



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

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ADMINISTRATIVE ORDER DHC-1624

Conoco Inc.
10 Desta Drive
Suite 100W
Midland, Texas 79705-4500

RECEIVED
AUG 20 1997

Attention: Mr. Jerry W. Hoover

OIL CON. DIV.
DIST. 3

Federal No. 21
API No. 30-045-24183
Unit D, Section 9, Township 27 North, Range 8 West, NMPM,
San Juan County, New Mexico.
Otero-Chacra (Gas - 82329) and
Basin-Fruitland Coal (Gas - 71629) Pools

Dear Mr. Hoover:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Production from the subject well shall be allocated as follows:

Gas production from the Otero-Chacra Gas Pool shall be determined utilizing the mid-year average production forecast submitted by the applicant as an attachment to the downhole commingling application. Gas production from the Basin-Fruitland Coal Gas Pool shall be determined by subtracting Otero-Chacra Gas Pool production from the well's total monthly gas production.

Administrative Order DHC-1624

Conoco Inc.

August 15, 1997

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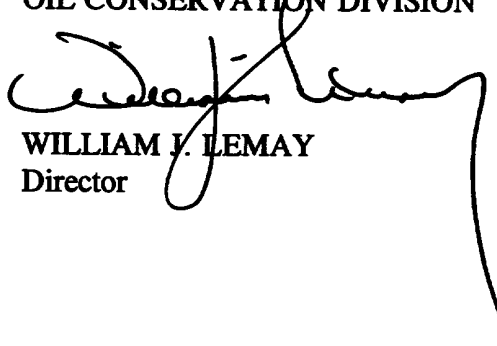
The allocation method established herein may be altered at some time subsequent to initiating downhole commingling operations upon request by the operator and for good cause shown.

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 15th day of August, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

WJL/DRC

cc: Oil Conservation Division - Aztec /
Bureau of Land Management-Farmington

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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.

10 DESTA DR. STE. 100W, MIDLAND, TX. 79705-4500 (915) 686-5424

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

315' FNL & 720' FWL
Sec. 9, T-27N, R-8W

5. Lease Designation and Serial No.

NMNM 029144

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Federal No. 21

9. API Well No.

045
30-039-24183

10. Field and Pool, or Exploratory Area

Otero Chacra / Fruitland Coal

11. County or Parish, State

San Juan, NM

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

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

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Downhole Commingling

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracuring
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Repon results of multiple completion Wdl 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.)*

Approval is requested to downhole commingle the Chacra and Fruiland Coal in this well according to the method and allocation formula proposed in the attached C-102-A application to the New Mexico Oil Conservation Division.

RECEIVED
AUG 25 1997

OIL CON. DIV.
DIST. 3

070 FARMINGTON, NM

97 JUL 23 PM 2:50

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

Signed

Jerry W. Hoover

Title

Jerry W. Hoover

Sr. Conservation Coordinator

Date

6/19/97

(This space for Federal or State office use)

Approved by

[Signature]

Title

Petroleum Engineer

Date

21. Aug '97

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