

RICT I
Box 1960, Hobbs, NM 88241 1980

RICT II
11 South First St. Artesia, NM 88210 2835

RICT III
000 Rio Brazos Rd. Aztec, NM 87410 1883

State of New Mexico
Energy, Mineral and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-8429

Form C-107-A
New 3-12-88

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Conoco Inc.

10 Desta Dr. Ste 100W, Midland, Tx. 79705-4500

San Juan 28-7 Unit

#10

Section 36, T-28-N, R-7-W, M

Rio Arriba, NM

Well No

UNIT CUR Sec 36 T28 N7 R7E

County

XGRID NO 005073

Property Code

016608

API NO.

30-039-07223

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	Basin Fruitland Coal 71629		Blanco Pictured Cliffs South 72439
2. TOP and Bottom of Pay Section (Perforations)	2563-2754'		2774-2828'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Expected to Flow		Expected to Flow
5. Bottomhole Pressure	a. (Current) 432		360
Oil Zones - Artificial Lift: Estimated Current Gas & Oil Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	b. (Original) 1167		1119
6. Oil Gravity (*API) or Gas BT Content	1045		1189
7. Producing or Shut-In?	To be Completed		To be Completed
Production Marginal? (yes or no)	Expected yes		Expected yes
- If Shut-in give date 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, date and oil/gas/water rates of recent test (within 60 days)	Date Rates Est 150-250MCFD Allocation by test upon completion	Date Rates	Date Rates Est 200-300 MCF Allocation by test upon completion
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 others ☒ 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. NMOC Reference Cases for Rule 303(D) Exceptions: ORDER NO(S).

16. ATTACHMENTS

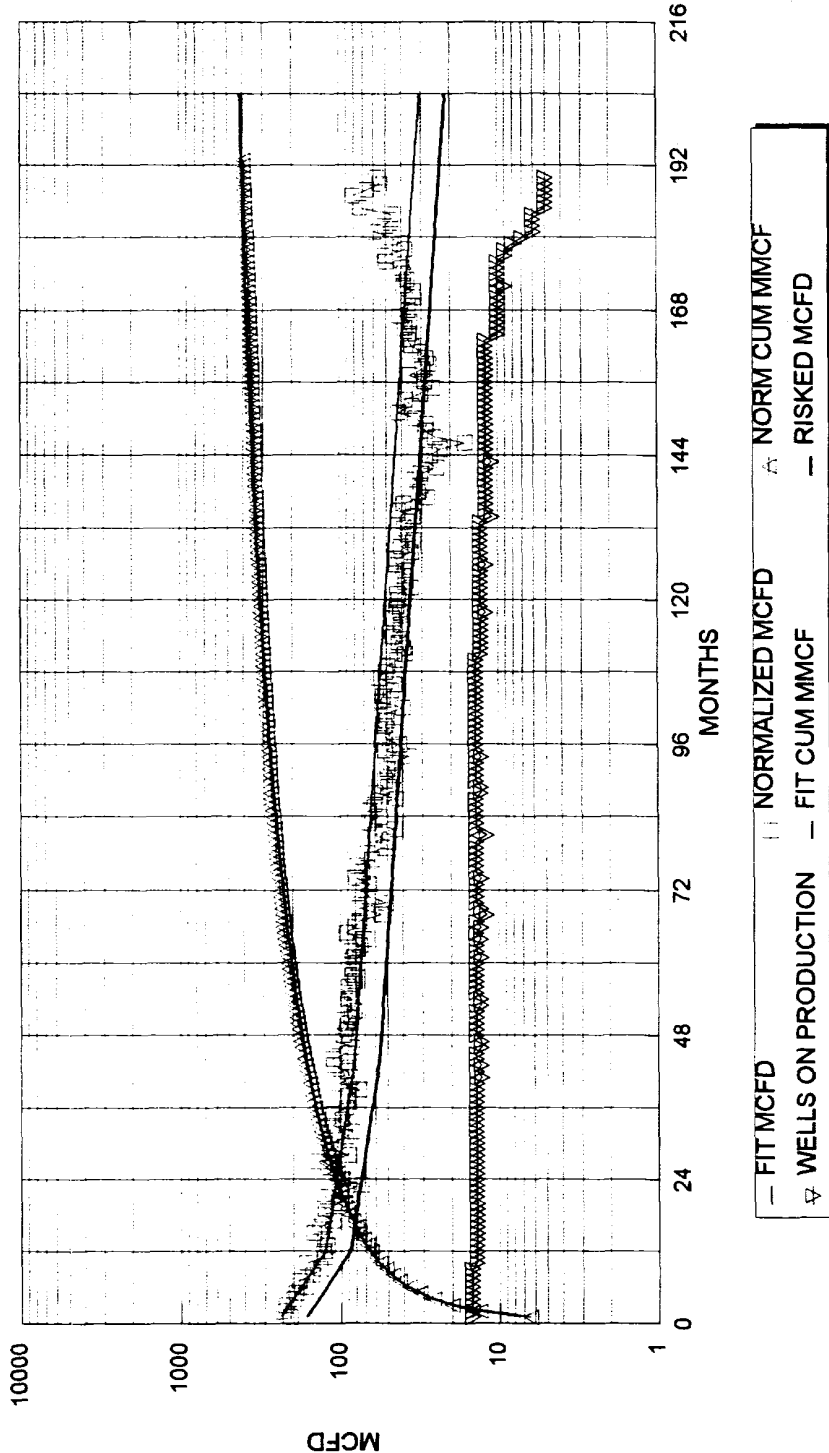
- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation 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.

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

SIGNATURE Kay Maddox TITLE Regulatory Agent DATE 6/2/99

TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

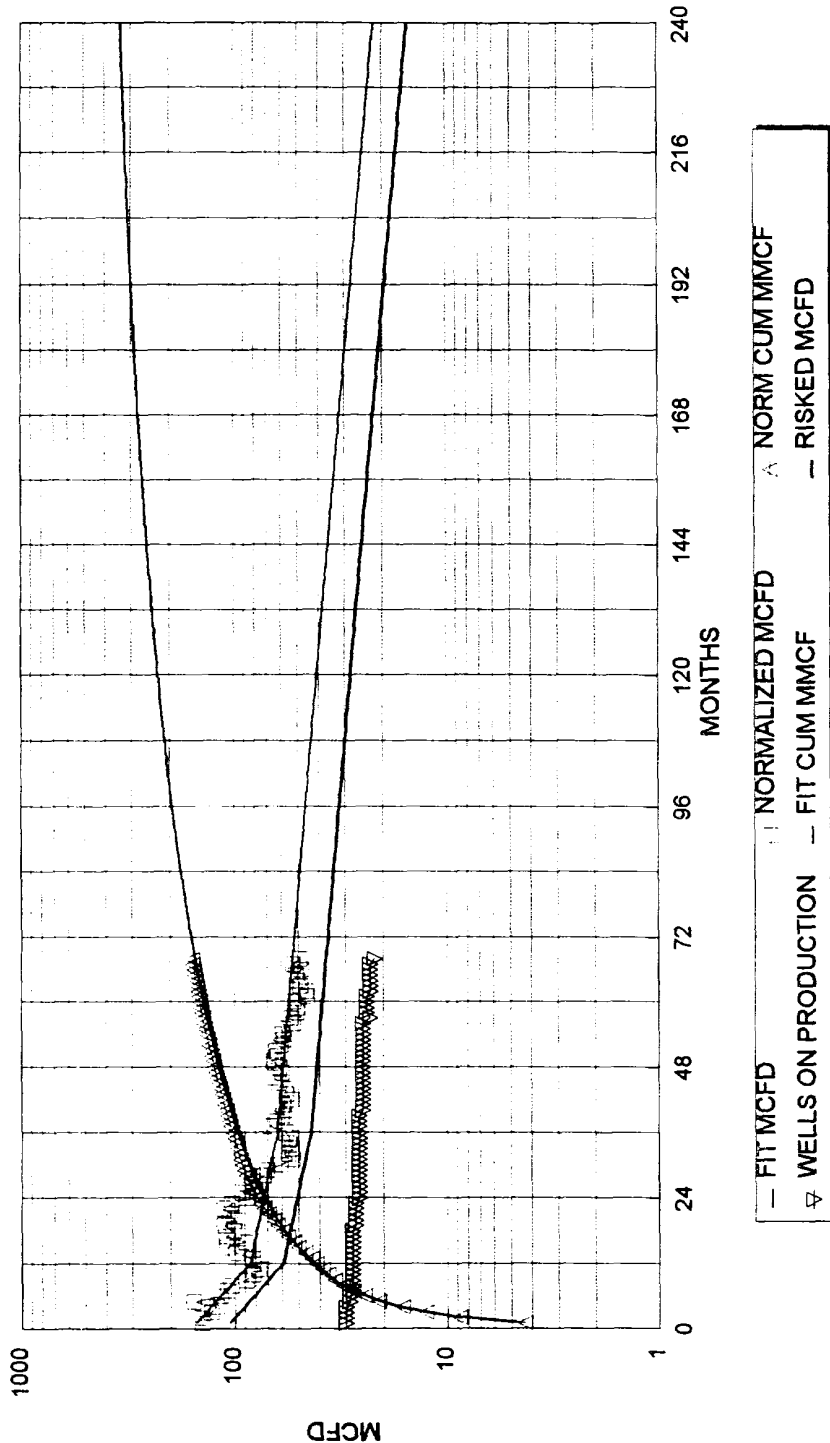
NORMALIZED PICTURED CLIFFS PRODUCTION
 PROD. SINCE 1980; 15 PC WELLS LOCATED IN 28N-7W AND 27N-7W (Secs. 1:12)



Normalized plot for supporting SJ 28-7 PC recompletions

NORMALIZED AVG: 522 MMCF EUR 524 MMCF/33.5YRS 10 MCFD E.L. 0.000158 bbl/mcf oil yield	250 MCFD IP 50% DECLINE, 1ST 12 MONTHS 15% DECLINE, NEXT 36 MONTHS 7% FINAL DECLINE	RISKED AVG: 360 MMCF EUR 349 MMCF/27.8 YRS 10 MCFD E.L. 0.000158 bbl/mcf oil yield	30% RISK 176 MCFD IP 60% DECLINE, 1ST 12 MONTHS 15% DECLINE, NEXT 36 MONTHS 7% FINAL DECLINE
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NORMALIZED FRUITLAND COAL PRODUCTION
30 WELLS SINCE 1990; 28N-7W & 27N-7W



Normalized plot for supporting SJ 28-7 FC recompletions

NORMALIZED AVG:		RISKED AVG:		30% RISK	
408 MMCF EUR	160 MCFD IP	288 MMCF EUR	112 MCFD IP	47% DECLINE, 1ST 12 MONTHS	47% DECLINE, 1ST 12 MONTHS
337 MMCF IN 20 YRS	47% DECLINE, 1ST 12 MONTHS	237 MMCF IN 20 YRS	47% DECLINE, 1ST 12 MONTHS	14% DECLINE, NEXT 24 MONTHS	14% DECLINE, NEXT 24 MONTHS
10 MCFD E.L.	14% DECLINE, NEXT 24 MONTHS	10 MCFD E.L.	14% DECLINE, NEXT 24 MONTHS	6% FINAL DECLINE	6% FINAL DECLINE
0.0000 bbl/mcf oil yield	6% FINAL DECLINE	0.0000 bbl/mcf oil yield	6% FINAL DECLINE		

District I
PO Box 1980, Hobbs, NM 88241-198

District II
PO Drawer DD, Artesia, NM 88211-071

District III
1000 Rio Brazos Rd. Aztec, NM 8741

District IV
PO Box 2088, Santa Fe, NM 87504-208

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-07223		2 Pool Code 71629	3 Pool Name Basin Fruitland Coal	
4 Property Code 016608	5 Property Name San Juan 28-7			6 Well Number #10
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation

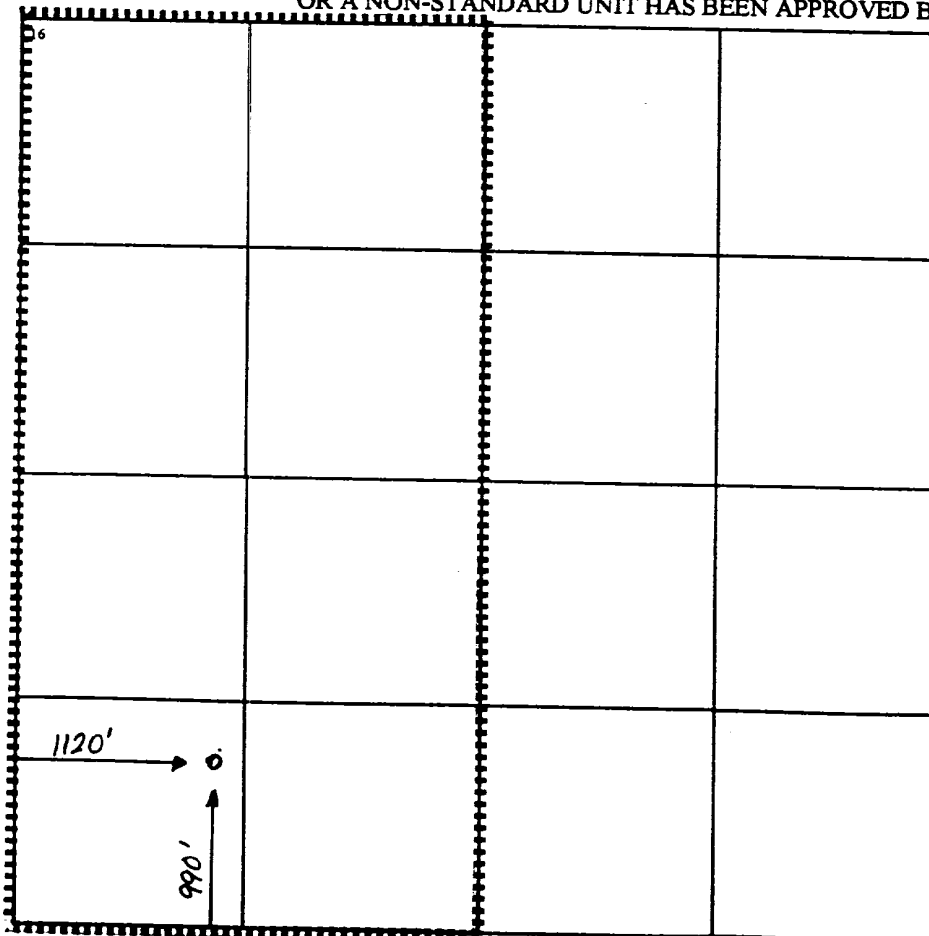
10 Surface Location

UL or lot no. M	Section 36	Township 28N	Range 7W	Lot 1dn	Feet from the 990'	North/South line South	Feet from the 1120'	East/West line West	County Rio Arriba
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11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 320	13 Joint or Infill	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



17 OPERATOR CERTIFICATION

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

Kay Maddox
Signature
Kay Maddox

Printed Name
Regulatory Agent

Title
June 2, 1999

Date

18 SURVEYOR CERTIFICATION

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.

Date of Survey
Signature and Seal of Professional Surveyor:

Certificate Number

District II
O Drawer DD, Artesia, NM 88211-071
District III
000 Rio Brazos Rd. Aztec, NM 8741
District IV
O Box 2088, Santa Fe. NM 87504

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Revised February 21, 1994
instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-07223	2 Pool Code 72439	3 Pool Name Blanco Pictured Cliffs South
4 Property Code 016608	5 Property Name San Juan 28-7	6 Well Number #10
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500	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
M	36	28N	7W		990'	South	1120'	West	Rio Arriba

11 Bottom Hole Location If Different From Surface

[illegible]

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
160			

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

<div>16</div>	<div>17 OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <div><div><i>Kay Maddox</i></div><div>Signature</div></div> <div><div>Kay Maddox</div><div>Printed Name</div></div> <div><div>Regulatory Agent</div><div>Title</div></div> <div><div>June 2, 1999</div><div>Date</div></div>	
	<div>18 SURVEYOR CERTIFICATION</div> <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> <div><div>Date of Survey</div><div>Signature and Seal of Professional Surveyor:</div></div> <div><div>Certificate Number</div></div>	

Conoco, Inc
San Juan 28-7 #10
Section 36, T-28-N, r-7-W, M
990' FSL & 1120' FWL
Rio Arriba, NM

RE: Application to Downhole Commingle (C-107A)

Notification of Offset Operators:

Conoco, Inc. is the only offset operator.