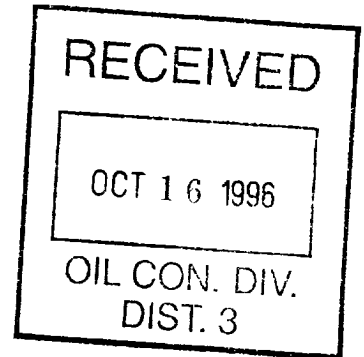


BURLINGTON RESOURCES

SAN JUAN DIVISION



October 15, 1996

Mr. William LeMay
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Mexico Federal R #1 *I*
1830'FNL, 790'FEL Section 12, T-31-N, R-13-W, San Juan County, NM
API #30-045-22126

Dear Mr. LeMay:

This is a request for administrative approval for downhole commingling the Blanco Mesa Verde and Basin Dakota pools in the subject well. This is currently a dual Mesa Verde/Dakota well.

To comply with the New Mexico Oil Conservation Division rules, Burlington Resources Oil & Gas Company is submitting the following for your approval of this commingling:

1. Form C107A - Application for Downhole Commingling;
2. C-102 plat for each zone showing its spacing unit and acreage dedication;
3. Production curve for both the Dakota and Mesa Verde for at least one year;
4. Notification list of offset operators;
5. Shut in wellhead pressure and calculated down hole pressure;
6. Nine-section plats for the Mesa Verde and Dakota.

The ownership for both the Mesa Verde and Dakota are common in this well. No notification to interest owners is required.

The allocation formula is included, showing 83% from the Mesa Verde and 17% from the Dakota formation.

Please let me know if you require additional data.

Sincerely,

A handwritten signature in cursive script, appearing to read "Peggy Bradfield".

Peggy Bradfield
Regulatory/Compliance Administrator

encs.

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 87505-6429Form 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

Mexico Federal R**1****I-12-31N-13W****San Juan**

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 14538 Property Code 7311 API NO. 30-045-22126 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	RECEIVED OCT 16 1996 OIL CON. DIV. DIST. 3	Basin Dakota - 71599
2. Top and Bottom of Pay Section (Perforations)	4484-4524'		6665-6890'
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: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	(Current) a. 653 psi, (see attachment) (Original) b. 1106 psi (see attachment)		a. b.
6. Oil Gravity (°API) or Gas BTU Content	BTU 1209		BTU 1143
7. Producing or Shut-In?	shut-in		producing
Production Marginal? (yes or no)	yes		yes

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION

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

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

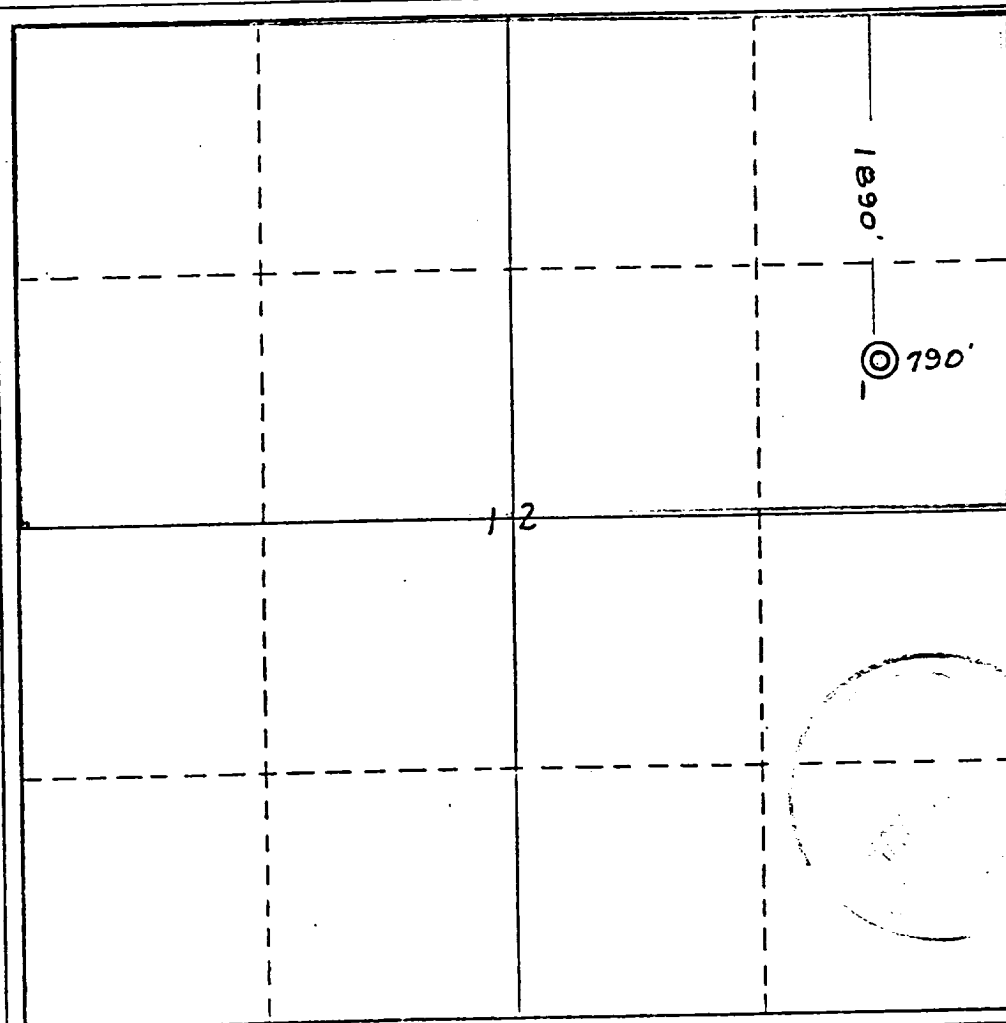
Operator Getty Oil Company			Lease Mexico - Federal "R"		Well No. 1
Unit Letter H	Section 12	Township 31N	Range 13W	County San Juan	
Actual Footage Location of Well:					
1830 feet from the North line and		790 feet from the East line			
Ground Level Elev. 5799'	Producing Formation Dakota		Pool Basin	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 Communitization

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

H. E. Aab

Name

H. E. Aab

Position

Area Superintendent

Company

Getty Oil Company

Date

May 22, 1978

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.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

RECEIVED

JUN 20 1978

CASPER AREA

E&P DEPARTMENT

Getty Oil Co.

WELL LOCATION AND ACREAGE DEDICATION PLAT

DEA 6-50-78
CM CM 6-10-78
RW

Supersedes 1-1-76
Effective 1-1-65

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

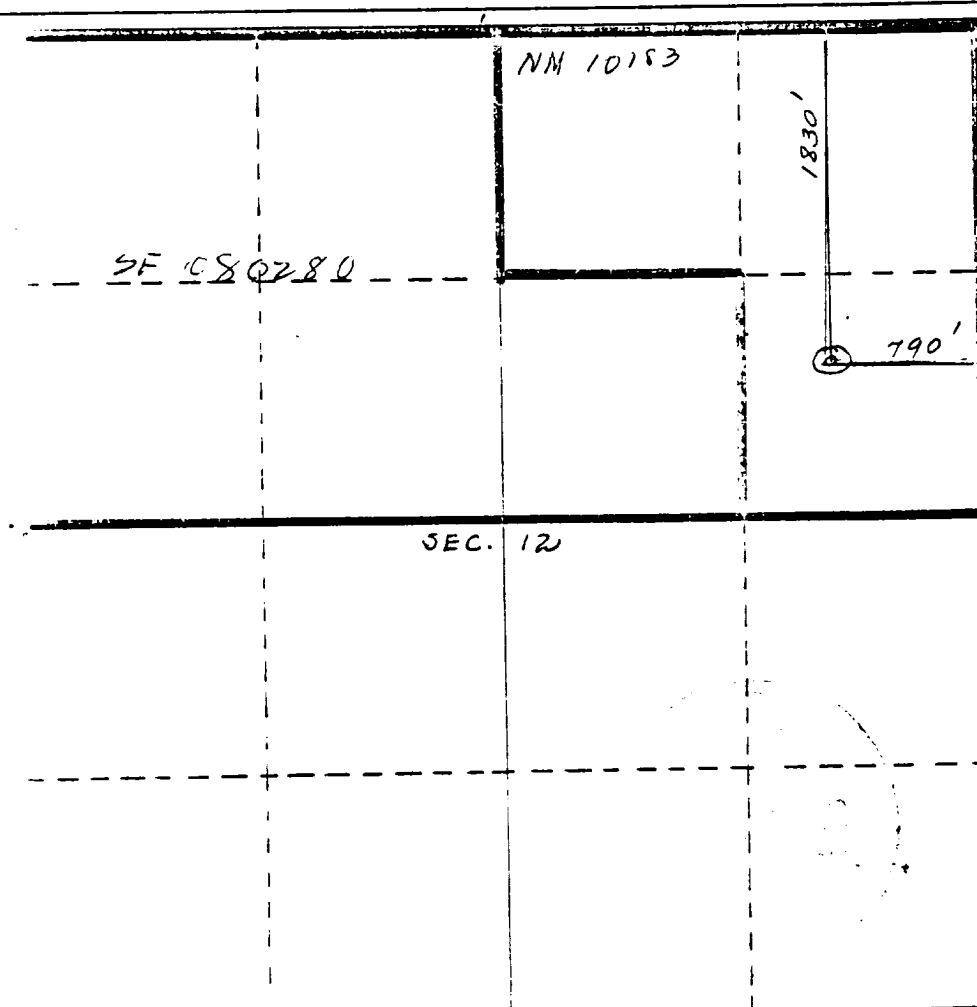
Unit Letter		Section		Township		Range		County		Lease		Well No.	
H		12		31N		13W		San Juan		Mexico Federal R		1	
Actual Footage Location of Well:													
1830		feet from the		North		line and		790		feet from the		East	
Ground Level Elev.		Producing Formation		Pool		Dedicated Acreage:							
5799		Mesaverde		Blanco Mesaverde		N 320		Acres					

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 communitization

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

Name Paul D. Berhou
Position Engineer Technician
Company Getty Oil Co.
Date 5-15-78

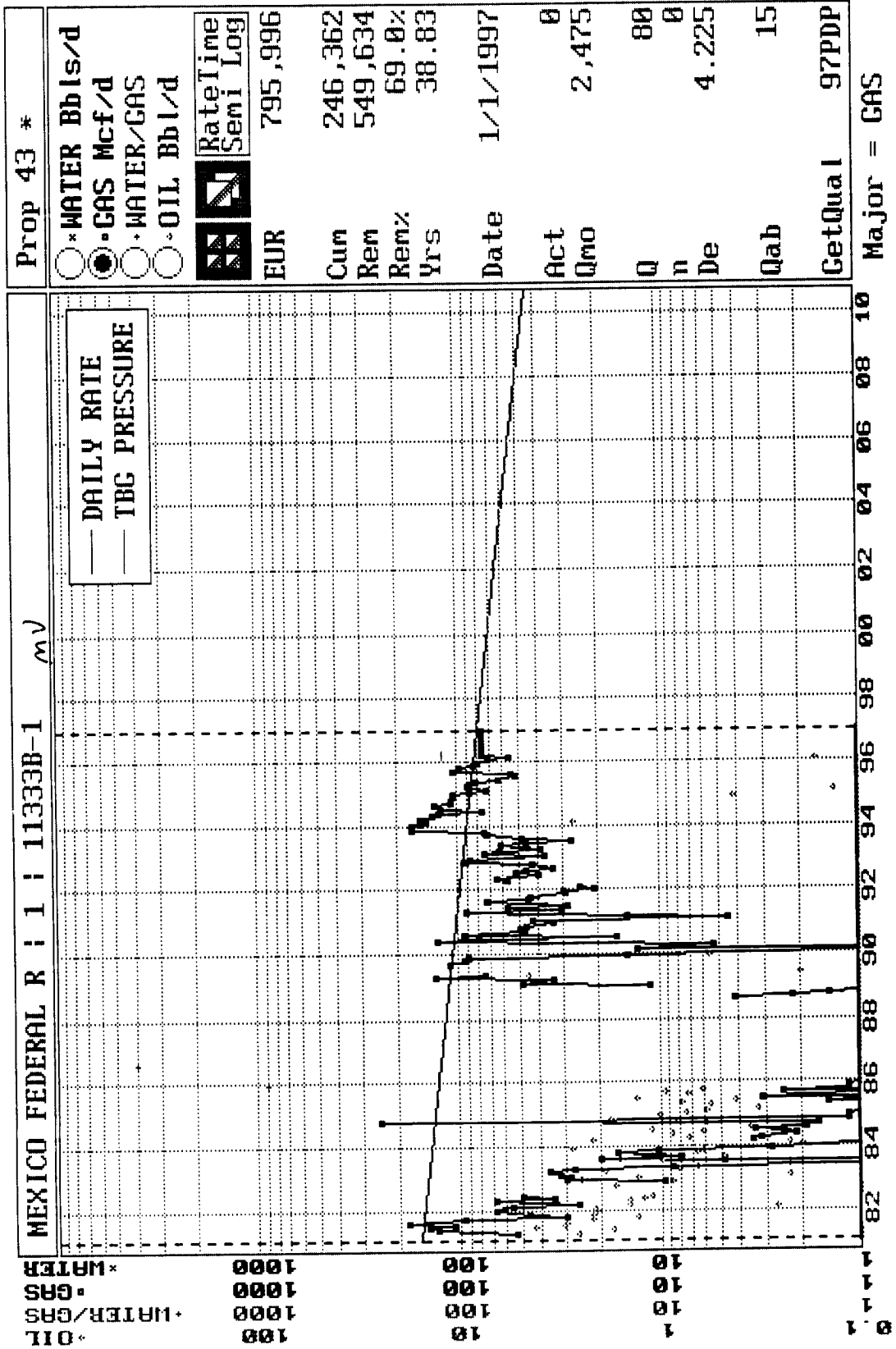
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

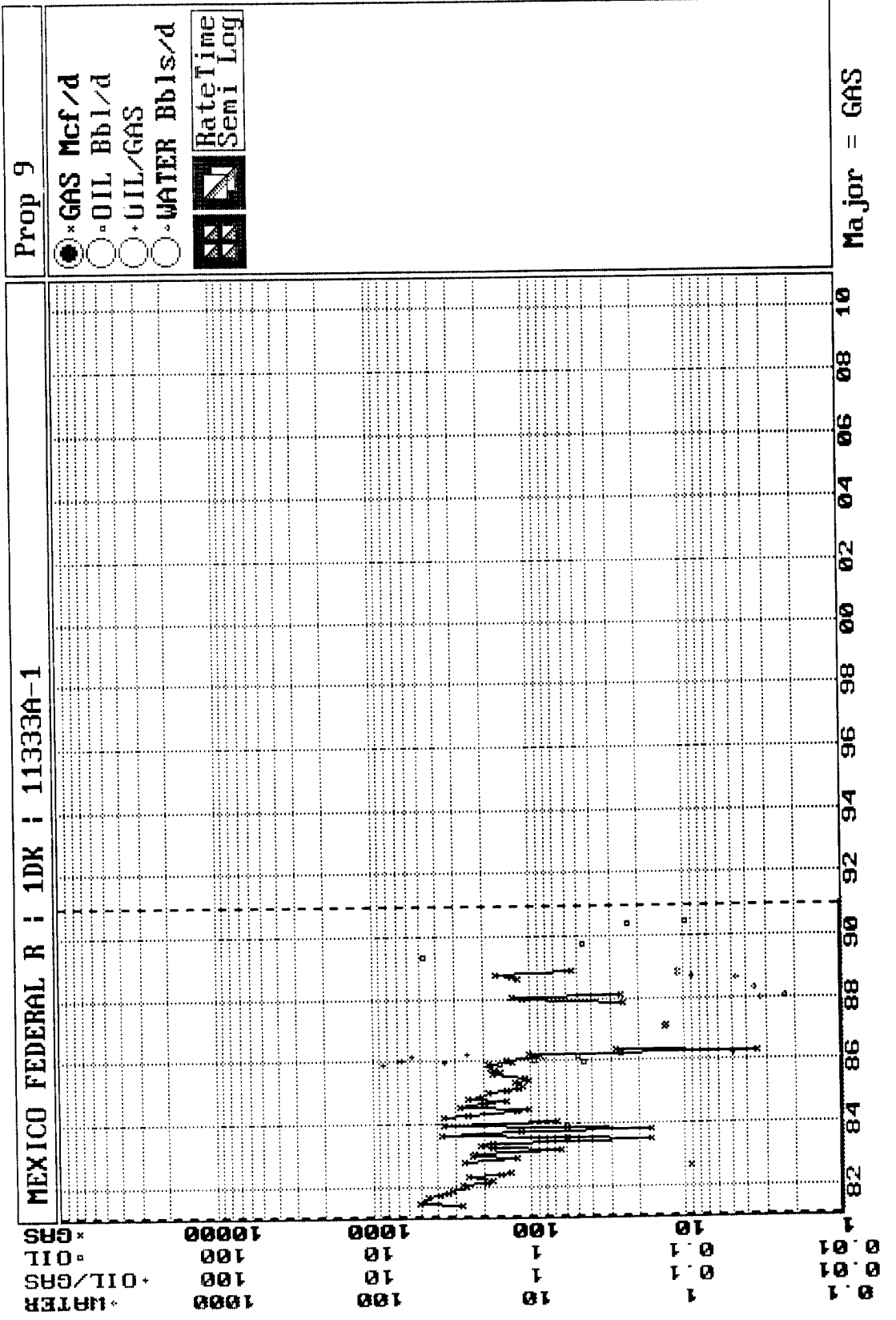
Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

660 90 1320 1650 1980 2 2640 2000 1500 1000 500 0



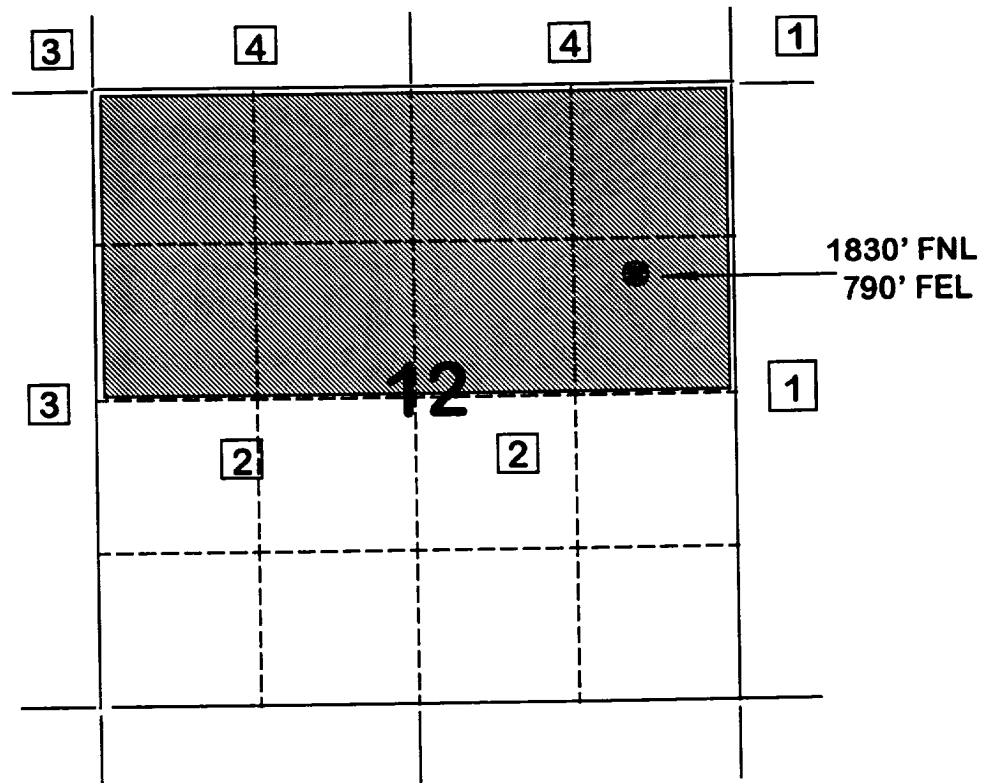


BURLINGTON RESOURCES OIL AND GAS COMPANY

**Mexico Federal R #1
OFFSET OPERATOR \ OWNER PLAT**

Mesaverde / Dakota Formations Commingle Well

Township 31 North, Range 13 West



- 1) Burlington Resources Oil and Gas Company Successor to Meridian Oil Inc.
- 2) Dugan Production Corp.
P.O. Box 420
Farmington, NM 87499
- 3) Snyder Oil Corp.
777 Main, Suite 2500
Ft. Worth, TX 76102
- 4) Hallwood Petroleum Inc.
4582 S. Ulster Street Pkwy, Suite 1700
Denver, CO 80237

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

VERSION 1.0 3/13/94

GAS GRAVITY	0.7
COND. OR MISC. (C/M)	C
%N2	0.2
%CO2	0.74
%H2S	0
DIAMETER (IN)	2.2
DEPTH (FT)	4466
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	150
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	582
BOTTOMHOLE PRESSURE (PSIA)	652.9

MEXICO FEDERAL R #1 MESAVERDE - (CURRENT)

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

VERSION 1.0 3/13/94

GAS GRAVITY	0.7
COND. OR MISC. (C/M)	C
%N2	0.2
%CO2	0.74
%H2S	0
DIAMETER (IN)	2.2
DEPTH (FT)	4466
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	150
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	978
BOTTOMHOLE PRESSURE (PSIA)	1106.3

MEXICO FEDERAL R #1 MESAVERDE - (ORIGINAL)

Organize Data ScreenGraph Economics Report Plot Utility Quit
 Browsing: MEXICO FEDERAL R | 1MV | 11333B-1 Property No.: 10
 Table(T): TEST/M,P,H,E,T,Z,C,A,O,D,N,1,2,3,B,U,S Rec: 1/6/192
 Item: 11/32/33 Name: OIL_RATE Type: Numeric Len: 8/197/203 Dec: 0

	OIL RATE	GAS RATE	WTR RATE	WHT	M FWHP-	M FBHP-	M SIWHP	M SIBHP	C FWHP-	
	■■■■■■■■	■■■■■■■■	■■■■■■■■	■■■	■■■Psi■■■	■■■Psi■■■	■■■Psi■■■	■■■Psi■■■	■■■■■■■■	
<<	0		0		0.0		978.0	0.0		>>
<<	0		0		338.0		551.0	0.0		>>
<<	0		0		395.0		601.0	0.0		>>
<<	0		0		303.0		557.0	0.0		>>
<<	0		0		357.0		491.0	0.0		>>
<<	0		0		401.0		582.0	0.0		>>

F1=Help F3=PrvPro F5=PrvTbl F7=Calcu F9=Utils Alt+TableLtr=Change Table
 F2=Jump F4=NxtPro F6=NxtTbl F8=Print F10=Exit Shift+<- ->=Fast Tbl R & L

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

VERSION 1.0 3/13/94

GAS GRAVITY	<u>0.69</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.27</u>
%CO2	<u>1.26</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>2.4</u>
DEPTH (FT)	<u>6844</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>200</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>1212</u>
BOTTOMHOLE PRESSURE (PSIA)	1450.1

MEXICO FEDERAL R #1 DAKOTA - (ORIGINAL)

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

VERSION 1.0 3/13/94

GAS GRAVITY	<u>0.69</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.27</u>
%CO2	<u>1.26</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>2.4</u>
DEPTH (FT)	<u>6844</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>200</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>885</u>
BOTTOMHOLE PRESSURE (PSIA)	1050.9

MEXICO FEDERAL R #1 DAKOTA - (CURRENT)

EPD1050-1
10/09/96 10:39:19

T E S T D A T A

PAGE 1

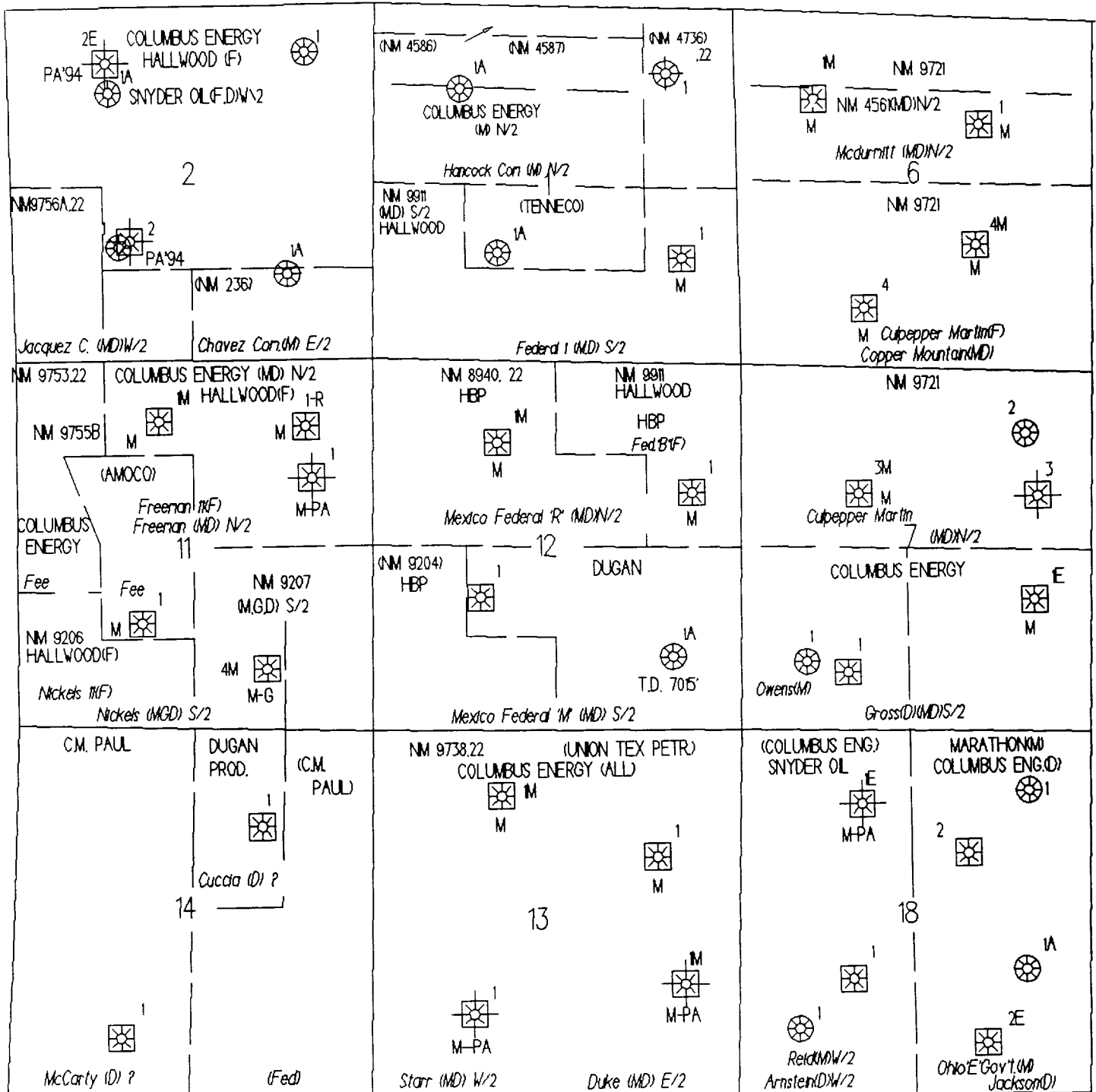
STATE: 30
PROD : 2
IDENT: 31N13W
DISTRICT: 4
LOCATION: 12K31N13W
RETRIEVAL CODE: 251,045,31N13W12K00DK
GAS GATH: ELMAT
API NO: 1089700

LEASE NAME: MEXICO FEDERAL M
COUNTY NAME: SAN JUAN
RESERVOIR NAME: DAKOTA
OPERATOR NAME: DUGAN PRODUCTION CORP
FIELD NAME: BASIN (DAKOTA)
WELL: 1
STATUS: ACT
COMP DATE: 196105

DK
TOTAL DEPTH: 6875
UPPER PERF: 6580
LOWER PERF: 6800

DATE	CUM TO TEST	WHSIP	BHP	P/Z	BDWTR	BDCND	WHFLW	POTEN M/C POT	Z FAC
19610515	0	0	0	0	0	0	0	1574	2
19710526	529985	1212	1439	1617	0	0	384	63 C	2
19720706	577982	1127	1336	1493	0	0	340	110 C	2
19750404	679177	937	1106	1217	0	0	310	98 C	2
19770525	750142	885	1043	1141	0	0	278	71 C	2

MEXICO FEDERAL R #1
SECTION 12, T31N, R13W
BLANCO MESAVERDE/BASIN DAKOTA



T
31
N

R-13-W

R-12-W

PRODUCTION ALLOCATION FORMULA METHOD

**MEXICO FEDERAL R #1
(Mesaverde/Dakota) Commingle
Unit I, 12-T31N-R13W
San Juan County, New Mexico**

Allocation Formula Method:

Current Production from Mesaverde formation = 96 MCFD

Current Production from Dakota formation = 20 MCFD

$$\frac{[(MV \& DK) 116 \text{ MCFD} - (MV) 96 \text{ MCFD}]}{(MV \& DK) 116 \text{ MCFD}} = (DK) \% \quad \textbf{\underline{Dakota 17\%}}$$

$$\frac{[(MV \& DK) 116 \text{ MCFD} - (DK) 20 \text{ MCFD}]}{(MV \& DK) 116 \text{ MCFD}} = (MV) \% \quad \textbf{\underline{Mesaverde 83\%}}$$