

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

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

☒ YES ☐ NO

Burlington Resources Oil & Gas Company

PO Box 4289, Farmington, NM 87499

Operator

Address

San Juan 32-9 Unit

3

A-1-31N-10W

San Juan

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 14538 Property Code 7473 API NO. 30-045-11083 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 Pictured Cliffs - 72359		Blanco Mesaverde - 72319
2. Top and Bottom of Pay Section (Perforations)	Will be supplied upon completion		5390-5612'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated or Measured Original	(Current) a. 450psi (see attachment - from offset well San Juan 32-9 Unit #96) (Original) b. 797 psi (see attachment - from offset well San Juan 32-9 Unit #96)	a. b.	a. 423psi (calc - see attachment) b. 998psi (calc - see attachment)
6. Oil Gravity ($^{\circ}$ API) or Gas BTU Content	BTU 1129		BTU 1155
7. Producing or Shut-In?	recompletion		producing
Production Marginal? (yes or no)	yes		no
* If Shut-In and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: N/A Rates:	Date: Rates:	Date: N/A Rates:
* If Producing, give data and oil/gas/water of recent test (within 60 days)	Date: rates: Will be supplied upon completion	Date: Rates:	Date: 7-96 Rates: 108 MCF/D 1.65 BOPD
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Will be supplied upon completion		Will be supplied upon completion

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 other? ☒ 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). Order to be issued - Case 11601

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 Peggy Bradfield TITLE Regulatory Administrator DATE 9-25-96

TYPE OR PRINT NAME Peggy Bradfield TELEPHONE NO. (505) 326-9700

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Grande 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

API Number 30-045-11083		Pool Code 72359/72319	Pool Name Blanco Pictured Cliffs/Blanco Mesaverde
Property Code 7473	Property Name San Juan 32-9 Unit		Well Number 3
OGRID No. 14538	Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY		Elevation 6698'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
A	1	31 N	10 W		1190	North	820	East	S.J.

11 Bottom Hole Location If Different From Surface

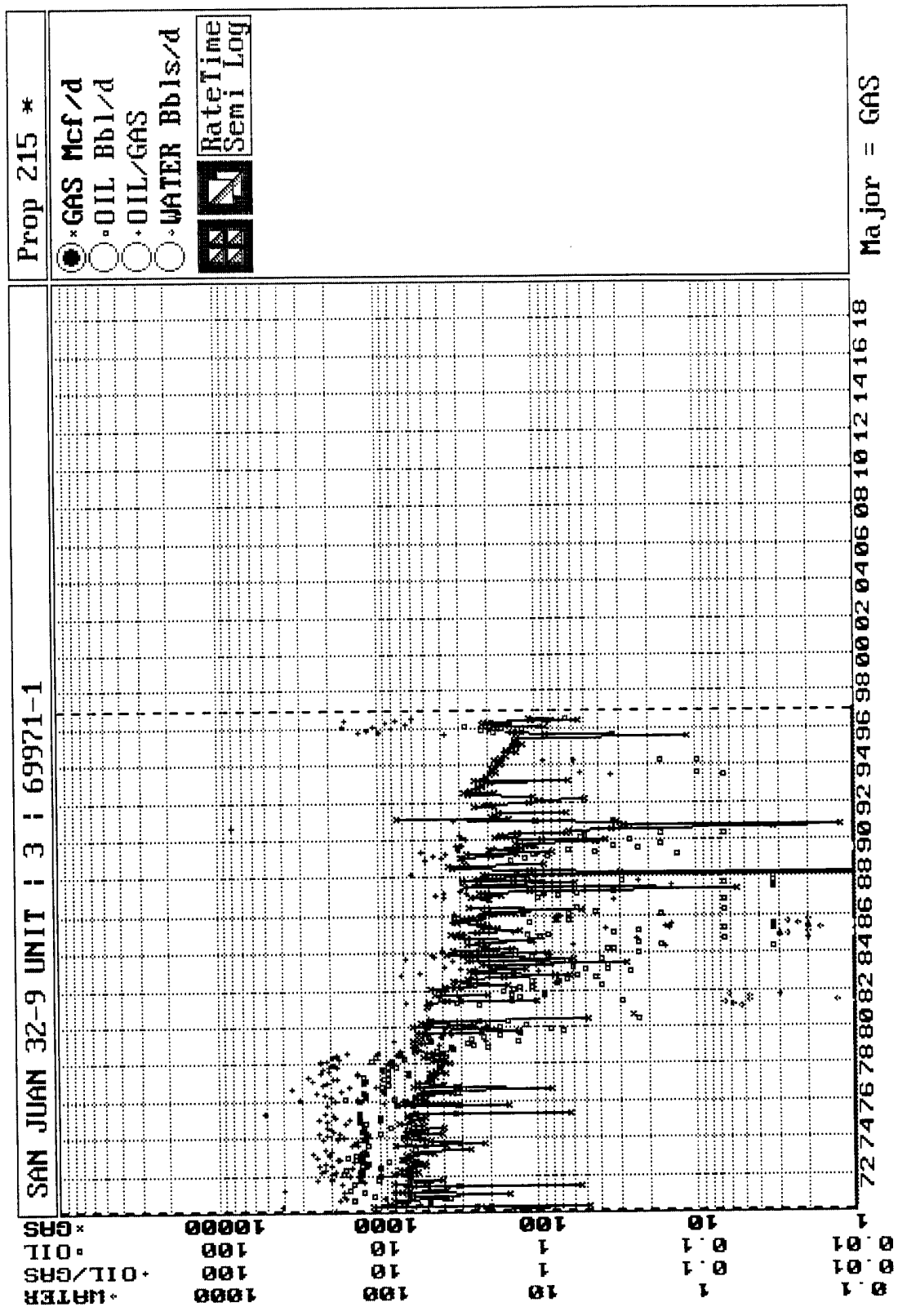
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

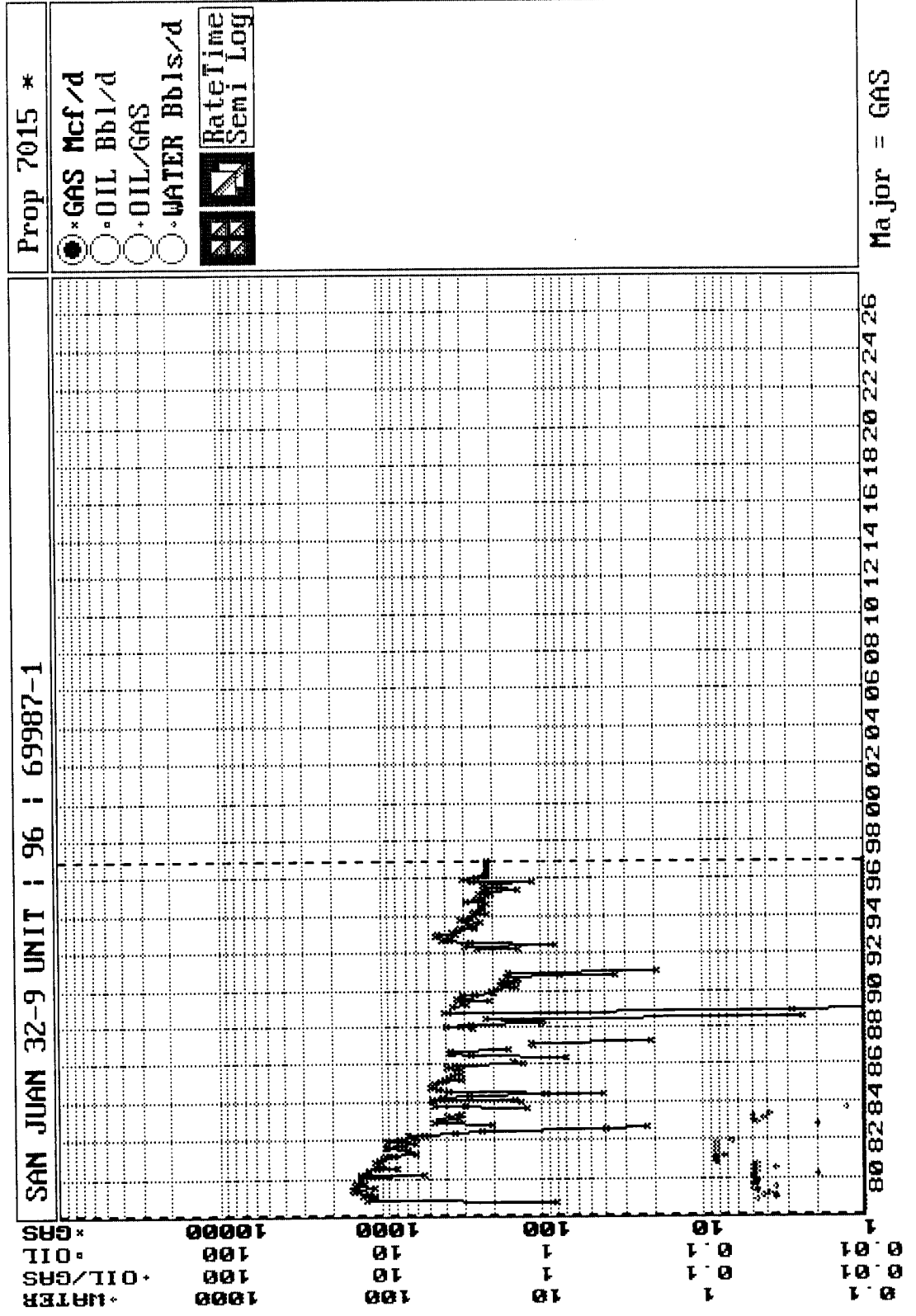
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.

147.73 E/292.63

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

16 Not resurveyed, prepared from a plat dated 1953. by F.H. Wood.	1190'		820'		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Peggy Bradfield Printed Name Regulatory Administrator Title 9-9-96 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. 9-6-96 Date of Survey Signature and Seal of Professional Surveyor HEALE C. EDWARDS 8857 8857 Certificate Number



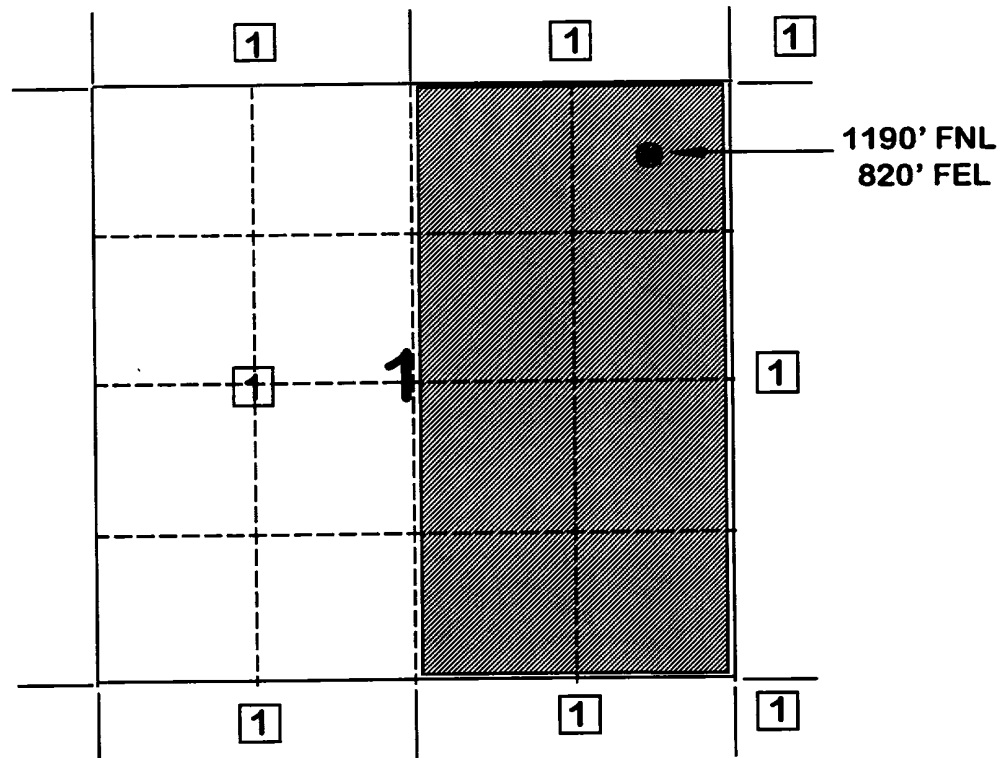


BURLINGTON RESOURCES OIL AND GAS COMPANY

**SAN JUAN 32-9 UNIT #3
OFFSET OPERATOR \ OWNER PLAT**

Mesaverde (E/2) / Pictured Cliffs (NE/4) Formations Commingle Well

Township 31 North, Range 10 West



1) Burlington Resources Oil and Gas Company Successor to Meridian Oil Inc.

**FLOWING AND STATIC BHP
CULLENDER AND SMITH METHOD**

VERSION 1.0 3/13/94

GAS GRAVITY	<u>0.68</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.19</u>
%CO2	<u>1.5</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>2.5</u>
DEPTH (FT)	<u>6251</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>150</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>364</u>
BOTTOMHOLE PRESSURE (PSIA)	<u>422.9</u>

SAN JUAN 32-9 #3 MESAVERDE (CURRENT)

**FLOWING AND STATIC BHP
CULLENDER AND SMITH METHOD**

VERSION 1.0 3/13/94

GAS GRAVITY	<u>0.68</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.19</u>
%CO2	<u>1.5</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>2.5</u>
DEPTH (FT)	<u>6251</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>150</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>848</u>
BOTTOMHOLE PRESSURE (PSIA)	<u>997.9</u>

SAN JUAN 32-9 UNIT #3 MESAVERDE - (ORIGINAL)

STATE: 30
PROD : 2
IDENT: 31N10W
DISTRICT: 4
LOCATION: 1A31N10W
RETRIEVAL CODE: 251,045,31N10W01A00WV
GAS GATH: MOI
API NO: 1108300

LEASE NAME: SAN JUAN 32 9 UNIT
COUNTY NAME: SAN JUAN
RESERVOIR NAME: MESAVARDE
OPERATOR NAME: MERIDIAN OIL INC
FIELD NAME: BLANCO (MESAVARDE)
WELL: 3
STATUS: ACT
COMP DATE: 195306

MV
TOTAL DEPTH: 6251
UPPER PERF: 5370
LOWER PERF: 6112

DATE	CUM TO TEST	WHSIP	BHP	P/Z	BDWTR	BDCND	WHFLW	POTEN	M/C	POT	Z	FAC
19530605	0	848	968	1064	0	0	0	5056	C	4	10.000	
19700501	2073272	0	0	0	0	0	0	5056	C	2	.000	
19700702	2133840	660	751	808	0	0	415	1014	C	2	29.000	
19710611	2293904	758	864	941	0	0	391	858	C	2	18.000	
19720629	2540348	568	645	688	0	0	298	709	C	2	38.000	
19730726	2749878	627	713	765	0	0	272	609	C	2	32.000	
19740416	2901277	572	649	692	0	0	278	637	C	2	38.000	
19760507	3251468	512	581	615	0	0	301	611	C	2	44.000	
19780411	3555909	513	582	617	0	0	285	508	C	2	44.000	
19800603	3937188	473	536	565	0	0	319	468	C	2	48.000	
19820603	4092959	490	555	587	0	0	354	503	C	2	46.000	
19840719	4254476	464	526	554	0	0	279	364	C	2	49.000	
19860428	4397661	432	489	514	0	0	323	232	C	2	52.000	
19891108	4604398	449	509	536	0	0	355	200	C	2	.950	
19910611	4674930	453	513	540	0	0	393	201	C	2	.950	
19930815	4805853	397	449	470	0	0	264	189	C	2	.956	
19950927	4915529	364	412	430	0	0	282	251	C	2	.959	

**FLOWING AND STATIC BHP
CULLENDER AND SMITH METHOD**

VERSION 1.0 3/13/94

GAS GRAVITY	<u>0.67</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.13</u>
%CO2	<u>1.5</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>1.25</u>
DEPTH (FT)	<u>3344</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>150</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>733</u>
BOTTOMHOLE PRESSURE (PSIA)	<u>796.8</u>

SAN JUAN 32-9 UNIT #3 PICTURED CLIFFS - (ORIGINAL)
Offset well - San Juan 32-9 Unit #96

**FLOWING AND STATIC BHP
CULLENDER AND SMITH METHOD**

VERSION 1.0 3/13/94

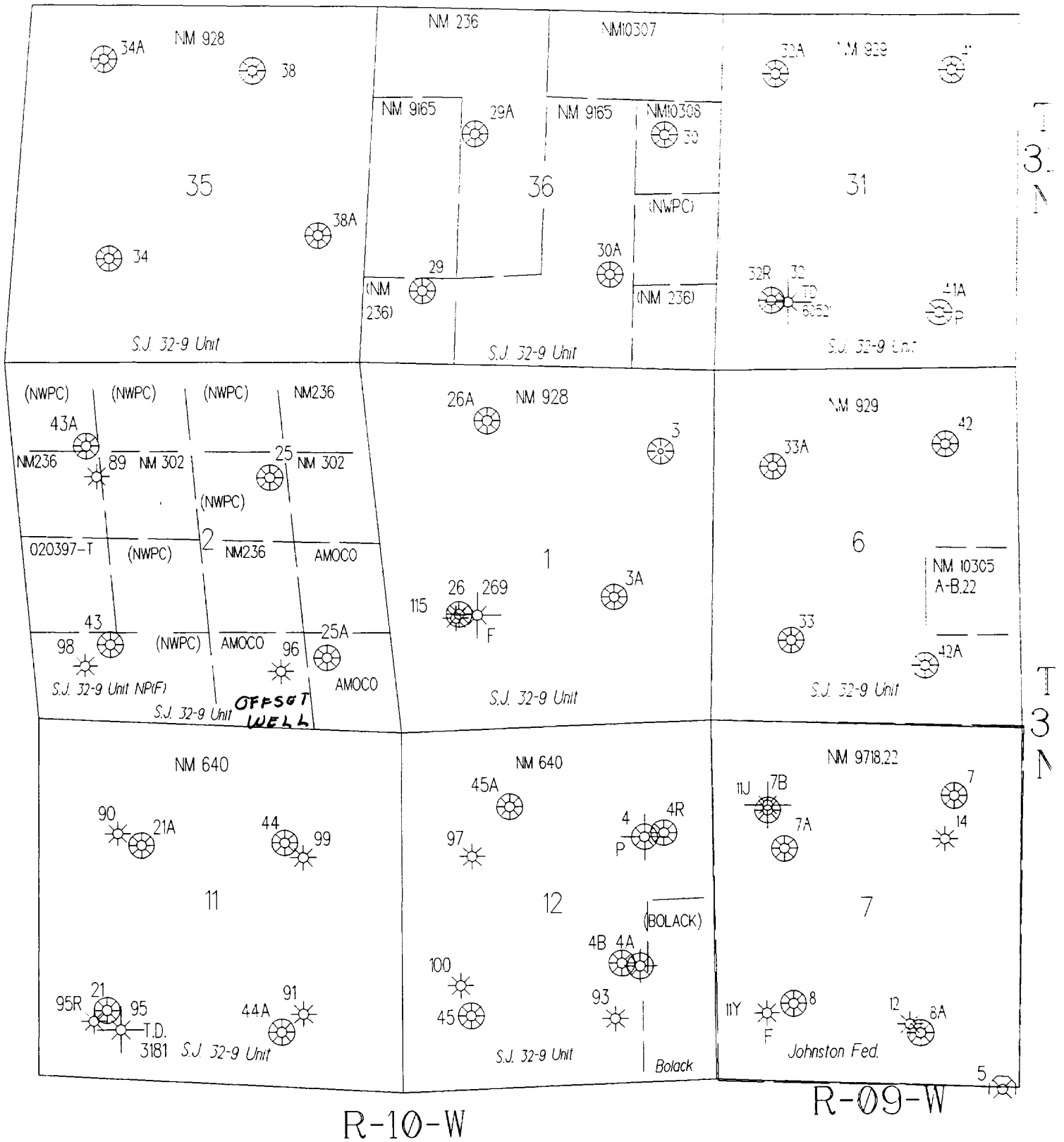
GAS GRAVITY	0.67
COND. OR MISC. (C/M)	C
%N2	0.13
%CO2	1.5
%H2S	0
DIAMETER (IN)	1.25
DEPTH (FT)	3344
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	150
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	416
BOTTOMHOLE PRESSURE (PSIA)	450.4

SAN JUAN 32-9 UNIT #3 PICTURED CLIFFS - (CURRENT)
Offset set - San Juan 32-9 Unit #96

STATE: 30
PROD : 2
IDENT: 31N10W
DISTRICT: 4
LOCATION: 2031N10W
RETRIEVAL CODE: 251,045,31N10W02000PC
GAS GATH: ELNAT
API NO: 2290100
LEASE NAME: SAN JUAN 32 9 UNIT
COUNTY NAME: SAN JUAN
RESERVOIR NAME: PICTURED CLIFFS
OPERATOR NAME: MERIDIAN OIL INC
FIELD NAME: BLANCO (PICTURED CLIFFS)
WELL: 96
STATUS: ACT
COMP DATE: 197809
TOTAL DEPTH: 3344
UPPER PERF: 3207
LOWER PERF: 3257

DATE	CUM TO TEST	WHSIP	BHP	P/Z	BDWTR	BDCND	WHFLW	POTEN M/C POT	Z FAC
19780913	0	733	0	0	0	0	0	0	.000
19781204	45195	681	0	0	0	0	279	229	.000
19790725	352085	580	0	0	0	0	325	1331	.000
19800709	784551	480	0	0	0	0	332	973	.000
19820525	1350832	423	0	0	0	0	334	507	.000
19840801	1529354	416	0	0	0	0	312	292	.000

SAN JUAN 32-9 UNIT #3 BLANCO MESAVERDE/PICTURED CLIFFS SECTION 1, T31N, RICW





NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

ADMINISTRATIVE ORDER DHC-1389

Burlington Resources Oil & Gas Company
P.O. Box 4289
Farmington, New Mexico 87499-4289

Attention: Ms. Peggy Bradfield

RECEIVED
OCT 30 1996

OIL CON. DIV.
DIST. 3

*San Juan 32-9 Unit Well No.3 (API No.30-045-11083)
Unit A, Section 1, Township 31 North, Range 10 West, NMPM,
San Juan County, New Mexico.
Blanco Pictured Cliffs (Gas - 72359) and
Blanco Mesaverde (Gas - 72319) Pools*

Dear Ms. Bradfield:

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

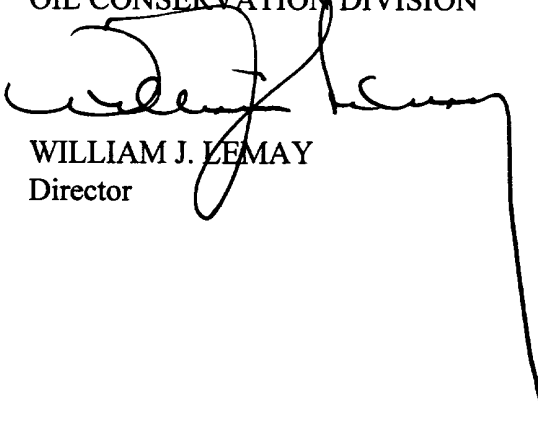
In accordance with the provisions of Rule 303.C., the supervisor of the Aztec District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject well following its completion.

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 by the order 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 28th day of October, 1996.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read 'William J. Lemay', is written over the printed name and extends downwards with a long vertical line.

WILLIAM J. LEMAY
Director

S E A L

WJL/BES

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