

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

Operator: Conoco Inc. Address: 10 Desta Dr. Ste 100W, Midland, Tx. 79705-4500

Lease: San Juan 28-7 Unit # 134 Section 21, T-28-N, R-7-W, K Rio Arriba County
 Well No: _____ Unit Off Sec Twp Rge: _____

OGRID NO: 005073 Property Code: 016608 API NO: _____ Spacing Unit Lease Types (check 1 or more)
 Federal State (and/or) Fee

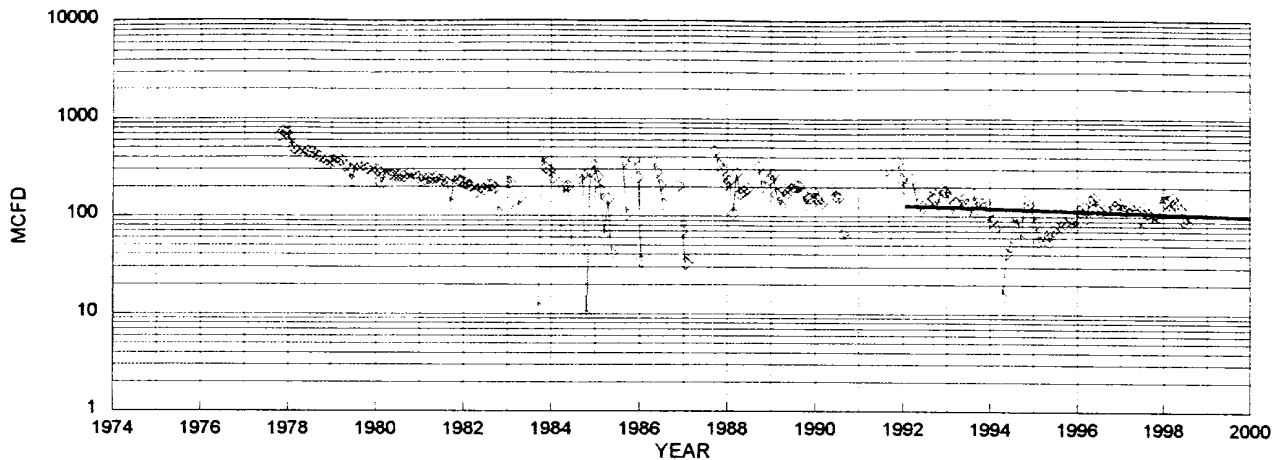
The following facts are submitted in support of downhole commingling.	Upper Zone	Intermediate Zone	Lower Zone
1 Pool Name and Pool Code	Blanco Mesaverde 72319		Basin Dakota 71599
2 TOP and Bottom of Pay Section (Perforations)	Estimated 4266-5086'		6893-7076'
3 Type of production (Oil or Gas)	Gas		Gas
4 Method of Production (Flowing or Artificial Lift)	To flow		Flowing
5 Bottomhole Pressure	a (Current) 457		751
Oil Zones - Artificial Lift Gas & Oil - Flowing All Gas Zones Estimated Current Measured Current Estimated Or Measured Original	b(Original) 1230		b 2946
6 Oil Gravity (*API) or Gas BT Content	1259		1212
7 Producing or Shut-in?	To be completed		Producing
Production Marginal? (yes or no)	Expected Yes		Yes
* If Shut-In give date and oil/gas/water rates of last production	Date Rates	Date Rates	Date Rates
* If Producing, date and oil/gas/water rates of recent test (within 60 days)	Date Rates	Date Rates	Date Rates 1/99 104 MCFD
8 Fixed Percentage Allocation Formula - % of each zone	Gas	Gas	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?
 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): R-10476 - B
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 Kay Maddox TITLE Regulatory Agent DATE February 11, 1999
 TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

**SAN JUAN 28 7 UNIT #134 DAKOTA PRODUCTION
SECTION 21K-28N-07W**



→ DAKOTA MCFD — FIT MCFD

DAKOTA HISTORICAL DATA:		1ST PROD: 10/77		DAKOTA PROJECTED DATA	
OIL CUM:	14.78 MBO	1/1/99 Q1:	104 MCFD		
GAS CUM:	1292.3 MMCF	DECLINE RATE:	3.0% (EXPONENTIAL)		
CUM OIL YIELD:	0.0114 BBL/MCF				
OIL YIELD:	0.0106 BBL/MCF, LAST 3 YRS				
AVG. USED:	0.0110 BBL/MCF				

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
1999	102.1	1.1
2000	99.0	1.1
2001	96.0	1.1
2002	93.1	1.0
2003	90.4	1.0
2004	87.6	1.0
2005	85.0	0.9
2006	82.5	0.9
2007	80.0	0.9
2008	77.6	0.9
2009	75.3	0.8
2010	73.0	0.8
2011	70.8	0.8
2012	68.7	0.8
2013	66.6	0.7
2014	64.6	0.7
2015	62.7	0.7
2016	60.8	0.7
2017	59.0	0.6
2018	57.2	0.6
2019	56.5	0.6
2020	53.8	0.6
2021	52.2	0.6
2022	50.7	0.6
2023	49.1	0.5
2024	47.7	0.5
2025	46.2	0.5
2026	44.8	0.5
2027	43.5	0.5
2028	42.2	0.5
2029	40.9	0.4
2030	39.7	0.4
2031	38.5	0.4
2032	37.4	0.4
2033	36.2	0.4

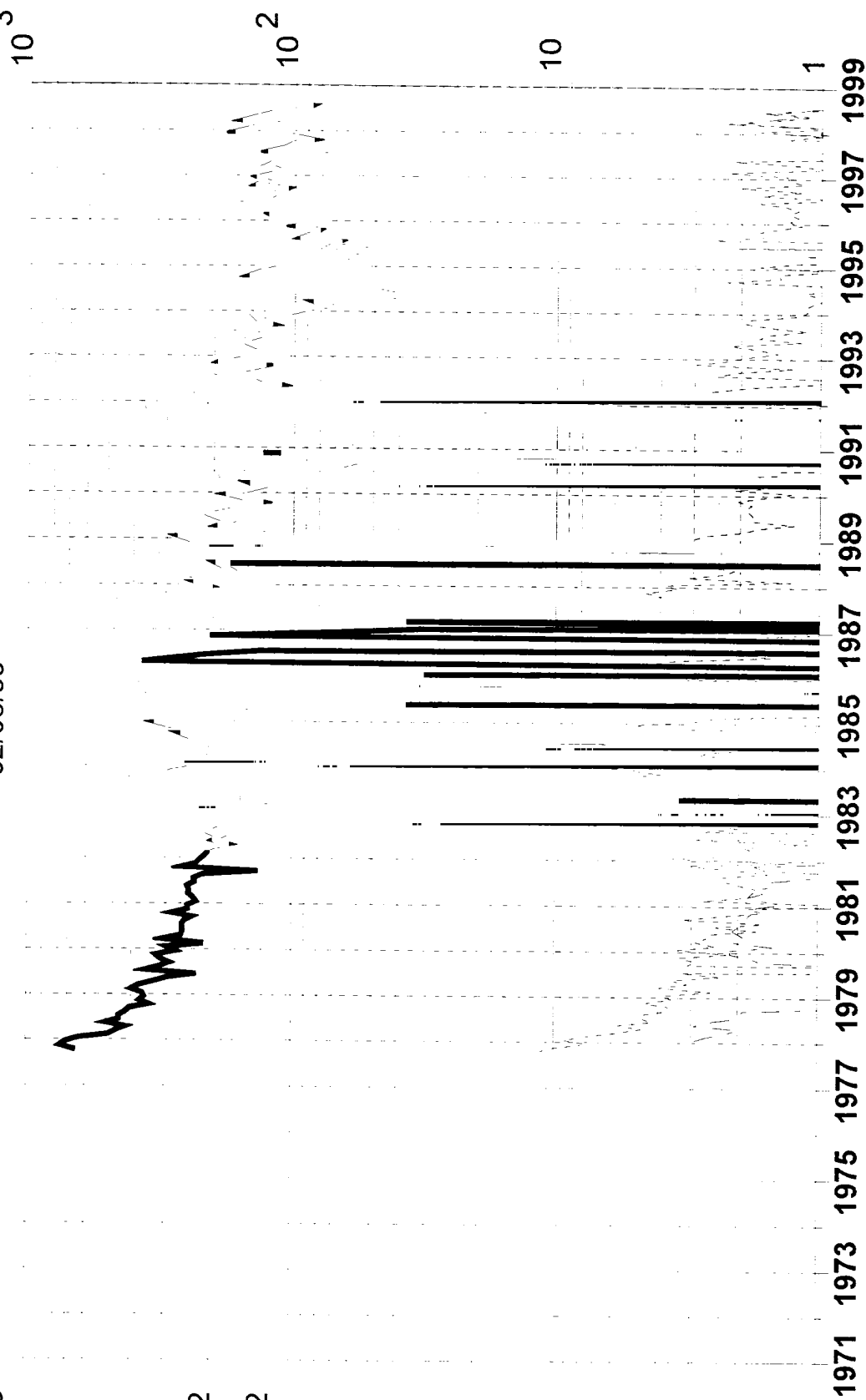
PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

10³
10³
10³

Lease: SAN JUAN 28 7 UNIT (134)

Dwights

Retrieval Code: 251,039,28N07W21K00DK
02/08/99



Gas (mcf/day)

County: RIO ARRIBA, NM

F.P. Date: 10/77

Oil (bbl/day)

Water (bbl/day)

Field: BASIN (DAKOTA) DK

Oil Cum: 14.78 mbbl

Reservoir: DAKOTA

Gas Cum: 1293 mmcf

Operator: CONOCO INC

Location: 21K 28N 7W

**MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

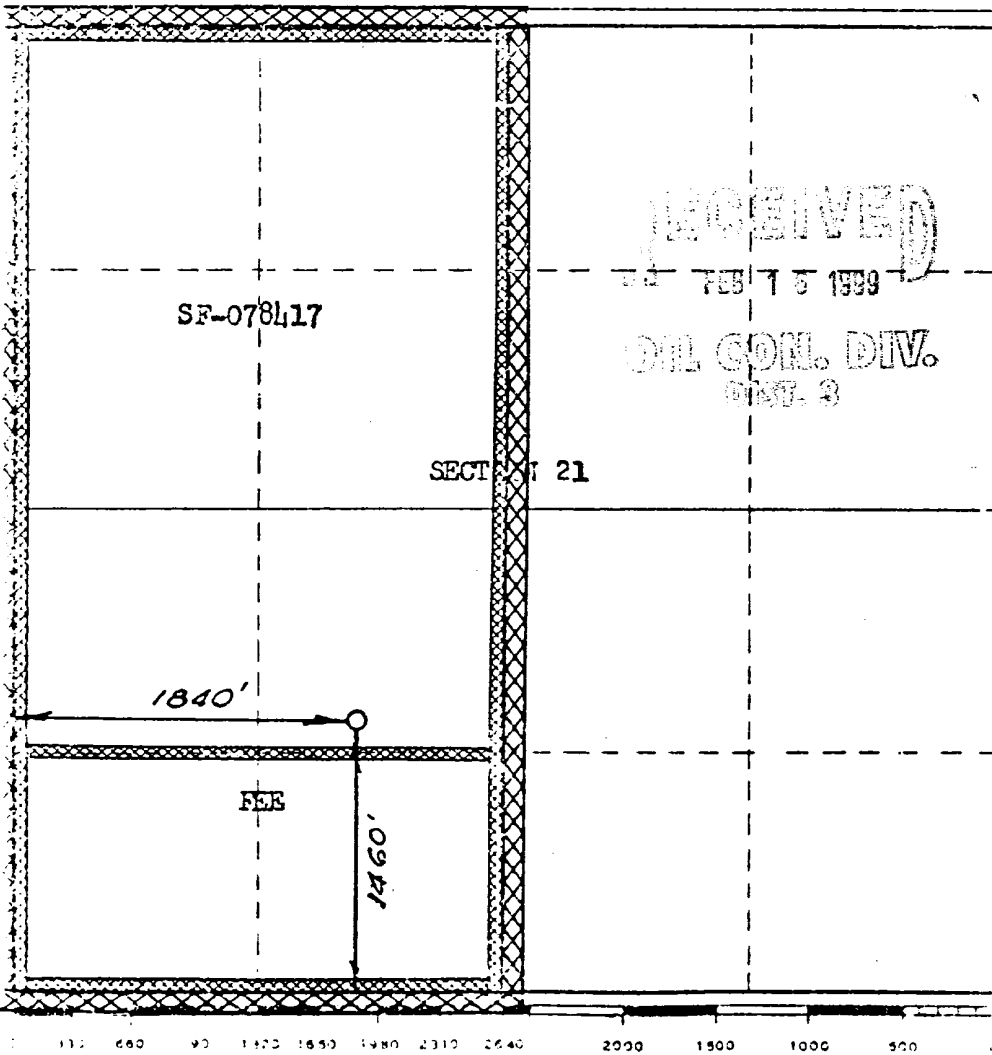
Operator EL PASO NATURAL GAS COMPANY		Lease SAN JUAN 28-7 UNIT (SF-078417)		Well No. 134
Unit Letter K	Section 21	Township 28-N	Range 7-W	County RIO ARRIBA
Actual Footage Location of Well: 1460 feet from the SOUTH line and 1840 feet from the WEST line				
Ground Level Elev. 5998	Producing Formation DAKOTA	Pool BASIN DAKOTA	Dedicated Acreage: 320.00 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION
<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>
Original Signed by D. G. Edger
Title Drilling Clerk
Company El Paso Natural Gas Co.
Date February 14, 1977
<i>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 knowledge and belief.</i>
Date DECEMBER 28, 1972
Operator <i>[Signature]</i>
1760

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-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

1 API Number 30-039-21329		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 016608		5 Property Name San Juan 28-7 Unit			6 Well Number # 134
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 5998'

10 Surface Location

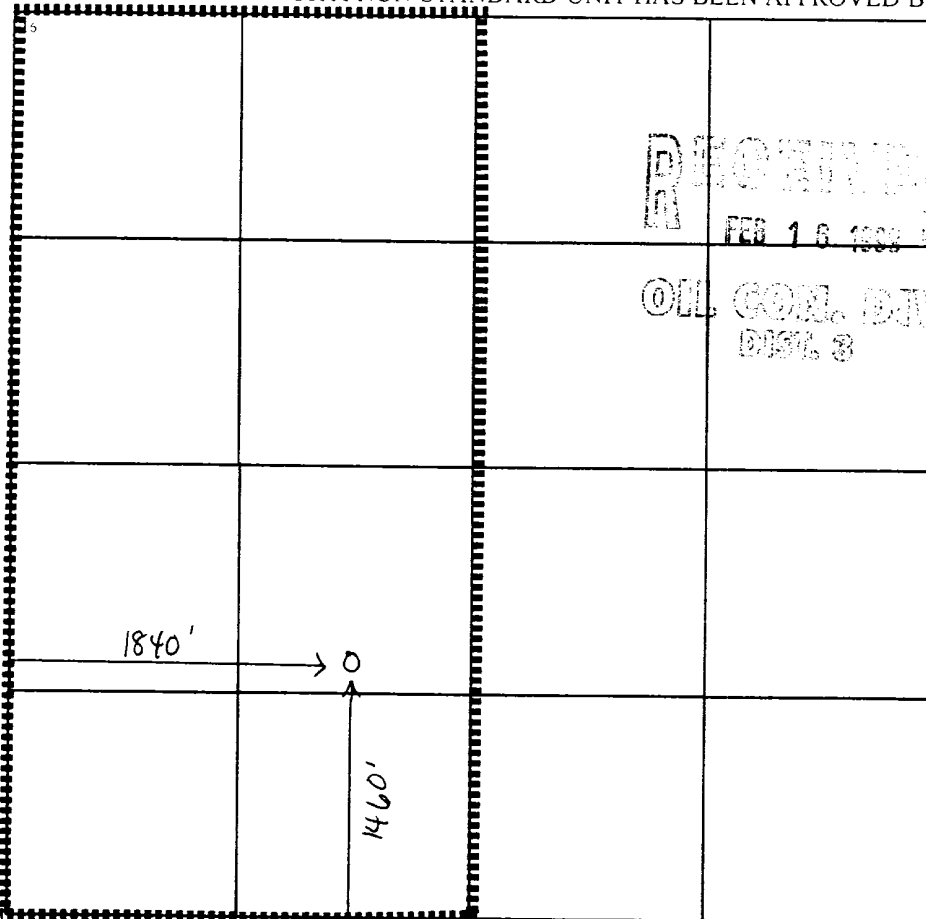
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	21	28N	7W		1460	South	1840	West	Rio Arriba

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 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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

January 28, 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 I
 PO Box 1980, Hobbs, NM 88241-1980

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 PO Drawer DD, Artesia, NM 88211-0719

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 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-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

1 API Number 30-039-21329		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 016608		5 Property Name San Juan 28-7 Unit			6 Well Number # 134
7 GRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 5998'

10 Surface Location

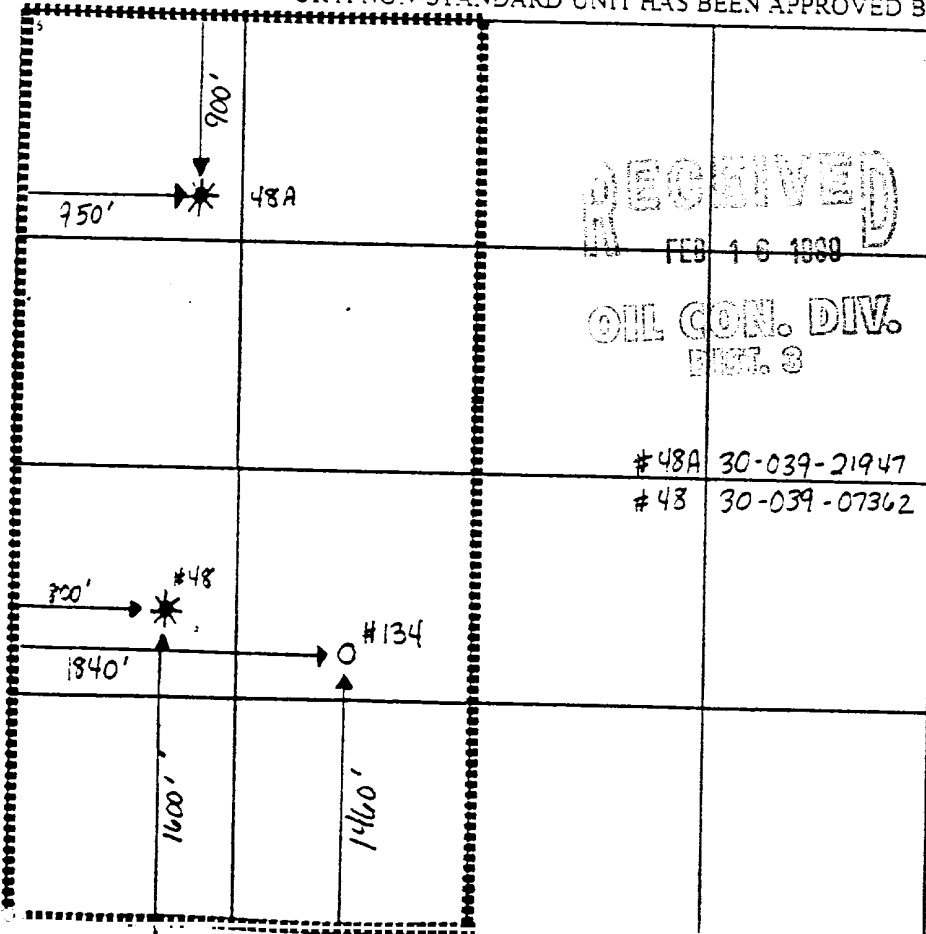
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	21	28N	7W		1460'	South	1840'	West	Rio Arriba

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 320	13 Joint or Infill	14 Consolidation Code	15 Order No. R-10987-A
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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

February 4, 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

February 11, 1999

RE: Notification of Offset Operators of C-107A Application
San Juan 28-7 Unit Well # 134

Conoco Inc is the sole operator of the San Juan 28-7 Unit. This well does not encroach on any outside unit boundary lines therefore there are no offset operators that require notification.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

Form approved
Budget Bureau No. 42-R255.5.

5. LEASE DESIGNATION AND SERIAL NO.

SF 078417

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

San Juan 28-7 Unit

8. FARM OR LEASE NAME

San Juan 28-7 Unit

9. WELL NO.

134

10. FIELD AND POOL, OR WILDCAT

Basin Dakota

11. SEC., T. R., M., OR BLOCK AND SURVEY OR AREA

Sec. 21, T-28-N, R-7-W

NMPM

12. COUNTY OR PARISH

Rio Arriba

13. STATE

New Mexico

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. CENVR. Other _____

2. NAME OF OPERATOR
El Paso Natural Gas Company

3. ADDRESS OF OPERATOR
P. O. Box 990, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1460' S, 1840' W

At top prod. interval reported below

At total depth

Recvd. Am. Prod.

AUG - 5 1977

JLF SD BJD TFS

14. PERMIT NO. DATE ISSUED

15. DATE SPUNDED 04-11-77 16. DATE T.D. REACHED 04-19-77 17. DATE COMPL. (Ready to prod.) 07-08-77 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5998' GR 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 7105' 21. PLUG, BACK T.D., MD & TVD 7097 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY → 0-7105' ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 6893-7076 (DK) 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN IL-GR; CDL-GR; Temperature Survey 27. WAS WELL CORED No

29. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	36#	222'	13 3/4"	224 cf	
7"	20#	2932'	8 3/4"	265 cf	
1 1/2"	10.5 & 11.6	7105'	6 1/4"	645 cf	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
1 1/2"	7053	

31. PERFORATION RECORD (Interval, size and number)
6893, 6900, 6916, 7012, 7022, 7042, 7050, 7059, 7076' with 1 shot per zone

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6893-7076'	128,000# sd; 79,000 gal. Gel Wtr.

33. PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, After Frac Gauge - 544 MCF/D)				WELL STATUS (Producing or shut-in) Shut-in	
DATE OF TEST 7-8-77	HOURS TESTED	CHOKE SIZE	PROP'N. FOR TEST PERIOD →	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
FLOW. TUBING PRESS. SI 2582	CASING PRESSURE SI 2592	CALCULATED 24-HOUR RATE →	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Solid, used for fuel, vented, etc.) TEST WITNESSED BY Norman Wagoner

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
G. Y. Guico TITLE Drilling Clerk DATE July 29, 1977

*(See Instructions and Spaces for Additional Data on Reverse Side)