

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

5. Lease Designation and Serial No.  
NMSF 078496A

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

CONOCO, INC.

3. Address and Telephone No.

P.O. Box 2197 DU 3066 Houston, TX 77252-2197 (281) 293-1005

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

B<sup>1</sup>/<sub>4</sub> SEC. 5, T27N, R7W  
890' FNL & 1780' FEL

7. If Unit or CA, Agreement Designation

8. Well Name and No.

SAN JUAN 28-7 #260

9. API Well No.

30-039-21678

10. Field and Pool, or Exploratory Area

71599 / 72319

11. County or Parish, State

RIO ARRIBA, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

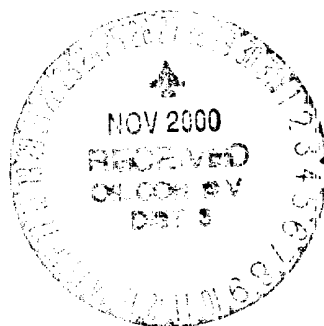
TYPE OF ACTION

- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other DHC  
☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

CONOCO PROPOSES TO DOWNHOLE COMMINGLE THIS WELL IN THE BLANCO MESAVERDE AND BASIN DAKOTA.



00 APR -6 AM 9:22  
ALBUQUERQUE, N.M.

14. I hereby certify that the foregoing is true and correct.

Signed

*Deborah Moore*

Title

Regulatory Analyst

Date

3/31/00

(This space for Federal or State office use)

Approved by

*/s/ Joe Hewitt*

Title

Date

21

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

NMOCD

DISTRICT I  
1025 F. F. Road, NM 88249  
DISTRICT II  
111 South First St., Artesia, NM 88210  
DISTRICT III  
1001 Red Bank 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 Houston, TX 77252-2197

Operator Address

SAN JUAN 28-7 260 B2, Sec. 5, T27N, R7W RIO ARriba

Well No. Unit/Lit. - Sec. - Twp. - Rge. County

OGRID NO. 005073 Property Code 016608 API NO. 30-039-21678 Spacing Unit Lease Types (check 1 or more) ☒ Federal ☐ State (and on Fee

The following facts are submitted in support of downhole commingling: 1. Pool Name and Pool Code	Upper Zone BLANCO MESAVERDE 72319	Intermediate Zone	Lower Zone BASIN DAKOTA 71599
2. Top and Bottom of Pay Section (Perforations)	PROPOSED PERFS 4894 - 5701		7467 - 7679
3. Type of production (Oil or Gas)	GAS -- expected		GAS
4. Method of Production (Flowing or Artificial Lift)	EXPECTED TO FLOW		FLOWING
5. Bottomhole Pressure Oil Zones - Artificial Lift Gas & Oil - Flowing All Gas Zones - Estimated Or Measured Original	a. (Current) 540 b. (Original) 1,250	a. b.	a. 790 B 3,150
6. Oil Gravity (EAPI) or Gas BTU Content	1,250		1,225
7. Producing or Shut-In?	TO BE COMPLETED		PRODUCING
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. * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: Rates:
	Date: EXPECTED RATE Rates: 350-450 MCFD	Date: Rates:	Date: CURRENT RATE Rates: 61 MCFD
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: Gas:	Oil: Gas:	Oil: Gas: SUBTRACTION ALLOCATE

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). R-10476B

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 3/31/00

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

District I  
1625 N. French Dr., Hobbs, NM 88240  
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

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised March 17, 1999

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-039-21678		<sup>2</sup> Pool Code 72319 - 71599		<sup>3</sup> Pool Name BLANCO MESAVERDE - BASIN DAKOTA	
<sup>4</sup> Property Code 016608		<sup>5</sup> Property Name SAN JUAN 28-7			<sup>6</sup> Well Number 260
<sup>7</sup> OGRID No. 005073		<sup>8</sup> Operator Name Conoco Inc.			<sup>9</sup> Elevation

<sup>10</sup> Surface Location

UL or lot no. B2	Section 5	Township 27N	Range 7W	Lot Idn	Feet from the 890'	North/South line NORTH	Feet from the 1780	East/West line EAST	County RIO ARRIBA
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<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 160/80	<sup>13</sup> Joint or Infill I	<sup>14</sup> Consolidation Code U		<sup>15</sup> 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

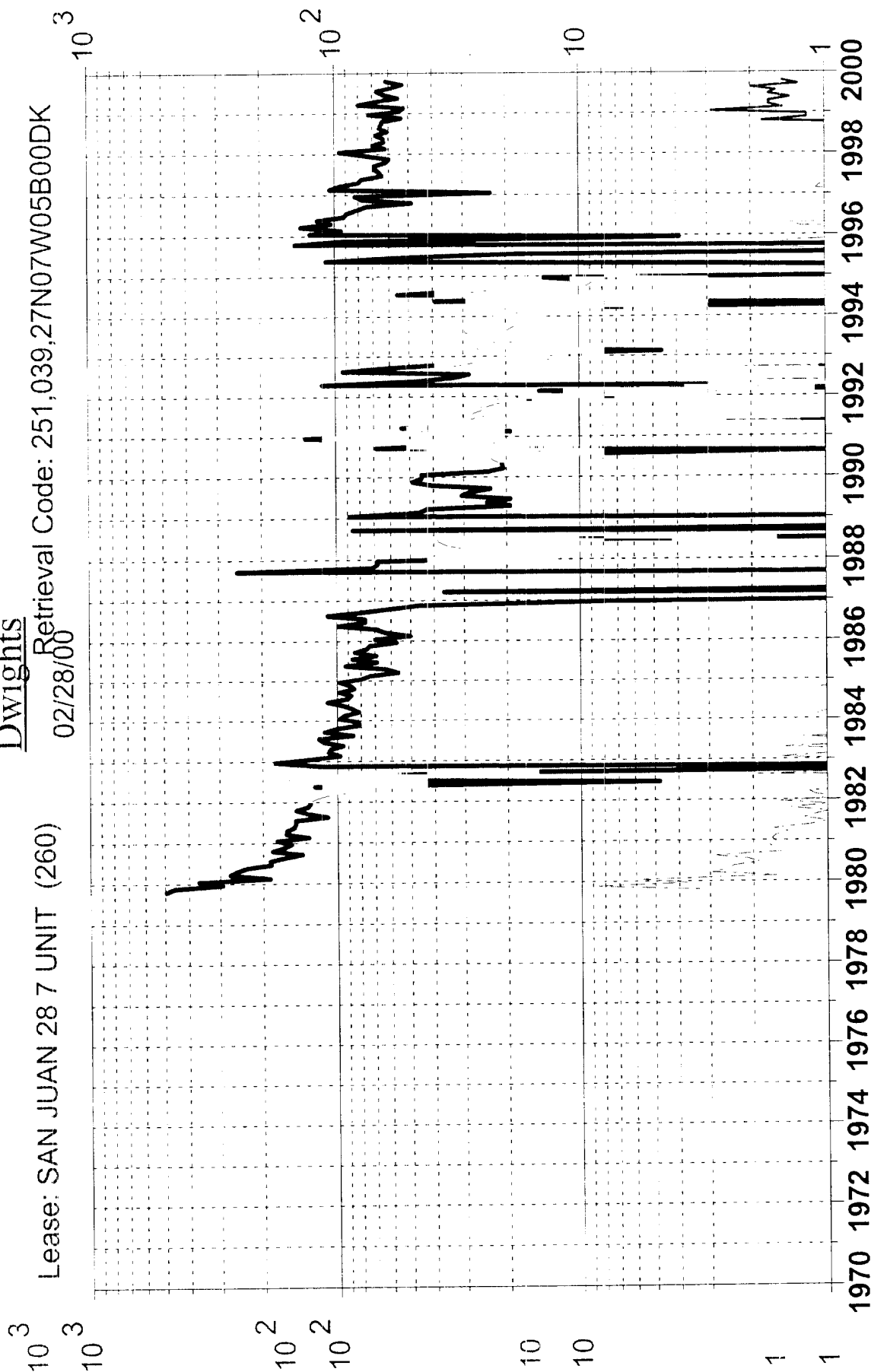
16		<sup>17</sup> OPERATOR CERTIFICATION	
		<p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature: <i>Deborah Moore</i></p> <p>Printed Name: Deborah Moore</p> <p>Title: Regulatory Analyst</p> <p>Date: 3/31/00</p>	
		<sup>18</sup> SURVEYOR CERTIFICATION	
		<p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>	

# Dwights

Lease: SAN JUAN 28 7 UNIT (260)

Retrieval Code: 251,039,27N07W05B00DK

02/28/00



Gas (mcf/day)

Oil (bbl/day)

Water (bbl/day)

Operator: CONOCO INC

F.P. Date: 10/79

Location: 5B 27N 7W

Oil Cum: 4325 bbl

Upper Perf: 7467 ft

Gas Cum: 526.9 mmcf

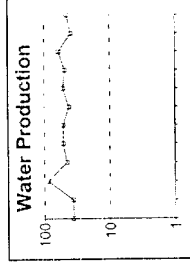
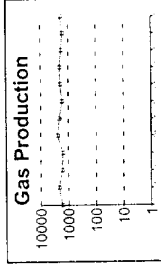
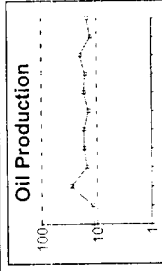
Lower Perf: 7679 ft

Reservoir: DAKOTA

Lease: SAN JUAN 28 7 UNIT  
 Field: BASIN (DAKOTA) DK  
 Operator: CONOCO INC  
 RCI #: 251,039,27N07W05B00DK  
 API #: 30-039-21678-00

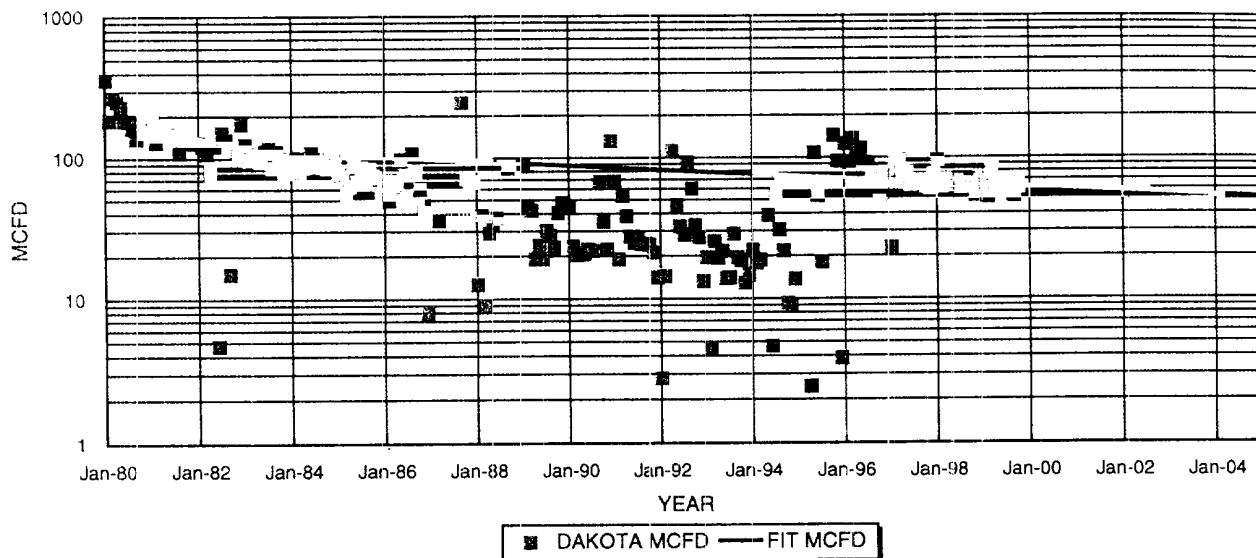
Well #: 260  
 Location: 5B 27N 7W  
 Liquid Cum: 4,325 bbls  
 Gas Cum: 526,879 mcf  
 Status: ACT GAS

FP Date: 79-10  
 LP Date: 99-10  
 Liq Since: FPDATE  
 Gas Since: FPDATE



DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
11/1998	12	1,621	36	1
12/1998	12	2,189	36	1
01/1999	29	1,659	87	1
02/1999	15	1,583	45	1
03/1999	17	2,421	51	1
04/1999	17	2,063	51	1
05/1999	14	1,669	42	1
06/1999	17	1,925	51	1
07/1999	16	2,031	48	1
08/1999	20	1,770	60	1
09/1999	13	1,604	39	1
10/1999	15	1,863	45	1
Total	197	22,398	591	

**SJ 28-7 #260 DAKOTA PRODUCTION  
SECTION 5B-27N-07W, RIO ARRIBA COUNTY, NEW MEXICO**



**DAKOTA PRODUCTION**

OIL CUM: 4.33 MBO  
GAS CUM: 526.9 MMCF  
OIL YIELD: 0.0082 BBL/MCF

1ST PROD: 10/79

**DAKOTA PROJECTED DATA**

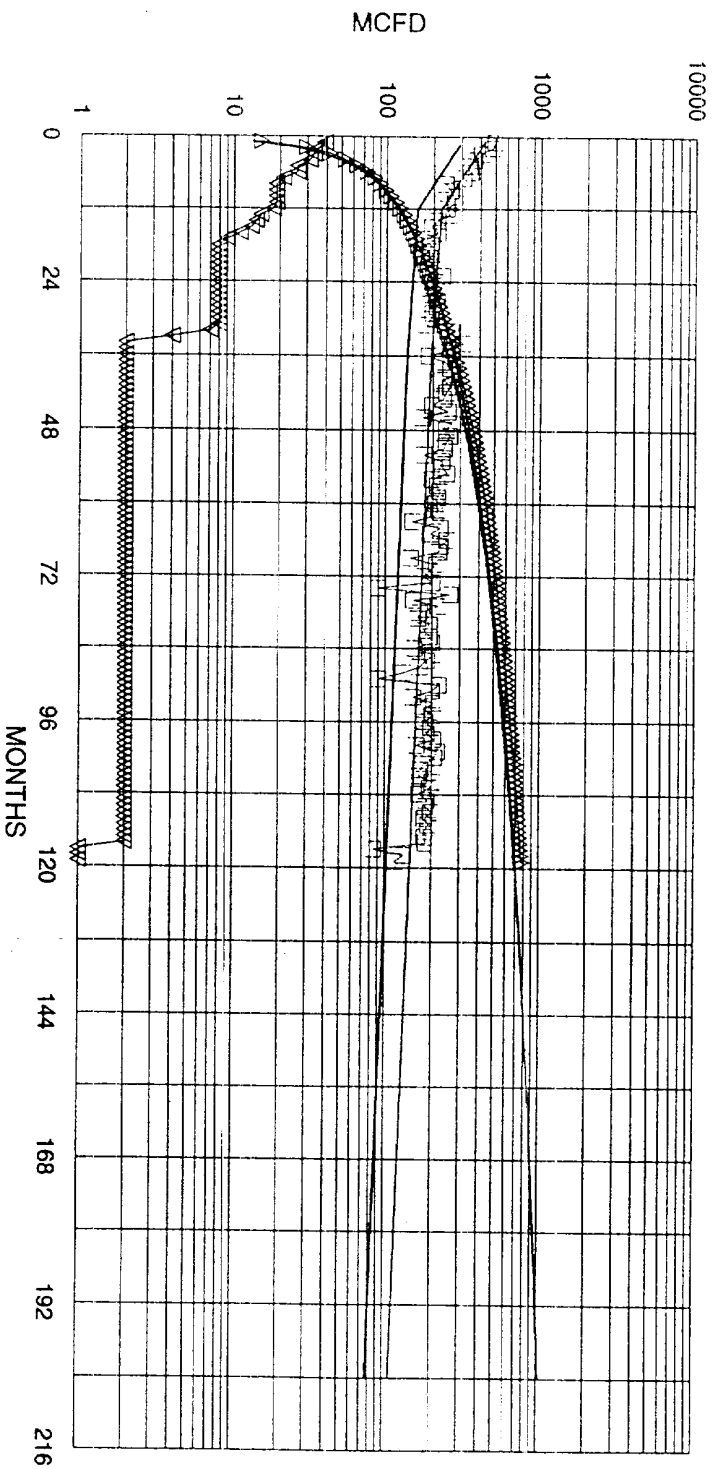
Jan.00 Qi: 62 MCFD  
DECLINE RATE: 3.5% (EXPONENTIAL)

API #30-039-22436

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCAT ON

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
2000	61	1
2001	59	0
2002	57	0
2003	55	0
2004	53	0
2005	51	0
2006	49	0
2007	48	0
2008	46	0
2009	44	0
2010	43	0
2011	41	0
2012	40	0
2013	38	0
2014	37	0
2015	36	0
2016	35	0
2017	33	0
2018	32	0
2019	31	0
2020	30	0
2021	29	0
2022	28	0
2023	27	0
2024	26	0
2025	25	0
2026	24	0
2027	23	0

**NORMALIZED MESAVERDE PRODUCTION**  
PROD. SINCE 1985; 39 MV WELLS LOCATED IN 28N-7W (37 wells are 1990's completions)



Expected Mesaverde Production - 325 MCFD for Yr. 1

NORMALIZED AVG:

1788 MMCF EUR  
1145 MMCF IN 20 YRS  
25 MCFD E.L.  
0.0139 bbl/mcf oil yield

RISKED AVG:

30% RISK

450 MCFD IP  
50% DECLINE, 1ST 12 MONTHS  
7% DECLINE, NEXT 24 MONTHS  
4% FINAL DECLINE

RISKED AVG:

30% RISK

1184 MMCF EUR  
802 MMCF IN 20 YRS  
25 MCFD E.L.  
0.0139 bbl/mcf oil yield

315 MCFD IP  
50.0% DECLINE, 1ST 12 MONTHS  
7.0% DECLINE, NEXT 24 MONTHS  
4.0% FINAL DECLINE