

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88241 1980

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-107-A
 New 3-12-96

DISTRICT II
 811 South First St. Artesia NM 88210 2835

OIL CONSERVATION DIVISION

APPROVAL PROCESS:
 Administrative Hearing

DISTRICT III
 1000 Rio Brazos Rd. Aztec, NM 87410 1693

2040 S. Pacheco
 Santa Fe, New Mexico 87505-6429

EXISTING WELLBORE
 YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

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

Lease: Michener Well No: 1 Unit Ltr Sec Twp Rge: Section 28, T-28-N, R-9-W, E County: San Juan

OGRID NO. 005073 Property Code _____ API NO. 30-045-11679 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)	4235-4775'		6584-6747'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a (Current) 527		a. 719
	b(Original) 1157		b. 2362
6. Oil Gravity (*API) or Gas BT Content	1240		1246
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 should 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	Date Rates	Date Rates
	Date Rates Production allocation by Subtraction -See attached table	Date Rates	Date Rates Est 1/98 33 MCFD, .19 BOPD, 0 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	% Gas %	% Gas %	% Gas

RECEIVED
 FEB 25 1998
 OIL CON. DIV.
 DIST. 3

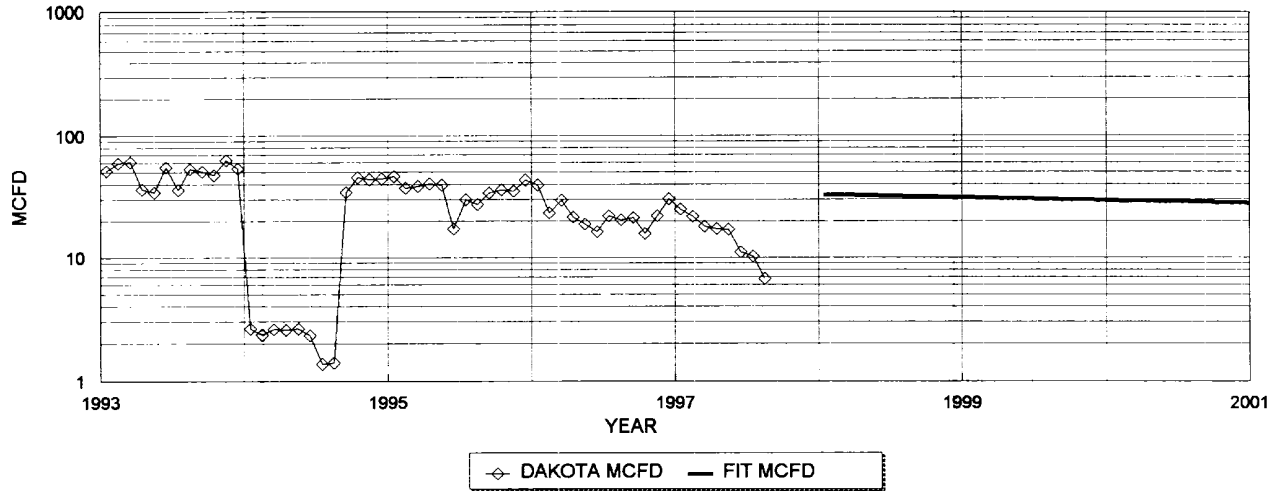
9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical 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. 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 Kay Maddox TITLE Regulatory Agent DATE February 23, 1998

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

**MICHENER 1 DAKOTA PRODUCTION
SECTION 28E-28N-09W**



DAKOTA HISTORICAL DATA:	1ST PROD: 05/67	PROJECTED DATA	
OIL CUM:	8.64 MBO	1/1/98 Qi:	33 MCFD
GAS CUM:	1073.2 MMCF	DECLINE RATE:	5.2% (EXPONENTIAL)
CUM OIL YIELD:	0.0080 BBL/MCF		
OIL YIELD:	0.0036 BBL/MCF, LAST 3 YRS		
AVG. USED:	0.0058 BBL/MCF		

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
1998	32	0.19
1997	30	0.18
1998	29	0.17
1999	27	0.16
2000	26	0.15
2001	25	0.14
2002	23	0.14
2003	22	0.13
2004	21	0.12
2005	20	0.12
2006	19	0.11
2007	18	0.10
2008	17	0.10
2009	16	0.09
2010	15	0.09
2011	14	0.08
2012	14	0.08
2013	13	0.08
2014	12	0.07
2015	12	0.07
2016	11	0.06
2017	10	0.06
2018	10	0.06
2019	9	0.05
2020	9	0.05
2021	8	0.05
2022	8	0.05
2023	8	0.04
2024	7	0.04
2025	7	0.04
2026	6	0.04
2027	6	0.04
2028	6	0.03
2029	6	0.03
2030	5	0.03

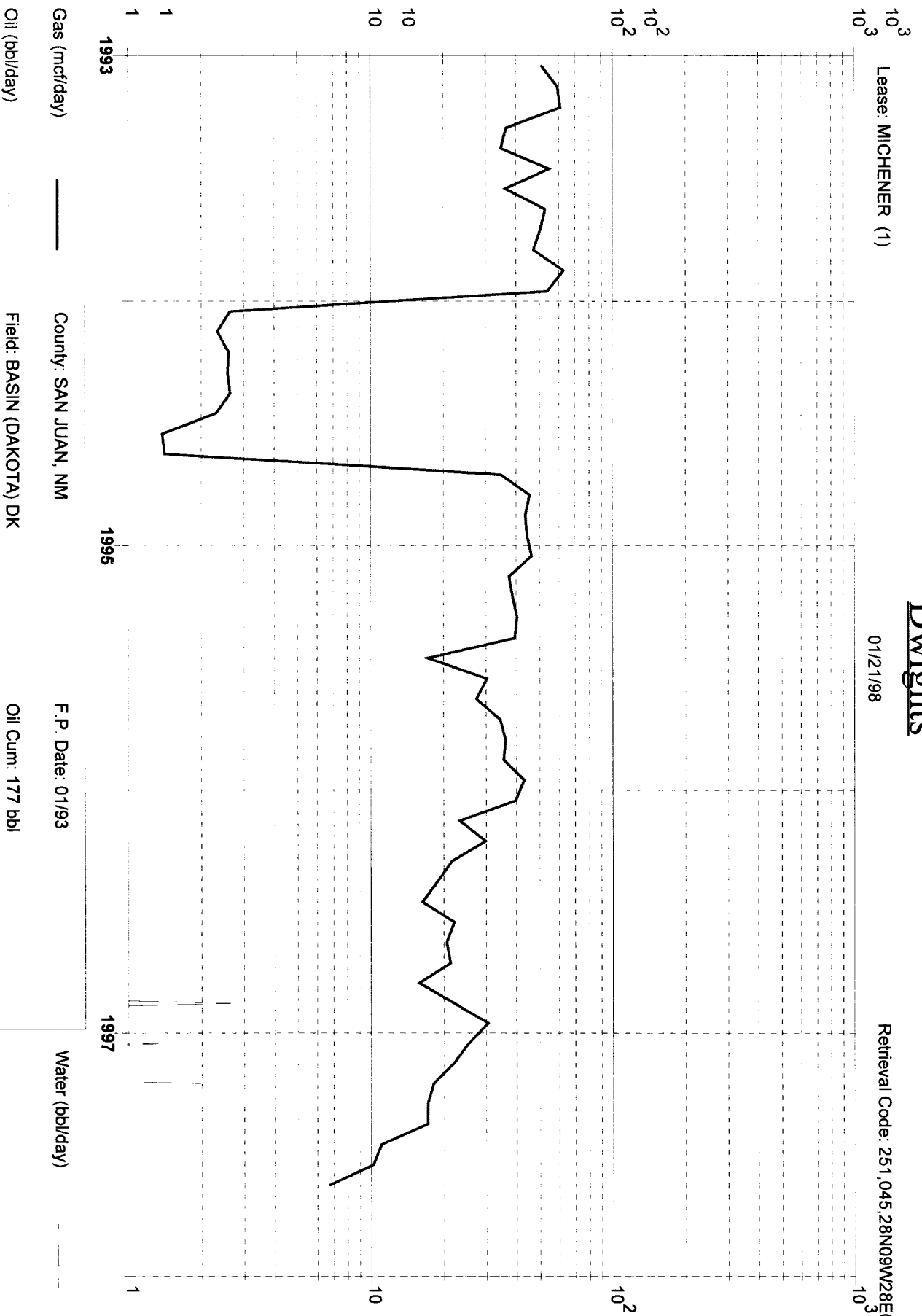
PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

Dwights

01/21/98

Lease: MICHENER (1)

Retrieval Code: 251_045_28N09W28E00DK



Gas (mcf/day) ———

Water (bbl/day) - - - -

Oil (bbl/day) - - - -

County: SAN JUAN, NM

F.P. Date: 01/93

Field: BASIN (DAKOTA) DK

Oil Cum: 177 bbl

Reservoir: DAKOTA

Gas Cum: 49.24 mmcf

Operator: AMOCO PRODUCTION CO

Location: 28E 28N 9W

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

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 30-045-11679		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code		5 Property Name Michener			6 Well Number 1
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 6004"

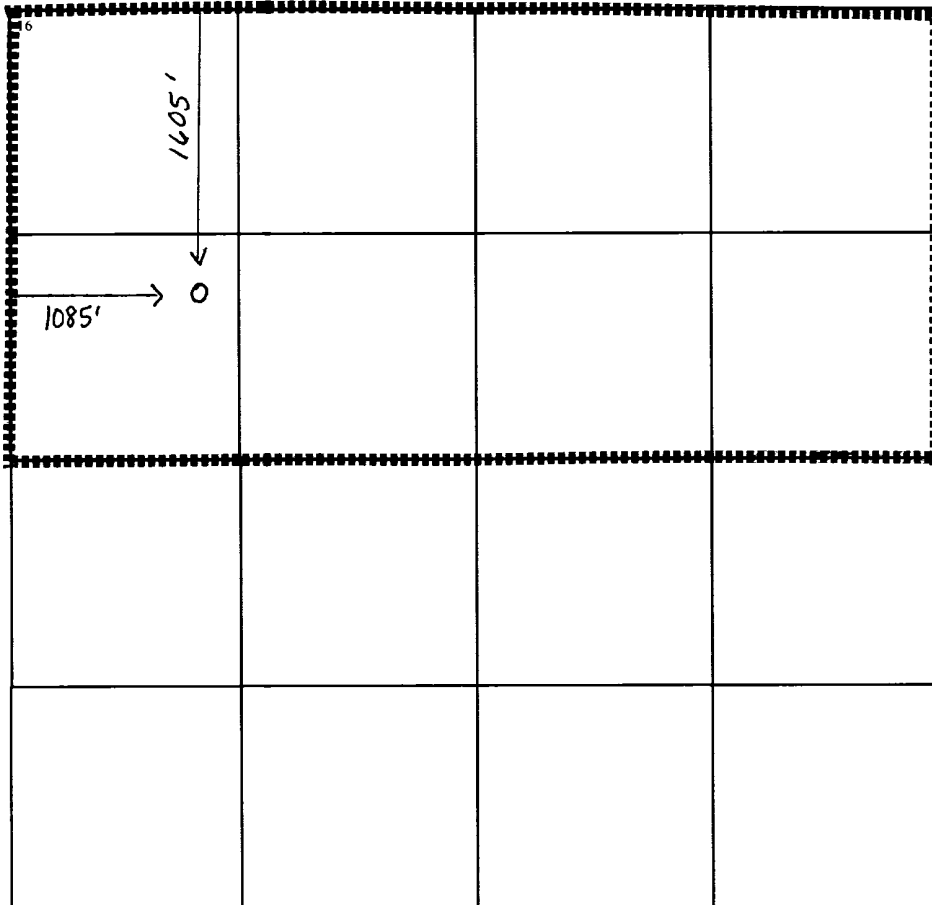
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	28	28N	9W		1605	North	1085	West	San Juan

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.			

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 20, 1998
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

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

Operator TENNECO OIL COMPANY		Lease MICHENER			Well No. 1
Unit Letter E	Section 28	Township 28 North	Range 9 West	County San Juan County	
Actual Footage Location of Well 1605 feet from the North line and 1085 feet from the West line		Producing Formation Basin Dakota			
Grade Level Elev. 6004' ungraded	Dedicated Average 320 Acres			N/2	

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: _____
 If answer is "no" list the owners and tract descriptions which have actually 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, force-pooling, or otherwise or until a non standard unit, eliminating such interests, has been approved by the Commission.

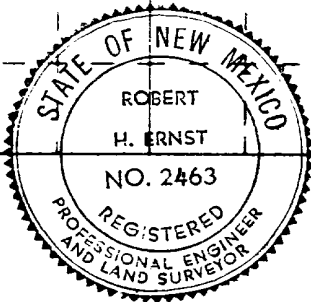
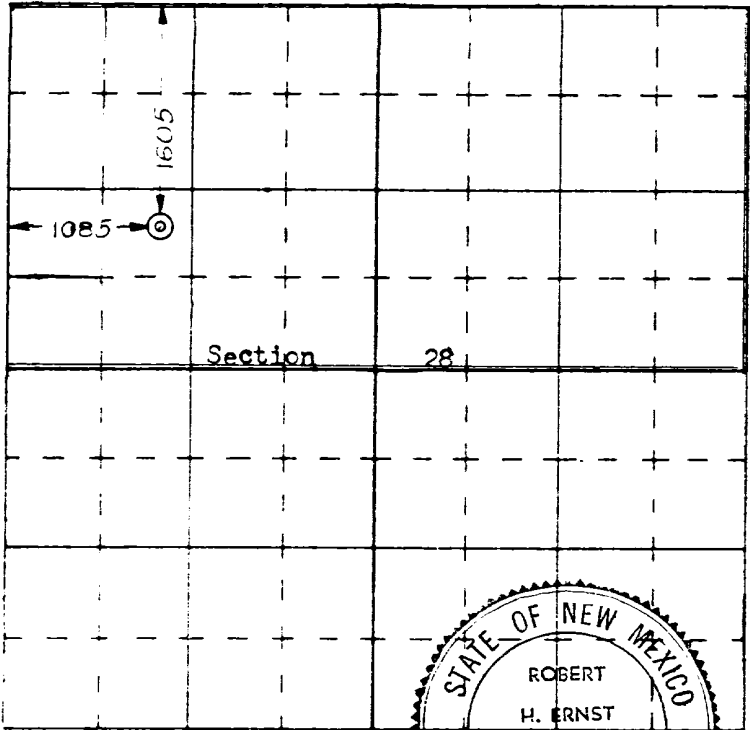
CERTIFICATION

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

Harold C. Nichols
 Name **Harold C. Nichols**
 Senior Production Clerk
 Employer **Tenneco Oil Company**
 Date **March 23, 1966**

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.

22 March 1966
 Date Surveyed
Robert H. Ernst
 Registered Professional Engineer
 and/or Land Surveyor
Robert H. Ernst
N. Mex. P.E. & L.S. 2463
 License No. _____



Ernst Engineering Co.
Durango, Colorado

Conoco, Inc.
10 Desta Dr Ste 100W
Midland, TX 79705

Re: Application to Downhole Commingle C-107A
Michener #1, Sec 28, T-28-N, R-9-W, E
San Juan County, New Mexico

Notification Of Offset Operators:

Amoco
PO Box 800
Denver, CO 80201

Burlington Resources
PO Box 4289
Farmington, NM 87499

S&G Interests
811 Dallas DTE 1505
Houston, TX 77002

Richardson Operating
1700 Lincoln St STE 1700
Denver, CO 80203