

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

District II
811 South First, Artesia, NM 88210

District III
1000 RioBrazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Engery, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-104
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address CONOCO, INC. 10 Desta Drive, Suite 100 West Midland, TX 79705-4500		² OGRID Number 005073
		³ Reason for Filing Code Change of Operator 1/1/98
⁴ API Number 30-045-13254	⁵ Pool Name BLANCO MESAVERDE	⁶ Pool Code 72319
⁷ Property Code	⁸ Property Name LACKEY B LS	⁹ Well Number 8

II. ¹⁰ Surface Location

UL or lot no. M	Section 20	Township 28N	Range 09W	Lot.Idn	Feet from the 890	North/South Line S	Feet from the 990	East/West line W	County SJ
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¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot.Idn	Feet from the	North/South Line	Feet from the	East/West line	County
¹² Lse Code F	¹³ Producing Method Code	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description

RECEIVED
DEC 2 8 1997

IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description
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OIL CON. DIV.
DIST. 2

V. Well Completion Data

²⁵ Spud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBTD	²⁹ Perforation	³⁰ DHC,DC,MC
³¹ Hole Size	³² Casing and Tubing Size	³³ Depth Set	³⁴ Sacks Cement		

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date	³⁸ Test Length	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure
⁴¹ Choke Size	⁴² Oil	⁴³ Water	⁴⁴ Gas	⁴⁵ AOF	⁴⁶ Test Method

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Bill R. Keathly

Printed Name: Bill R. Keathly

Title: Sr. Regulatory Specialist

Date: January 1, 1998

Phone: (915) 686-5427

OIL CONSERVATION DIVISION

Approved by: Frank T. Chavez

Title: Supervisor District #3

Approval Date:

⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator

Gail Jefferson

Previous Operator Signature

Gail Jefferson

Printed Name

Amoco Production Company

Senior Administrative Staff Assistant

Title

OGRID# 000778

1/1/98

Date

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		³ Reason for Filing Code Change of Operator 1/1/98
⁴ API Number 30-045-13254	⁵ Pool Name AZTEC PICTURED CLIFFS	
	⁶ Pool Code 71280	
⁷ Property Code	⁸ Property Name LACKEY B LS	
	⁹ Well Number 8	

II. ¹⁰ Surface Location

UL or lot no. M	Section 20	Township 28N	Range 09W	Lot.Idn	Feet from the 890	North/South Line S	Feet from the 990	East/West line W	County SJ
--------------------	---------------	-----------------	--------------	---------	----------------------	-----------------------	----------------------	---------------------	--------------

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot.Idn	Feet from the	North/South Line	Feet from the	East/West line	County
¹² Lse Code F	¹³ Producing Method Code		¹⁴ Gas Connection Date		¹⁵ C-129 Permit Number		¹⁶ C-129 Effective Date		¹⁷ C-129 Expiration Date

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description

IV. Produced Water

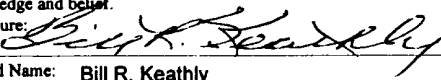
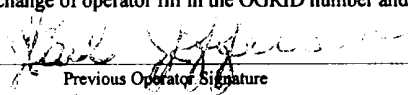
²³ POD	²⁴ POD ULSTR Location and Description
-------------------	--

V. Well Completion Data

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⁴¹ Choke Size	⁴² Oil	⁴³ Water	⁴⁴ Gas	⁴⁵ AOF	⁴⁶ Test Method

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: 		OIL CONSERVATION DIVISION	
Printed Name: Bill R. Keathly		Approved by: Frank T. Chavez	
Title: Sr. Regulatory Specialist		Title: Supervisor District #3	
Date: January 1, 1998		Approval Date:	
Phone: (915) 686-5427			
⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator			
		Amoco Production Company OGRID# 000778	
Previous Operator Signature		Senior Administrative Staff Assistant 1/1/98	
Printed Name		Title	
		Date	

DISTRICT I

DISTRICT II

DISTRICT III

811 South First St. Artesia NM 88210-2835

1000 Rio Brazos Rd. Aztec, NM 87410-1691

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107-A
New 3-12-90

APPROVAL PROCESS

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

Conoco Inc

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

Lackey BLS

8 070 FARMINGTON

Section 20, T-28-N, R-9-W, M

San Juan

Lease

Well No.

Unit Ltr Sec Twp Rge

County

OGRID NO

005073

Property Code

22395

API NO

30-045-13254

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	Aztec Pictured Cliffs 71280		Blanco Mesaverde 72319
2 TOP and Bottom of Pay Section (Perforations)	2040-2082'		4288-4424'
3 Type of production (Oil or Gas)	Gas		Gas
4 Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5 Bottomhole Pressure	a (Current) 221		419
Oil Zones - Artificial Lift Gas & Oil - Flowing All Gas Zones Estimated Or Measured Original	b (Original) 667		1222
6 Oil Gravity (*API) or Gas BT Content	1150		1200
7 Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	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 8/97 78 MCFD, 0 BOPD, () BWPD	Date Rates 8/97 19 MCFD, 0.4 BOPD, () BWPD	Date Rates 8/97 19 MCFD, 0.4 BOPD, () BWPD
8 Fixed Percentage Allocation Formula - % for each zone	0 % Gas 52 %		100 % Gas 48 %

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 ☐ No11. 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 ☐ No13. 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): Dual Produced Order # DC-418

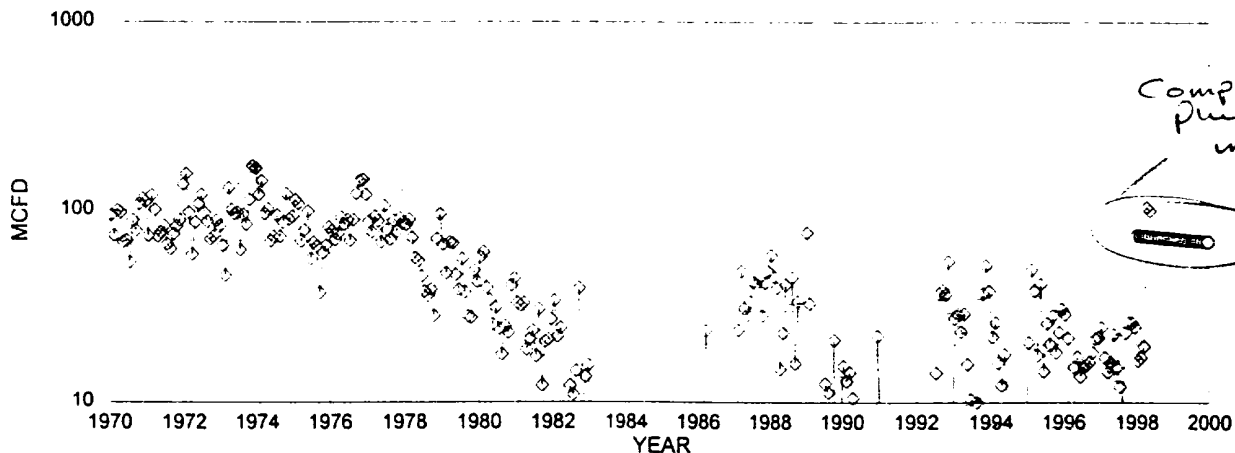
16. ATTACHMENTS

- * 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 August 12, 1998TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

LACKEY B LS 8 MESAVERDE PRODUCTION
SECTION 20M-28N-09W

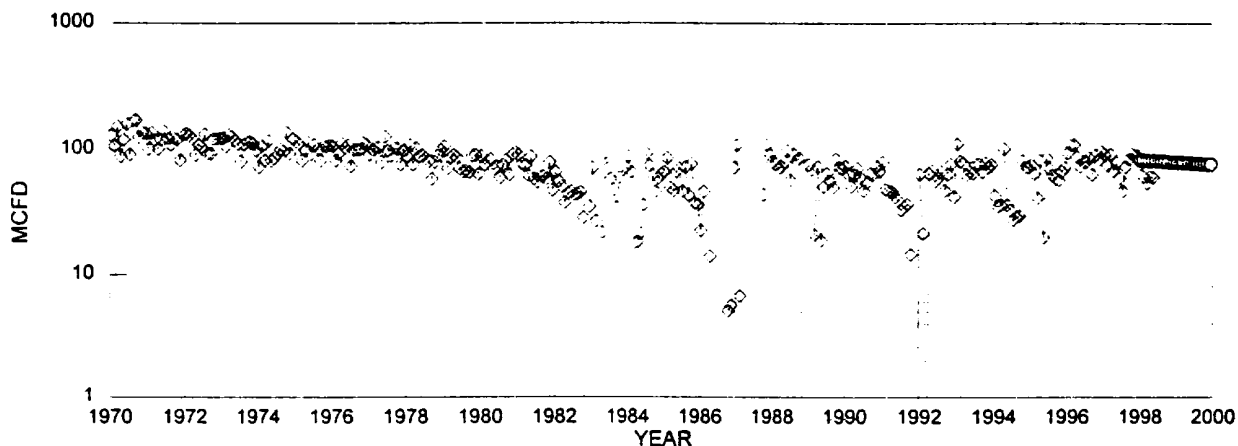


→ MESAVERDE → FIT MCFD

MESAVERDE HISTORICAL DATA: 1ST PROD: 06/57 MV PROJECTED DATA

OIL CUM:	14.82 MBO	1/1/98 Qi:	75 MCFD	0.98 BOPD
GAS CUM:	1128.9 MMCF	DECLINE RATE:	4.0% (EXPONENTIAL)	
OIL YIELD:	0.0131 BBL/MCF			

LACKEY B LS 8 PICTURED CLIFFS PRODUCTION
SECTION 20M-28N-09W



→ PC → FIT MCFD

PC HISTORICAL DATA

1ST PROD: 06/57

PC PROJECTED DATA

OIL CUM:	0.0 MBO	1/1/98 Qi:	83 MCFD	0.00 BOPD
GAS CUM:	1461.0 MMCF	DECLINE RATE:	4.0% (EXPONENTIAL)	
OIL YIELD:	0.0000 BBL/MCF			

FIXED COMMINGLE ALLOCATION FACTORS:

	GAS	OIL	GAS ALLOCATION BASED ON PROJECTED 1998 RATES
MESAVERDE	48%	100%	OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS
PICT CLIFFS	52%	0%	

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGYDATA

Calculate BHP and Z-factor from surface shut-in pressure

DESCRIPTION:	Mesaverde Formation - original pressure based on ISIP		
WELL NAME :	Lackey B LS 8 (20M 28N 09W)		
GAS GRAVITY:	0.70	% N2	0.40 %
CONDENSATE (YES=1):	1	% CO2	0.85 %
RESERVOIR TEMP:	150 'F	% H2S	0.00 %
SURFACE TEMP:	60 'F	Pc =	667.68
DEPTH OF ZONE:	4,356 feet	Tc =	381.89

SURFACE PRES	BHP	Z	BHP/Z
psi	psi		psi
1,081	1,222	0.8704	1,404

Calculate BHP and Z-factor from surface shut-in pressure

DESCRIPTION:	Mesaverde Formation - current pressure based on SIP		
WELL NAME :	Lackey B LS 8 (20M 28N 09W)		
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RESERVOIR TEMP:	150 'F	% H2S	0.00 %
SURFACE TEMP:	60 'F	Pc =	667.68
DEPTH OF ZONE:	4,356 feet	Tc =	381.89

SURFACE PRES	BHP	Z	BHP/Z
psi	psi		psi
376	419	0.9511	440

Calculate BHP and Z-factor from surface shut-in pressure

DESCRIPTION:	Pictured Cliffs Formation - original pressure based on ISIP		
WELL NAME :	Lackey B LS 8 (20M 28N 09W)		
GAS GRAVITY:	0.65	% N2	0.25 %
CONDENSATE (YES=1):	0	% CO2	0.80 %
RESERVOIR TEMP:	115 'F	% H2S	0.00 %
SURFACE TEMP:	60 'F	Pc =	673.92
DEPTH OF ZONE:	2,061 feet	Tc =	372.60

SURFACE PRES	BHP	Z	BHP/Z
psi	psi		psi
634	667	0.9137	730

Calculate BHP and Z-factor from surface shut-in pressure

DESCRIPTION:	Pictured Cliffs Formation - current pressure based on SIP		
WELL NAME :	Lackey B LS 8 (20M 28N 09W)		
GAS GRAVITY:	0.65	% N2	0.25 %
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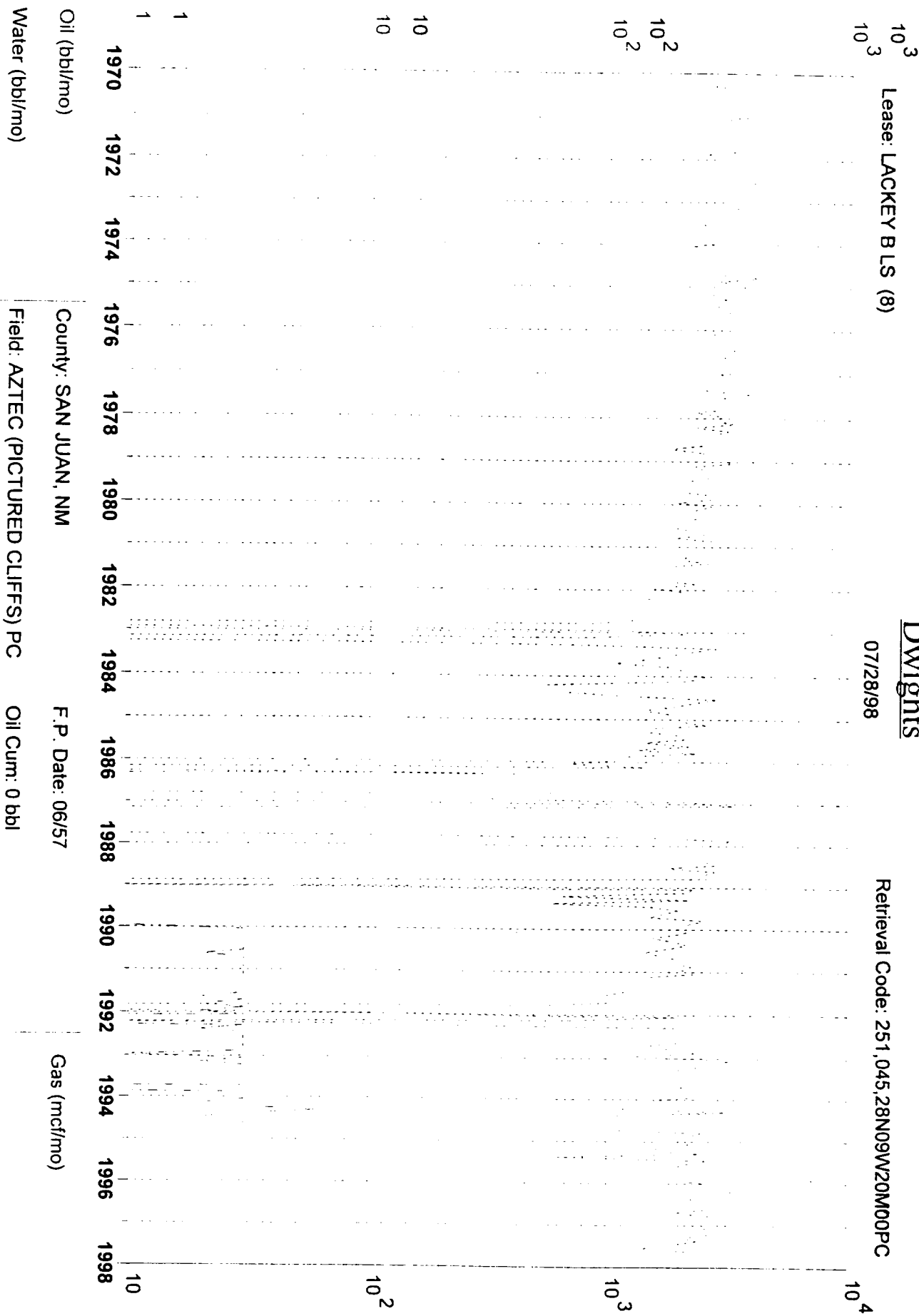
SURFACE PRES	BHP	Z	BHP/Z
psi	psi		psi
211	221	0.9705	228

Dwights

Lease: LACKEY B LS (8)

07/28/98

Retrieval Code: 251,045,28N09W20M00PC



Oil (bbl/mo)

Water (bbl/mo)

County: SAN JUAN, NM

Field: AZTEC (PICTURED CLIFFS) PC

F.P. Date: 06/57

Oil Cum: 0 bbl

Gas (mcf/mo)

Reservoir: PICTURED CLIFFS

Gas Cum: 1451 mmcf

Operator: CONOCO INC

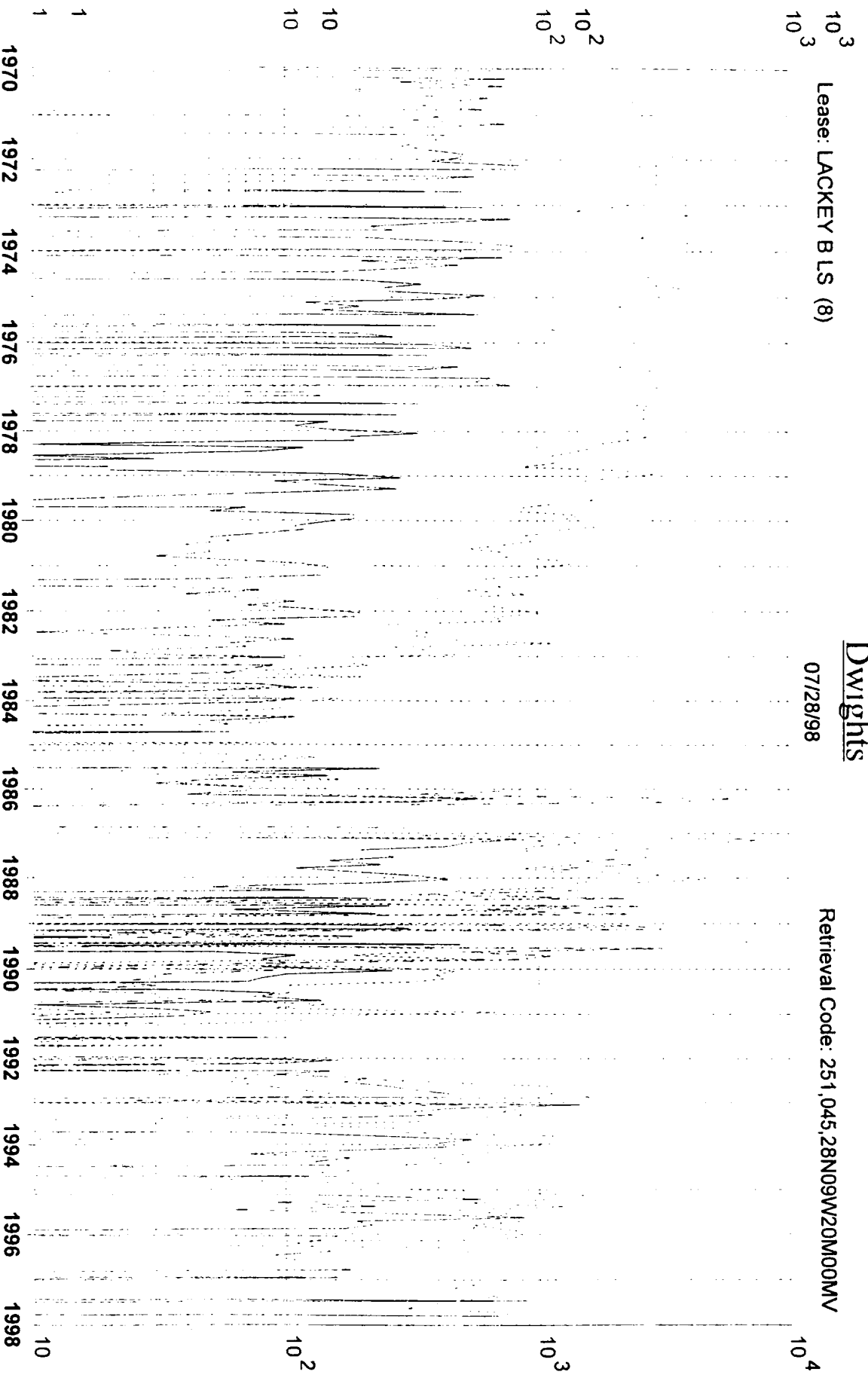
Location: 20M 28N 9W

Dwights

Lease: LACKEY B LS (8)

07/28/98

Retrieval Code: 251,045,28N09W20M00MV



Oil (bbl/mo)

County: SAN JUAN, NM

F.P. Date: 06/57

Gas (mcf/mo)

Water (bbl/mo)

Field: BLANCO (MESAVERDE) MV

Oil Cum: 14.75 mbbl

Reservoir: MESAVERDE

Gas Cum: 1121 mmcf

Operator: CONOCO INC

Location: 20M 28N 9W

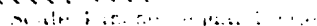
WELL LOCATION AND DEPTH INFORMATION - AT

SF 077106

94

WEST

160 AC. PC
320 AC. NY
(1919 PLAT)



1. *What is the purpose of the study?*
 2. *What are the research questions?*
 3. *What are the hypotheses?*

Witness: Box 997, Farmington, N.M.

Lackey B LS #8
API # 30-045-13254
Section 20, T-28-N, R-9-W, M
San Juan County, NM

RE; Downhole Commingle Application C-107 A

OFFSET OPERATORS:

Burlington Resources
PO Box 4289
Farmington, NM 87499

Amoco
PO Box 800
Denver, CO 80201

A copy of the C-107A Application was sent to the above listed parties for notification of Conoco's intent to downhole commingle the Mesaverde and Pictured Cliffs. This well is currently being produced as a dual well.

REQUEST FOR (OIL) - (GAS) ALLOWABLE

New Well
~~Recompletion~~

This form shall be submitted by the operator before an initial allowable will be assigned to any completed Oil or Gas well. Form C-104 is to be submitted in QUADRUPLICATE to the same District Office to which Form C-101 was sent. The allowable will be assigned effective 7:00 A.M. on date of completion or recompletion, provided this form is filed during calendar month of completion or recompletion. The completion date shall be that date in the case of an oil well when oil is delivered into the stock tanks. Gas must be reported on 15.025 psia at 60° Fahrenheit.

Farmington, N.M.

April 8, 1957

(Place)

(Date)

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

El Paso Natural Gas Co.

Lackey

Well No. 5-B (FM), in SW 1/4 SW 1/4

(Company or Operator)

(Lease)

M

Sec 20

T 28N

R 9W

NMPM

Blanco

Pool

Unit Letter

San Juan

County Date Spudded 1-15-57

Date Completed 2-21-57

Please indicate location:

D	C	B	A
E	F	G	H
L	K	J	I
M X	N	O	P

8905, 990W

Casing and Cementing Record

Size Feet Set

10-3/4"	162'	150
7"	3810'	300
5-1/2"	4074'	120
2"	4419'	30
1-1/4"	4665'	30

Elevation 5861 Total Depth 4483 P.C.O. 4440'

Top oil/gas pay 4288' (Perf) Name of Prod. Form M.V.

Casing Perforations: 4228-4300; 4322-4332; 4360-4386; 4414-4424 or

Depth to Casing shoe of Prod. String 3732-4440 (Liner)

Natural Prod. Test BOPD

based on bbls. Oil in Hrs. Mins.

Test after acid or shot BOPD

Based on bbls. Oil in Hrs. Mins.

Gas Well Potential: ACP = 5005 MCF/D; Ch. Volume = 3842 MCF/D

Size choke in inches 3/4"

Date first oil run to tanks or gas to Transmission system: W/O Pipeline

Transporter taking Oil or Gas: El Paso Natural Gas Company

Remarks: Perf. nipple (3-12') set at 4394'; Baker ECU packer set at 3706'; Garrett perf. Sleeve at 2103'.

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

OIL COM. COM.
DIST. 3

Approved: APR 11 1957, 19

El Paso Natural Gas Company

(Company or Operator)

OIL CONSERVATION COMMISSION

By: Original Signed Emery C. Arnold

Title: Oil and Gas Inspector Dist. #3

By:

(Signature)

Title: Petroleum Engineer

Send Communications regarding well to:

Name: E. J. Coal

Address: Box 997 - Farmington, New Mexico

New Well!
XXXXXXXXXX

Farmington, N.H.

April 8, 1957

(Place)

(Date: _____)

El Paso Natural Gas Co.

Company or Operator)

Lacey

(Leave)

Well No. 3-B (FM), in SW $\frac{1}{4}$ SW $\frac{1}{4}$.

4

Sec. 20

T 2.3

RW

NMPM Aztec F.C.

Pool

ဒီပဲနီ ဂျီပဲနီ

County. Date Spudded.....1-15-57

Date Completed.....2-21-57

D	C	B	A
E	F	G	H
L	K	J	I
M X	N	O	P

Elevation 5061 Total Depth 4483 ~~XXX~~ C.O. 4440'

Top oil/gas pay 2040* (Perf) Name of Prod. Form U.C.

Casing Perforations: 2040-2056; 2063-2072 or

Depth to Casing shoe of Prod. String..... 8012

Natural Prod. Test.....BOPD

based on.....bbls. Oil in.....Hrs.....Mins.

Test after acid or shot.....BOPD

Based on..... bbls. Oil in..... Hrs..... Mins.

Gas Well Potential. A.G.F. = 4041 MCF/D; Ch. Volume = 3458 MCF/D

Size choke in inches..... 3/4"

Date first oil run to tanks or gas to Transmission system: **W/O Pipeline**

Transporter taking Oil or Gas: El Paso Natural Gas Company

Remarks: Perf. nipple (3.20') set at 4394'; Baker 50W packer set at 3764';
Marrett perf. sleeve at 2103'.

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

Approved..... 19.....

El Paso Natural Gas Company

OIL CO., CO.

0:57.3

Company or Operator

B

(Signature)

Title Petroleum Engineer

Send Communications regarding well to:

Name **E. J. Coal**

Address Box 997 - Farmington, New Mexico

OIL CONSERVATION COMMISSION

Original Signed Emery C. Arnold

Title **Oil and Gas Inspector Dist. #3.**

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

New Mexico

OIL CONSERVATION COMMISSION

RECEIVED
BLM

58 AUG 14 AM 10:23

LAND COMMISSIONER, MURRAY E. MORGAN
MEMBER

STATE GEOLOGIST, A. L. PORTER JR.
SECRETARY DIRECTOR



070 FARMINGTON, NM


P. O. BOX 871
SANTA FE, NEW MEXICO
April 16, 1957

El Paso Natural Gas Company
P. O. Box 997
Farmington, New Mexico

Gentlemen:

Enclosed please find Administrative Order No. DC-418 for your Lackey Well No. 8-B (PM), located 890 feet from the South line and 980 feet from the West line of Section 20, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico, in the Aztec-Pictured Cliffs Gas Pool and in the Mesaverde Formation within one mile of the Blanco Mesaverde Gas Pool.

Very truly yours,


A. L. PORTER, JR.
Secretary-Director

/dea
Enclosure

SUBJECT: DUAL COMPLETION (GAS-GAS)

April 8, 1957

ORDER NO. DC-418

THE APPLICATION OF EL PASO NATURAL GAS COMPANY FOR PERMISSION TO EFFECT DUAL COMPLETION OF ITS LACKEY WELL NO. 8-B (PM) LOCATED 890 FEET FROM THE SOUTH LINE AND 980 FEET FROM THE WEST LINE OF SECTION 20 TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO, IN THE AZTEC-PICTURED CLIFFS GAS POOL AND IN THE MESA-VERDE FORMATION WITHIN ONE MILE OF THE BLANCO MESAVERDE GAS POOL.

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 112-A (c) El Paso Natural Gas Company made application to the New Mexico Oil Conservation Commission on April 8, 1957, for permission to dually complete its Lackey Well No. 8-B (PM), located 890 feet from the South line and 980 feet from the West line of Section 20, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico, in the Aztec-Pictured Cliffs Gas Pool and in the Mesaverde Formation within one mile of the Blanco Mesaverde Gas Pool.

The Secretary-Director Finds:

- (1) That application has been duly filed under the provisions of Sub-section 'c' of Rule 112-A of the Commission's Rules and Regulations;
- (2) That satisfactory information has been provided that all operators of offset acreage have been duly notified; and
- (3) That waivers of objection from all affected offset operators have been received.

IT IS THEREFORE ORDERED:

That the applicant, herein, El Paso Natural Gas Company be and it hereby is authorized to dually complete its Lackey Well No. 8-B (PM), located 890 feet from the South line and 980 feet from the West line of Section 20, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Aztec-Pictured Cliffs Pool through proper perforation of the casing and through the casing-tubing annulus and the production of gas from the Mesaverde Formation through proper perforation of the liner and through the tubing, and the installation of a suitable packer and with the installation of adequate surface equipment to maintain complete separation of the two zones of production.

PROVIDED HOWEVER, That subject well shall be completed and thereafter produced in such a manner that there will be no commingling within the well-bore, either within or outside the casing of gas, oil and gas, or oil produced from either or both of the separate strata,

PROVIDED HOWEVER, That prior to the actual dual completion the operator shall make pressure tests of the casing to prove that no casing leaks have developed since the well was originally completed. In the event a casing leak is apparent the operator shall take appropriate steps to adequately repair the leak. The results of these tests shall be reported to the Commission on Form C-103.

PROVIDED FURTHER, That upon the actual dual completion of such subject well applicant shall submit to the appropriate District Office of the Commission, copies of Oil Conservation Commission Form C-104, Form C-110, and Form C-122, outlining the information required on those forms by existing Rules and Regulations, and two copies of the electric log of the well.

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used, at any time, as may be required by the Commission or its representatives, in order that natural gas, oil, or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio thereof determined, and


PROVIDED FURTHER, That the operator-applicant shall make any and all tests, including segregation tests and packer leakage tests upon completion and annually thereafter during the deliverability test period for the Aztec-Pictured Cliffs Pool, but not excluding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of the Commission and by representatives of offset operators, if any there be, at their election, and the results of each test properly attested to by the applicant herein and all witnesses, and shall be filed with the Commission within fifteen (15) days after completion of such test, and further that operator shall submit a packer setting affidavit within fifteen (15) days of completion and after remedial work whenever the packer is disturbed, and

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata, and a special report of production, gas-oil ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.

IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

APPROVED at Santa Fe, New Mexico, on this 8th day of April, 1957.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


A. L. PORTER, JR.
Secretary-Director

S E A L

/dea

Conditions of Approval

Conoco Inc.
Lackey B LS No. 8
890 FSL and 990' FWL
Sec 20-28N-09W

- 1) Authorization is given for the allocation procedures outlined below, a Sundry Notice of Intent (form 3160-5) must be filed prior to commencing the mechanical aspects of downhole commingling. Please provide a detailed procedure of the proposed operations for our review and consideration.
- 2) The following are approved allocation factors for gas and associated liquid hydrocarbons produced from the referenced well:

<u>Formation</u>	<u>Gas</u>	<u>Oil</u>
Pictured Cliffs	52%	0.0%
Mesaverde	48%	100%

Commingled production from each zone must be reported in accordance to the allocation factors presented above.

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

5. Lease Designation and Serial No.

SF 077106

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

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)

Section 20, T-28-N, R-9-W, M
890' FSL & 990' FWL

8. Well Name and No.

Lackey B LS #8

9. API Well No.

30-045-13254

10. Acreage Reported for this Well

Mesaverde

11. County or Parish, State

San Juan, NM

12. 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 Commingle

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

(Note: Repon results of multiple completion 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.)

It is proposed to downhole commingle the Pictured Cliffs and the Mesaverde in this well.

RECEIVED
BLM
98 AUG 14 AM 10:23
070 FARMINGTON, NM

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

Signed

Kay Maddox

Title

Kay Maddox

Regulatory Agent

Date

8/12/98

(This space for Federal or State office use)

Approved by

/s/ Duane W. Spencer

Title

Date

SEP 24 1998

Conditions of approval if any:

BLM(6), NMOCD(1), SHEAR, PONCA, COST ASST, FILE ROOM

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

DISTRICT I

DISTRICT II

DISTRICT III

DISTRICT IV

DISTRICT V

DISTRICT VI

State of New Mexico
Energy, Minerals and Natural Resources DepartmentForm C-107-A
New 3-12-90

RECEIVED OIL CONSERVATION DIVISION

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

APPROVAL PROCESS

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

Conoco Inc

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

Lackey BLS

070 FARMINGTON, NM

Section 20, T-28-N, R-9-W, M

San Juan

Lease

Well No.

Unit, EIR, Sec, Twp, Rge

County

OGRID NO 005073

Property Code 22395

API NO

30-045-13254

Spacing Unit Lease Types (check 1 or more)

Federal ☒ State ☐ (Land) Fee ☐

The following facts are submitted in support of downhole commingling	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Aztec Pictured Cliffs 71280		Blanco Mesaverde 72319
2. TOP and Bottom of Pay Section (Perforations)	2040-2082'		4288-4424'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure	a. (Current) 221		419
Oil Zones - Artificial Lift Gas & Oil - Flowing All Gas Zones Estimated Current Measured Current Estimated Or Measured Original	b. (Original) 667		1222
6. Oil Gravity (°API) or Gas BT Content	1150		1200
7. Producing or Shut-in?	Producing		Producing
Production Marginal? (yes or no)	Yes		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 8/97 78 MCFD, 0.4 BOPD, 0 BWPD	Date Rates	Date Rates 8/97 19 MCFD, 0.4 BOPD, 0 BWPD
8. Fixed Percentage Allocation Formula - for each zone	0 Gas 52		100 Gas 48

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?

X 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?

X Yes ___ No

11. Will cross-flow occur? X 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. X Yes ___ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each others

X Yes ___ No

13. Will the value of production be decreased by commingling?

___ Yes X 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. X Yes ___ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions:

ORDER NO(S) Dual Produced Order # DC-418

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 August 12, 1998

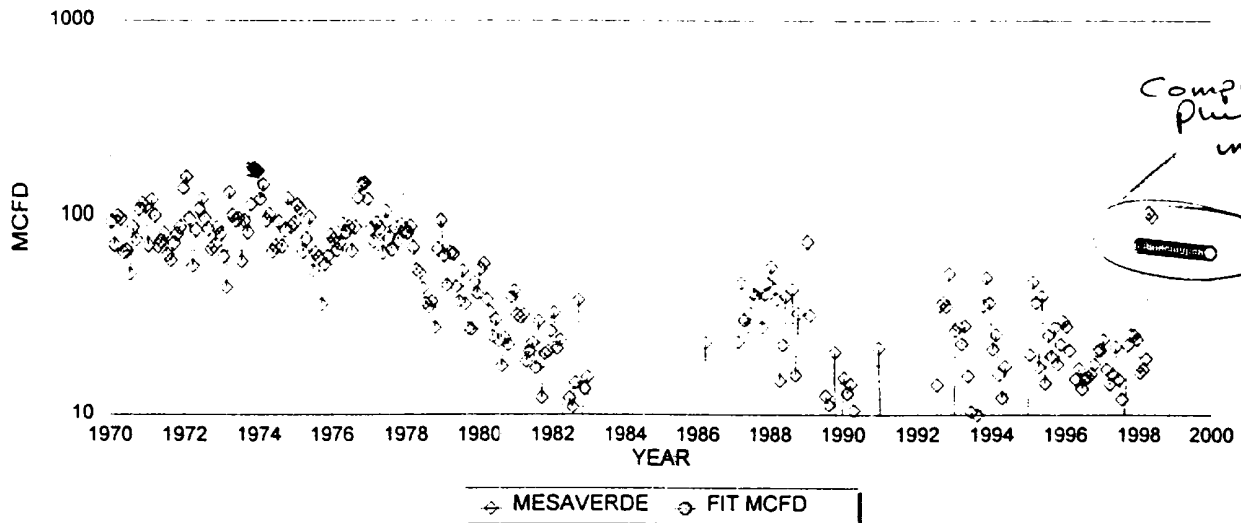
TYPE OR PRINT NAME

Kay Maddox

TELEPHONE NO

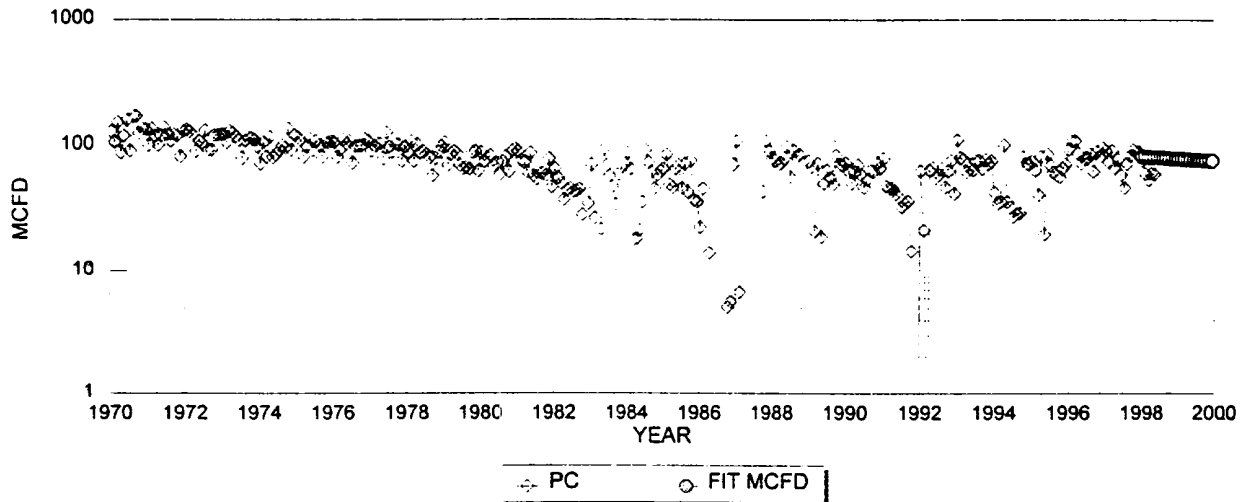
(915) 686-5798

LACKEY B LS 8 MESAVERDE PRODUCTION
SECTION 20M-28N-09W



MESAVERDE HISTORICAL DATA:		1ST PROD: 06/57	MV PROJECTED DATA	
OIL CUM:	14.82 MBO	1/1/98 Qi:	75 MCFD	0.98 BOPD
GAS CUM:	1128.9 MMCF	DECLINE RATE:	4.0% (EXPONENTIAL)	
OIL YIELD:	0.0131 BBL/MCF			

LACKEY B LS 8 PICTURED CLIFFS PRODUCTION
SECTION 20M-28N-09W



PC HISTORICAL DATA		1ST PROD: 06/57	PC PROJECTED DATA	
OIL CUM:	0.0 MBO	1/1/98 Qi:	83 MCFD	0.00 BOPD
GAS CUM:	1461.0 MMCF	DECLINE RATE:	4.0% (EXPONENTIAL)	
OIL YIELD:	0.0006 BBL/MCF			

FIXED COMMINGLE ALLOCATION FACTORS:

	GAS	OIL	GAS ALLOCATION BASED ON PROJECTED 1998 RATES
MESAVERDE	48%	100%	OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS
PICT CLIFFS	52%	0%	

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGY DATA

Calculate BHP and Z-factor from surface shut-in pressure

DESCRIPTION:	Mesaverde Formation - original pressure based on ISIP		
WELL NAME :	Lackey B LS 8 (20M 28N 09W)		
GAS GRAVITY:	0.70	% N2	0.40 %
CONDENSATE (YES=1):	1	% CO2	0.85 %
RESERVOIR TEMP:	150 'F	% H2S	0.00 %
SURFACE TEMP:	60 'F	Pc =	667.68
DEPTH OF ZONE:	4,356 feet	Tc =	381.89

SURFACE PRES	BHP	Z	BHP/Z
psi	psi		psi
1,081	1,222	0.8704	1,404

Calculate BHP and Z-factor from surface shut-in pressure

DESCRIPTION:	Mesaverde Formation - current pressure based on SIP		
WELL NAME :	Lackey B LS 8 (20M 28N 09W)		
GAS GRAVITY:	0.70	% N2	0.40 %
CONDENSATE (YES=1):	1	% CO2	0.85 %
RESERVOIR TEMP:	150 'F	% H2S	0.00 %
SURFACE TEMP:	60 'F	Pc =	667.68
DEPTH OF ZONE:	4,356 feet	Tc =	381.89

SURFACE PRES	BHP	Z	BHP/Z
psi	psi		psi
376	419	0.9511	440

Calculate BHP and Z-factor from surface shut-in pressure

DESCRIPTION:	Pictured Cliffs Formation - original pressure based on ISIP		
WELL NAME :	Lackey B LS 8 (20M 28N 09W)		
GAS GRAVITY:	0.65	% N2	0.25 %
CONDENSATE (YES=1):	0	% CO2	0.80 %
RESERVOIR TEMP:	115 'F	% H2S	0.00 %
SURFACE TEMP:	60 'F	Pc =	673.92
DEPTH OF ZONE:	2,061 feet	Tc =	372.60

SURFACE PRES	BHP	Z	BHP/Z
psi	psi		psi
634	667	0.9137	730

Calculate BHP and Z-factor from surface shut-in pressure

DESCRIPTION:	Pictured Cliffs Formation - current pressure based on SIP		
WELL NAME :	Lackey B LS 8 (20M 28N 09W)		
GAS GRAVITY:	0.65	% N2	0.25 %
CONDENSATE (YES=1):	0	% CO2	0.80 %
RESERVOIR TEMP:	115 'F	% H2S	0.00 %
SURFACE TEMP:	60 'F	Pc =	673.92
DEPTH OF ZONE:	2,061 feet	Tc =	372.60

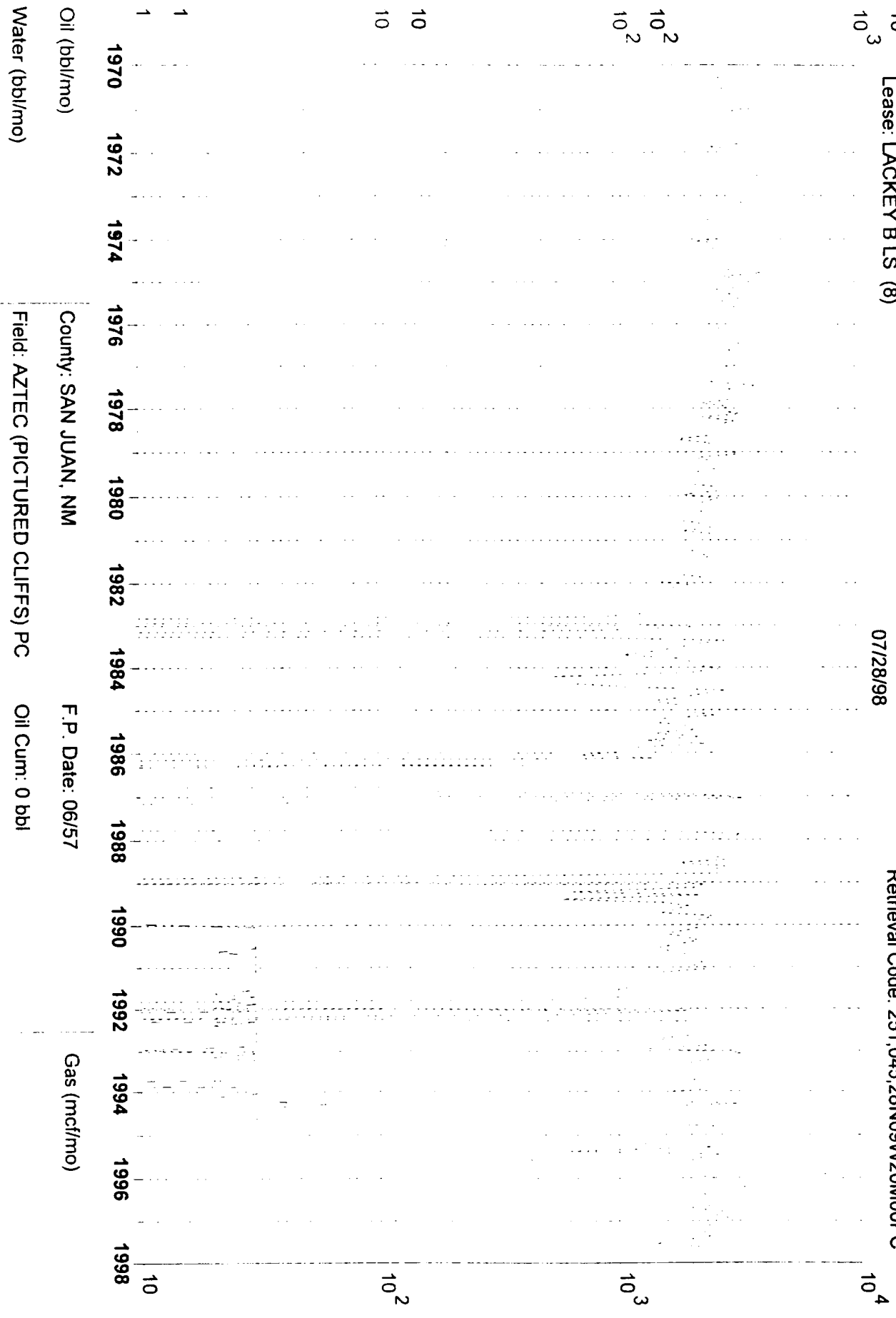
SURFACE PRES	BHP	Z	BHP/Z
psi	psi		psi
211	221	0.9705	228

Dwights

Lease: LACKEY B LS (8)

07/28/98

Retrieval Code: 251,045,28N09W20M00PC



Oil (bbl/mo)

Water (bbl/mo)

County: SAN JUAN, NM

Field: AZTEC (PICTURED CLIFFS) PC

F.P. Date: 06/57

Oil Cum: 0 bbl

Gas (mcf/mo)

Reservoir: PICTURED CLIFFS

Gas Cum: 1451 mmcf

Operator: CONOCO INC

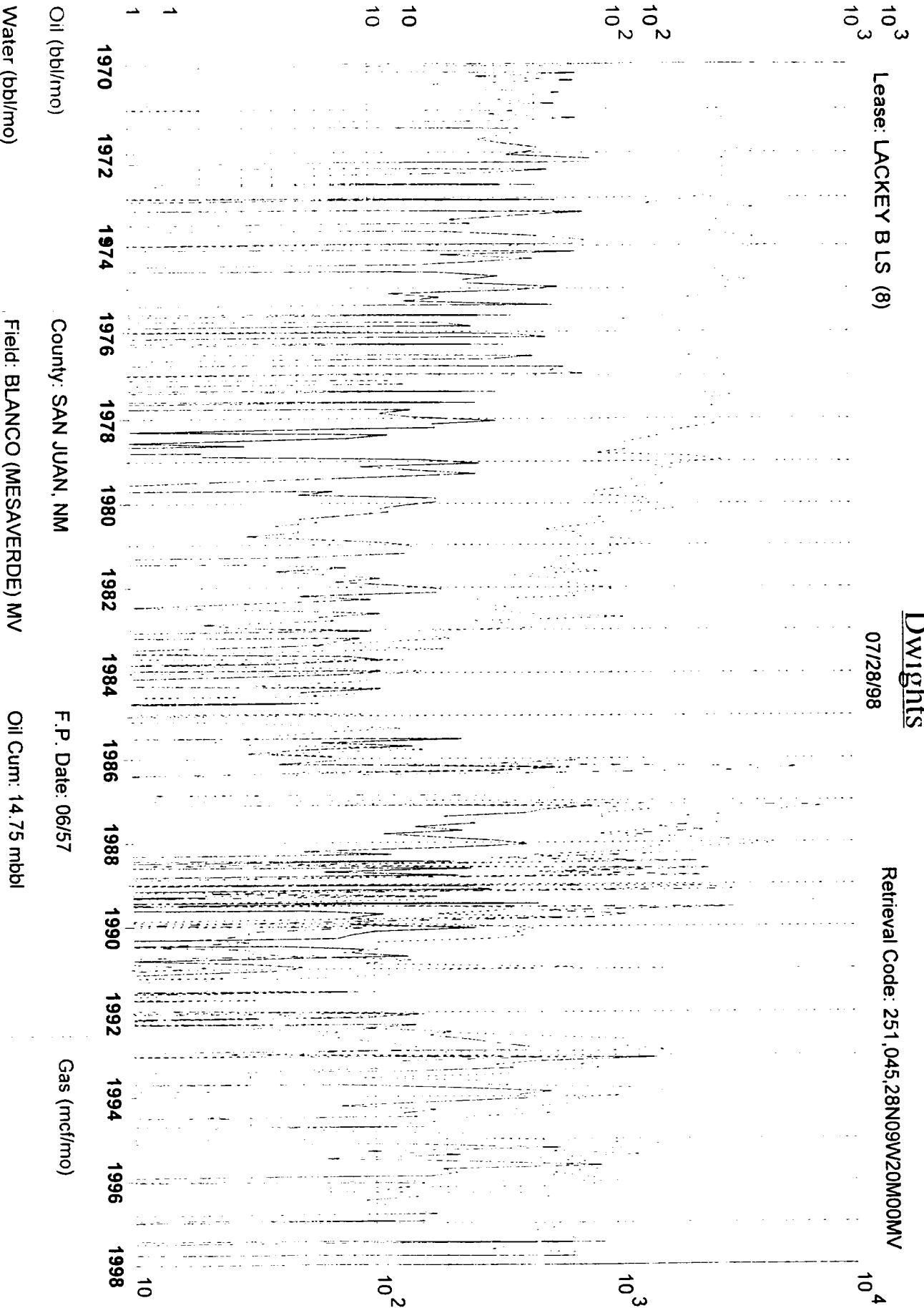
Location: 20M 28N 9W

Dwights

Lease: LACKEY B LS (8)

07/28/98

Retrieval Code: 251,045,28N09W20M00MV



Oil (bbl/mo)

Water (bbl/mo)

County: SAN JUAN, NM

Field: BLANCO (MESAVERDE) MV

Reservoir: MESAVERDE

Operator: CONOCO INC

F.P. Date: 06/57

Oil Cum: 14,75 mbbl

Gas Cum: 1121 mmcf

Location: 20M 28N 9W

NEW MEXICO
OIL CONSERVATION DIVISION

WELL LOCATION AND DE GASIFICATION PLAT

JANUARY 7, 1957

EL PASO NATURAL GAS COMPANY

LACKEY "B"

SF 077106

8 (PM)

20

28 N

9 W

890

SOUTH

990

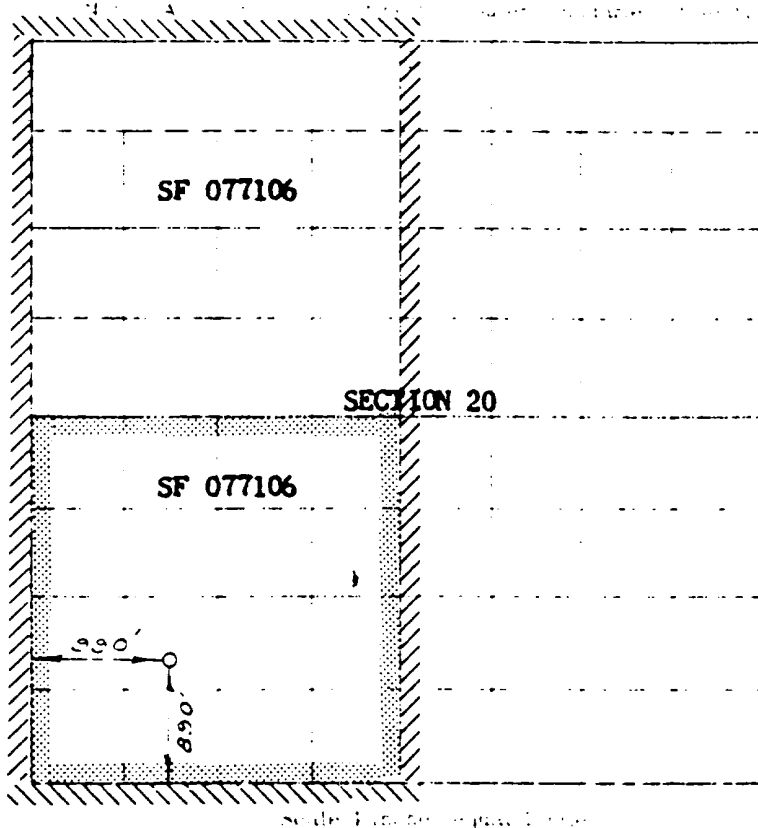
WEST

SAN JUAN

PICTURED CLIFF
& MESA VERDE

AZTEC P.C.
BLANCO M.V.

5861
160 AC. PC
320 AC. MV
(1919 PLAT)



Scale: 1 inch = 40 acres

NOTE

This plat is a true and correct copy of the original plat on file in the office of the State Engineer, New Mexico.

This is to certify that the above plat was prepared to the best of my knowledge and belief, and that the same is a true and correct copy of the original plat on file in the office of the State Engineer, New Mexico.

Date: DECEMBER 17, 1956

E. C. Walker
Registered Professional Engineer and of Land Surveyor

Is this a true and correct copy?

Yes X No

Is the well located in the section?

Yes X No

Is the well located in the section?

Yes X No

Is the well located in the section?

Yes X No

Name ORIGINAL SIGNED E. S. OBERLY

Position Petroleum Engineer

Representing El Paso Natural Gas Co.

Address Box 997, Farmington, N.M.

Lackey B LS #8
API # 30-045-13254
Section 20, T-28-N, R-9-W, M
San Juan County, NM

RE; Downhole Commingle Application C-107 A

OFFSET OPERATORS:

Burlington Resources
PO Box 4289
Farmington, NM 87499

Amoco
PO Box 800
Denver, CO 80201

A copy of the C-107A Application was sent to the above listed parties for notification of Conoco's intent to downhole commingle the Mesaverde and Pictured Cliffs. This well is currently being produced as a dual well.

REQUEST FOR (OIL) - (GAS) ALLOWABLE

New Well
~~Recompletion~~

This form shall be submitted by the operator before an initial allowable will be assigned to any completed Oil or Gas well. Form C-104 is to be submitted in QUADRUPLICATE to the same District Office to which Form C-101 was sent. The allowable will be assigned effective 7:00 A.M. on date of completion or recompletion, provided this form is filed during calendar month of completion or recompletion. The completion date shall be that date in the case of an oil well when oil is delivered into the stock tanks. Gas must be reported on 15.025 psia at 60° Fahrenheit.

Farmington, N.M.

April 8, 1957

(Place)

(Date)

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

El Paso Natural Gas Co.

Lackey

Well No. 5-B (PM), in SW 1/4 SW 1/4

(Company or Operator)

(Lease)

M

Sec. 20

T. 20N

R. 9W

NMPM,

Blanco

Pool

Unit Letter

San Juan

County. Date Spudded 1-15-57

Date Completed 2-21-57

Please indicate location:

D	C	B	A
E	F	G	H
L	K	J	I
M X	N	O	P

2905, 390W

Casing and Cementing Record

Size Feet Sals

10-3/4"	162'	150
7"	3210'	300
5-1/2"	740'	120
2"	2113'	
1-1/4"	2005'	

Elevation 5861 Total Depth 4483 PEX C.O. 4440'

Top oil/gas pay 4288' (Perf) Name of Prod. Form M.V.

Casing Perforations: 4288-4300; 4322-4332; 4360-4366; 4414-4424 or

Depth to Casing shoe of Prod. String 3732-4400 (Liner)

Natural Prod. Test BOPD

based on bbls. Oil in Hrs. Mins.

Test after acid or shot BOPD

Based on bbls. Oil in Hrs. Mins.

Gas Well Potential ACP = 5005 MCF/D; Ch. Volume = 3542 MCF/D

Size choke in inches 3/4"

Date first oil run to tanks or gas to Transmission system: W/O Pipeline

Transporter taking Oil or Gas: El Paso Natural Gas Company

Remarks: Perf. nipple (3.12') set at 4394'; Baker EGJ packer set at 3766;
Garrett perf. Sleeve at 2103'.

I hereby certify that the information given above is true and complete to the best of my knowledge.
Approved: APR 11 1957, 19. El Paso Natural Gas Company DIST. 3
(Company or Operator)

OIL CONSERVATION COMMISSION

By: Original Signed Emery C. Arnold

Title: Oil and Gas Inspector Dist. #3

By: [Signature] (Signature)

Title: Petroleum Engineer

Send Communications regarding well to:

Name: Z. J. Coal

Address: Box 997 - Farmington, New Mexico

REQUEST FOR (OIL) - (GAS) ALLOWABLE

New Well
~~Recompletion~~

This form shall be submitted by the operator before an initial allowable will be assigned to any completed Oil or Gas well. Form C-104 is to be submitted in QUADRUPLICATE to the same District Office to which Form C-101 was sent. The allowable will be assigned effective 7:00 A.M. on date of completion or recompletion, provided this form is filed during calendar month of completion or recompletion. The completion date shall be that date in the case of an oil well when oil is delivered into the stock tanks. Gas must be reported on 15.025 psia at 60° Fahrenheit.

Farmington, N.M.

April 8, 1957

(Place)

(Date)

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

El Paso Natural Gas Co.

Lacey

Well No. 3-B (FM)

in. SW

1/4

SW

Company or Operator)

(Lease)

M

Sec. 20

T. 20N

R3W

NMPM, Artec P.C.

Pool

Unit Letter

San Juan

County. Date Spudded

1-15-57

Date Completed

2-21-57

Please indicate location:

D	C	B	A
E	F	G	H
L	K	J	I
M	N	O	P

6903, 390W

Casing and Cementing Record

Size Feet Set

10-3/4"	162'	150
7"	3210'	300
5-1/2"	1483'	120
2"	4419'	---
1-1/4"	2003'	---

Elevation 5861

Total Depth 4483

~~xxxx~~ C.O. 4440'

Top oil/gas pay 2040' (Perf)

Name of Prod. Form. P.C.

Casing Perforations: 2040-2056; 2060-2072

Depth to Casing shoe of Prod. String 3612

Natural Prod. Test..... BOPD

based on..... bbls. Oil in..... Hrs..... Mins.

Test after acid or shot..... BOPD

Based on..... bbls. Oil in..... Hrs..... Mins.

Gas Well Potential A.G.F. = 4041 MCF/D; Ch. Volume = 3450 MCF/D

Size choke in inches 3/4"

Date first oil run to tanks or gas to Transmission system: W/O Pipeline

Transporter taking Oil or Gas: El Paso Natural Gas Company

Remarks: Perf. nipple (3.20') set at 4394'; Baker EGJ packer set at 3706';
Marrett perf. sleeve at 2103'.

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

Approved....., 19.....

El Paso Natural Gas Company

OIL CON. COM.
DIST. 3

OIL CONSERVATION COMMISSION

By: Original Signed Emery C. Arnold

Title Oil and Gas Inspector Dist. #3

By

(Signature)

Title Petroleum Engineer

Send Communications regarding well to:

Name S. J. Coal

Address Box 997 - Farmington, New Mexico

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

New Mexico

RECEIVED
BLM

OIL CONSERVATION COMMISSION

58 AUG 14 AM 10:23

LAND COMMISSIONER, MURRAY E. MORGAN
MEMBER



070 FARMINGTON, NM

STATE GEOLOGIST, A. L. PORTER JR.
SECRETARY DIRECTOR

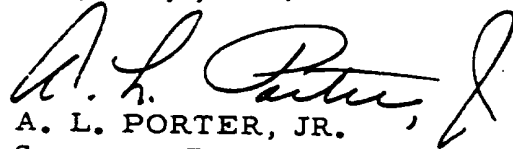
P. O. BOX 871
SANTA FE, NEW MEXICO
April 16, 1957

El Paso Natural Gas Company
P. O. Box 997
Farmington, New Mexico

Gentlemen:

Enclosed please find Administrative Order No. DC-418 for your Lackey Well No. 8-B (PM), located 890 feet from the South line and 980 feet from the West line of Section 20, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico, in the Aztec-Pictured Cliffs Gas Pool and in the Mesaverde Formation within one mile of the Blanco Mesaverde Gas Pool.

Very truly yours,


A. L. PORTER, JR.
Secretary-Director

/dea
Enclosure

SUBJECT: DUAL COMPLETION (GAS-GAS)

April 8, 1957

ORDER NO. DC-418

THE APPLICATION OF EL PASO NATURAL GAS COMPANY FOR PERMISSION TO EFFECT DUAL COMPLETION OF ITS LACKEY WELL NO. 8-B (PM) LOCATED 890 FEET FROM THE SOUTH LINE AND 980 FEET FROM THE WEST LINE OF SECTION 20 TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO, IN THE AZTEC-PICTURED CLIFFS GAS POOL AND IN THE MESA-VERDE FORMATION WITHIN ONE MILE OF THE BLANCO MESAVERDE GAS POOL.

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 112-A (c) El Paso Natural Gas Company made application to the New Mexico Oil Conservation Commission on April 8, 1957, for permission to dually complete its Lackey Well No. 8-B (PM), located 890 feet from the South line and 980 feet from the West line of Section 20, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico, in the Aztec-Pictured Cliffs Gas Pool and in the Mesaverde Formation within one mile of the Blanco Mesaverde Gas Pool.

The Secretary-Director Finds:

- (1) That application has been duly filed under the provisions of Sub-section 'c' of Rule 112-A of the Commission's Rules and Regulations;
- (2) That satisfactory information has been provided that all operators of offset acreage have been duly notified; and
- (3) That waivers of objection from all affected offset operators have been received.

IT IS THEREFORE ORDERED:

That the applicant, herein, El Paso Natural Gas Company be and it hereby is authorized to dually complete its Lackey Well No. 8-B (PM), located 890 feet from the South line and 980 feet from the West line of Section 20, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Aztec-Pictured Cliffs Pool through proper perforation of the casing and through the casing-tubing annulus and the production of gas from the Mesaverde Formation through proper perforation of the liner and through the tubing, and the installation of a suitable packer and with the installation of adequate surface equipment to maintain complete separation of the two zones of production.

PROVIDED HOWEVER, That subject well shall be completed and thereafter produced in such a manner that there will be no commingling within the well-bore, either within or outside the casing of gas, oil and gas, or oil produced from either or both of the separate strata,

PROVIDED HOWEVER, That prior to the actual dual completion the operator shall make pressure tests of the casing to prove that no casing leaks have developed since the well was originally completed. In the event a casing leak is apparent the operator shall take appropriate steps to adequately repair the leak. The results of these tests shall be reported to the Commission on Form C-103.

PROVIDED FURTHER, That upon the actual dual completion of such subject well applicant shall submit to the appropriate District Office of the Commission, copies of Oil Conservation Commission Form C-104, Form C-110, and Form C-122, outlining the information required on those forms by existing Rules and Regulations, and two copies of the electric log of the well.

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used, at any time, as may be required by the Commission or its representatives, in order that natural gas, oil, or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio thereof determined, and

PROVIDED FURTHER, That the operator-applicant shall make any and all tests, including segregation tests and packer leakage tests upon completion and annually thereafter during the deliverability test period for the Aztec-Pictured Cliffs Pool, but not excluding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of the Commission and by representatives of offset operators, if any there be, at their election, and the results of each test properly attested to by the applicant herein and all witnesses, and shall be filed with the Commission within fifteen (15) days after completion of such test, and further that operator shall submit a packer setting affidavit within fifteen (15) days of completion and after remedial work whenever the packer is disturbed, and

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata, and a special report of production, gas-oil ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.

IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

APPROVED at Santa Fe, New Mexico, on this 8th day of April, 1957.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


A. L. PORTER, JR.
Secretary-Director

S E A L

/dea

Conditions of Approval

Conoco Inc.
Lackey B LS No. 8
890 FSL and 990' FWL
Sec 20-28N-09W

- 1) Authorization is given for the allocation procedures outlined below, a Sundry Notice of Intent (form 3160-5) must be filed prior to commencing the mechanical aspects of downhole commingling. Please provide a detailed procedure of the proposed operations for our review and consideration.
- 2) The following are approved allocation factors for gas and associated liquid hydrocarbons produced from the referenced well:

<u>Formation</u>	<u>Gas</u>	<u>Oil</u>
Pictured Cliffs	52%	0.0%
Mesaverde	48%	100%

Commingled production from each zone must be reported in accordance to the allocation factors presented above.