section (Perforations)		٠ .	
3. Type of production (Oil or Gas)	Gas		Gas
Method of Production     (Flowing or Artificial Lift)	To Flow		To Flow
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current	a. (Current) 381	a. CCT 1 8 1999 L	540
Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	b. (Original) (1)	al Com. Div	b. 1251
Oil Gravity (EAPI) or     Gas BTU Content	1189	కోట్రు ట్రె	1148
7. Producing or Shut-In?	To be completed		To be completed
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	Date: Rates: Est. 250 mcfd Date:	Date: Rates: Date:	Date: Rates: Est. 125 mcfd Date:
If Producing, give date and oil/gas/ water rates of recent test (within 60 days)		Rates:	Rates:
Fixed Percentage Allocation     Formula -% for each zone     (total of %'s to equal 100%)	Oil: Gas:	Oil: Gas: %	Oil: Gas:
<ol> <li>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.</li> <li>Are all working, overriding, and royalty interests identical in all commingled zones?         <pre>If not, have all working, overriding, and royalty interests been notified by certified mail?</pre></li></ol>			
Will cross-flow occur? X 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. X Yes No (If No, attach explanation)			
12. Are all produced fluids from all commingled zones compatible with each other? X Yes No			
13. Will the value of production be decreased by commingling? Yes X 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 applicationYes 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 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 DELIVER SIGNATURE TITLE Regulatory Analyst DATE 08/12/99			
TYPE OR PRINT NAME <u>Deborah Moore</u> TELEPHONE NO. ( <u>281</u> ) 293-1005			