

BURLINGTON RESOURCES

SAN JUAN DIVISION

October 11, 1996

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

RECEIVED
OCT 15 1996

OIL CON. DIV.
DIST. 3

Re: Payne #4A
1100'FSL, 135'FEL Section 22, T-32-N, R-10-W, San Juan County, NM
API #30-045-23911

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.

If you are a working, overriding or royalty interest owner in either of the above described pools, you are being notified of this application as a requirement of the New Mexico Oil Conservation Division Rule #303C. Burlington, as operator, believes this application will be in the best interest of all owners. If you have no objection to this commingling application, you do not have to respond to this notification. Upon establishment of production from this well, you will receive your proportionate share of revenues from the pool in which you own an interest according to the proposed allocation formula.

The allocation formula is included, showing 38% from the Mesa Verde and 62% from the Dakota formation.

Please let me know if you require additional data.

Sincerely,



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 87505-8429Form C-107-A
New 3-12-96

APPROVAL PROCESS :

☒ Administrative
☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Burlington Resources Oil & Gas Company

PO Box 4289, Farmington, NM 87499

Operator

Address

Payne

4A

P-22-32N-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 7379 API NO. 30-045-23911 Federal ☒ , State _____, (and/or) Fee ☒The following facts are submitted
in support of downhole
commingling.Upper
ZoneIntermediate
ZoneLower
Zone

1. Pool Name and Pool Code	Blanco Mesaverde - 72319		Basin Dakota - 71599
2. Top and Bottom of Pay Section (Perforations)	5586-8298'	RECEIVED OCT 15 1996 OIL CON. DIV.	8224-8353'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure	(Current) a. 594 psi (see attachment)	a. DIST. 3	a. 1264 psi (see attachment)
Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	(Original) b. 875 psi (see attachment)	b.	b. 3313 psi (see attachment)
6. Oil Gravity (°API) or Gas BTU Content	BTU 1103		BTU 1009
7. Producing or Shut-In?	producing		producing
Production Marginal? (yes or no)	no		yes

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-101
Effective 1-1-79

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

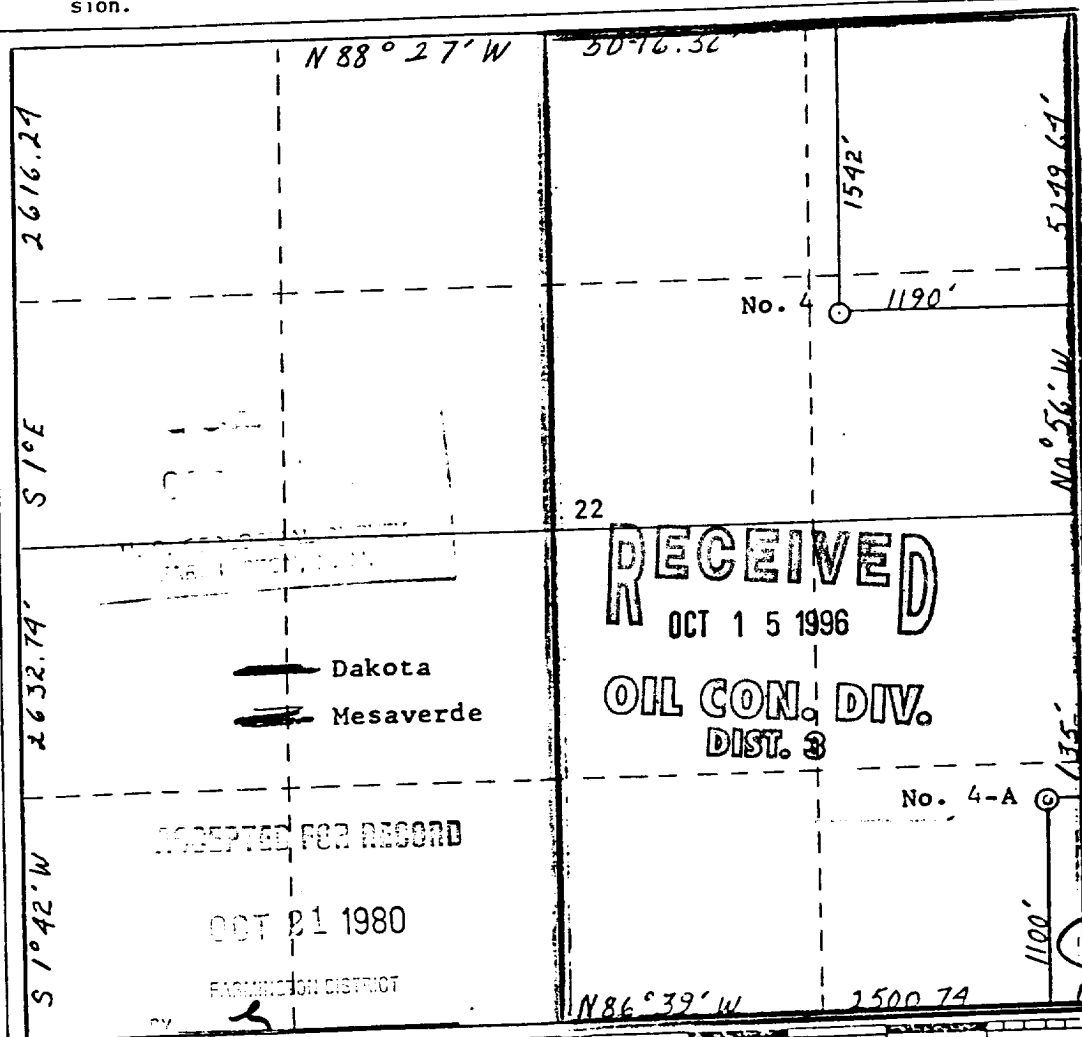
Operator SUPRON ENERGY CORPORATION			Lease PAYNE		Well No. 4-A
Unit Letter P	Section 22	Township 32 NORTH	Range 10 WEST	County SAN JUAN	
Actual Footage Location of Well: 1100 feet from the SOUTH line and 135 feet from the EAST line					
Ground Level Elev. 6890	Producing Formation ME SAVERDE DAKOTA		Pool BLANCO BASIN	Dedicated Acreage: E 1/2 302.97 A.	

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 work 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 Dakota Communitization #14-08-001-160

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.

Rudy D. Motto
Name

Rudy D. Motto

Position

Area Superintendent

Company

SUPRON ENERGY CORPORATION

Date

October 30, 1979

I hereby certify that the information shown on this plat was plotted from 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

6 April 1979

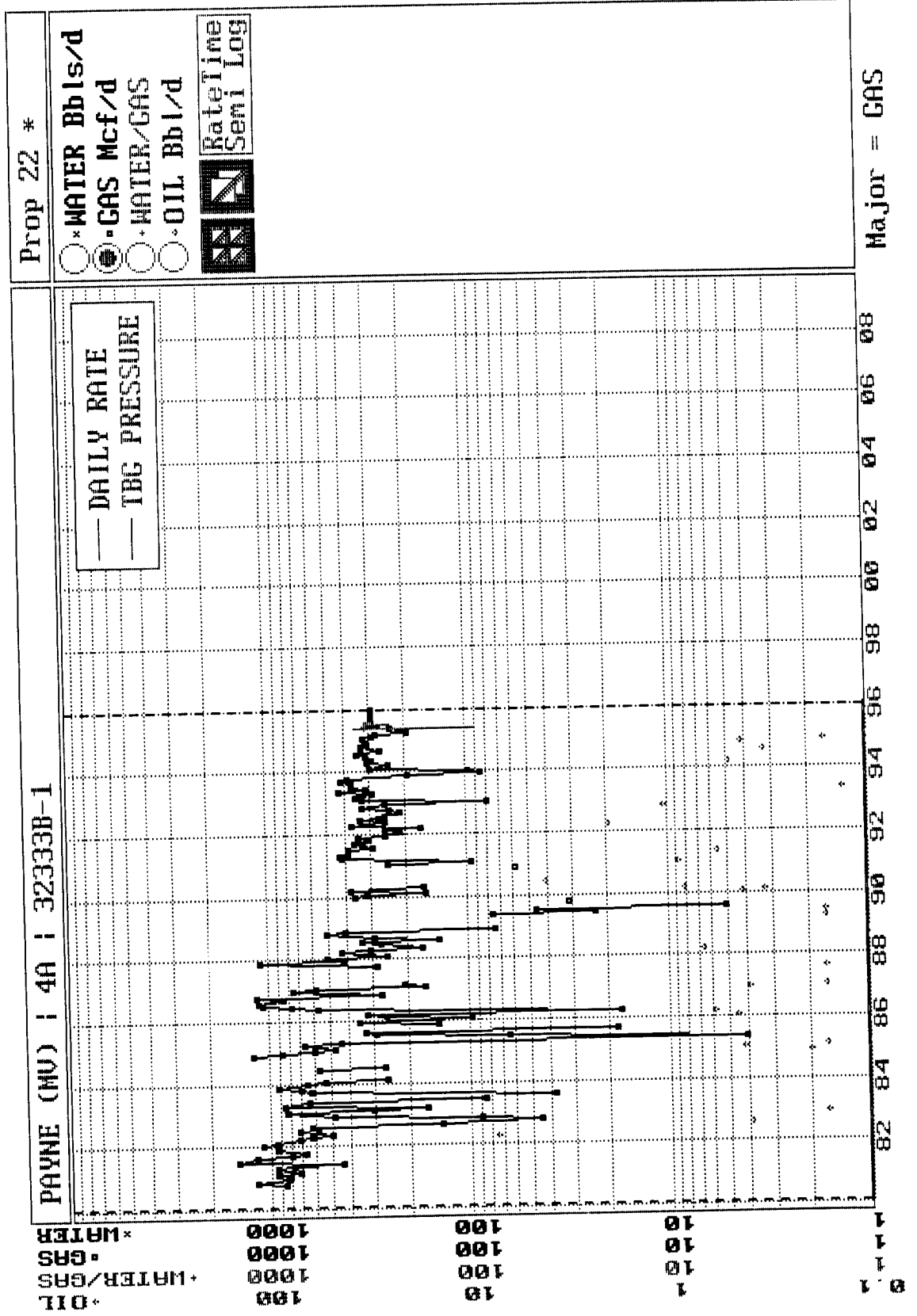
Registered Professional Engineer and/or Land Surveyor

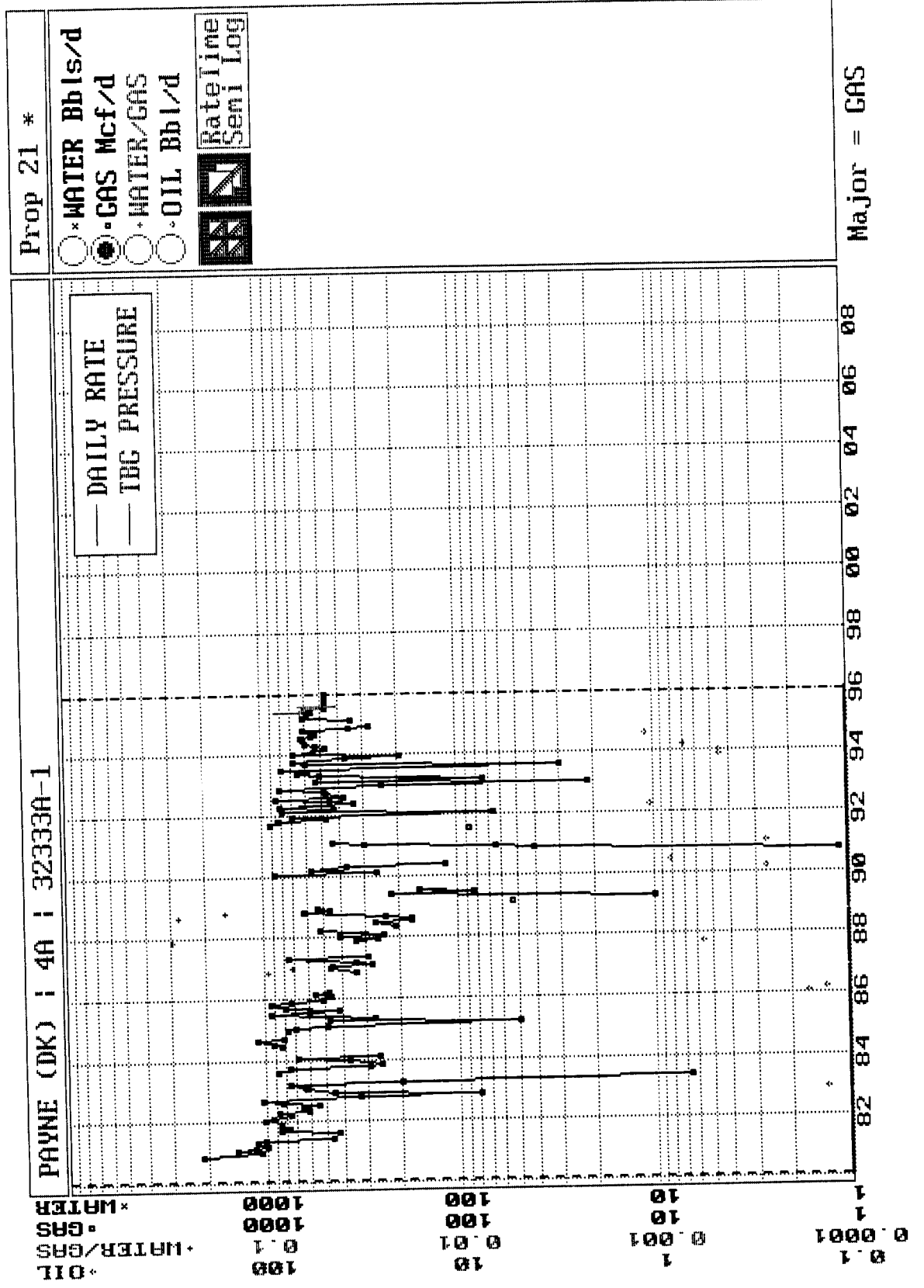
James P. Leese

Certificate No.

1463

OPERATOR



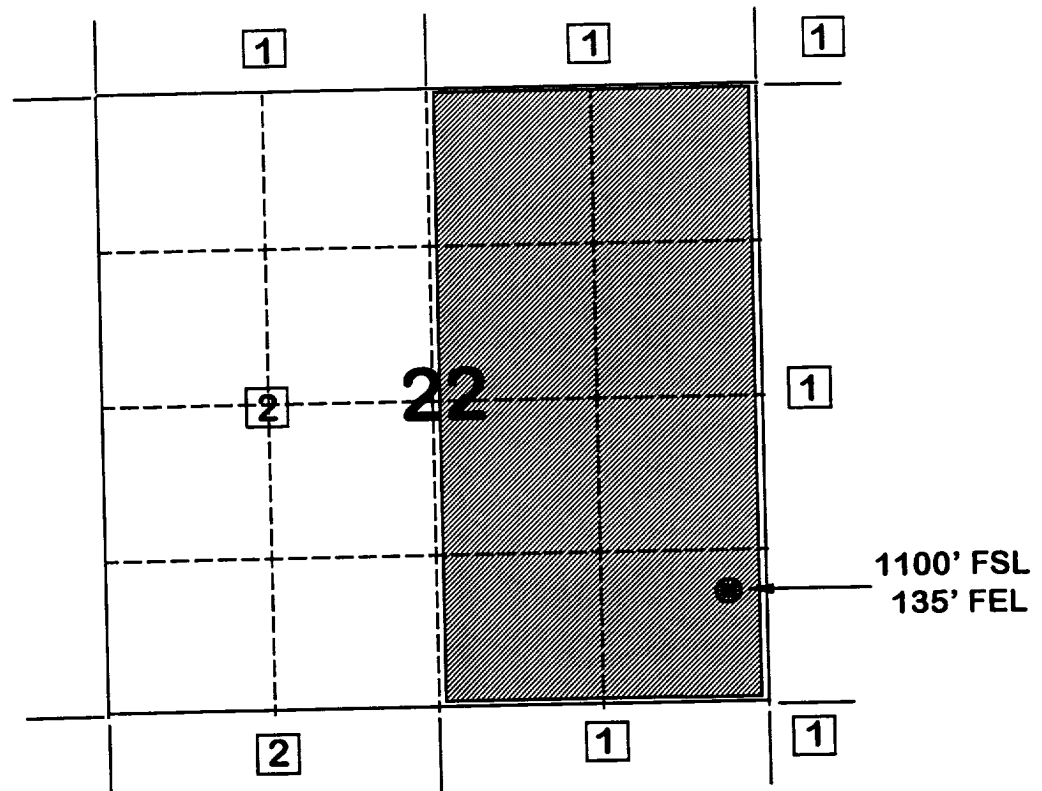


BURLINGTON RESOURCES OIL AND GAS COMPANY

**PAYNE #4A
OFFSET OPERATOR \ OWNER PLAT**

Mesaverde / Dakota Formations Commingle Well

Township 32 North, Range 10 West



- 1) Burlington Resources Oil and Gas Company Successor to Meridian Oil Inc.
- 2) Amoco Production Company
Bruce Zimney
P.O. Box 800
Denver, CO 80201

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

VERSION 1.0 3/13/94

GAS GRAVITY	0.66
COND. OR MISC. (C/M)	C
%N2	0.12
%CO2	1.84
%H2S	0
DIAMETER (IN)	2.2
DEPTH (FT)	6009
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	150
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	515
BOTTOMHOLE PRESSURE (PSIA)	594.1

PAYNE #4A MESAVERDE - (CURRENT)

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

VERSION 1.0 3/13/94

GAS GRAVITY	<u>0.66</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.12</u>
%CO2	<u>1.84</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>2.2</u>
DEPTH (FT)	<u>6009</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>150</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>754</u>
BOTTOMHOLE PRESSURE (PSIA)	<u>874.6</u>

PAYNE #4A MESAVERDE - (ORIGINAL)

Organize Data ScreenGraph Economics Report Plot Utility Quit
Browsing: PAYNE (MV) | 4A | 32333B-1 Property No.: 22
Table(T): TEST/M,P,H,E,T,Z,C,A,O,D,N,1,2,3,B,U,S Rec: 10/10/467
Item: 12/32/33 Name: GAS_RATE Type: Numeric Len: 8/197/203 Dec: 0

GAS RATE	WTR RATE	WHT	M FWHP-	M FBHP-	M SIWHP	M SIBHP	C FWHP-	C FBHP-	
■■■■■■■■■■	■■■■■■■■■■	■■■	■■■Psi■■■	■■■Psi■■■	■■■Psi■■■	■■■Psi■■■	■■■■■■■■■■	■■■■■■■■■■	
«			0.0		754.0	0.0			»
«		0	486.0		607.0	0.0			»
«		0	377.0		600.0	0.0			»
«		0	449.0		577.0	0.0			»
«		0	345.0		602.0	0.0			»
«		0	242.0		465.0	0.0			»
«					471.0				»
«		0	207.0		483.0	0.0			»
«					487.0				»
«		0	128.0		515.0	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>0.61</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.17</u>
%CO2	<u>2.62</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>2.2</u>
DEPTH (FT)	<u>8180</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>200</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>1056</u>
BOTTOMHOLE PRESSURE (PSIA)	1263.7

PAYNE #4A DAKOTA - (CURRENT)

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

VERSION 1.0 3/13/94

GAS GRAVITY	<u>0.61</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.17</u>
%CO2	<u>2.62</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>2.2</u>
DEPTH (FT)	<u>8180</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>200</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>2748</u>
BOTTOMHOLE PRESSURE (PSIA)	3313.3

PAYNE #4A DAKOTA - (ORIGINAL)

Organize Data ScreenGraph Economics Report Plot Utility Quit
 Browsing: PAYNE (DK) | 4A | 32333A-1 Property No.: 21
 Table(T): TEST/M,P,H,E,T,Z,C,A,O,D,N,1,2,3,B,U,S Rec: 9/9/467
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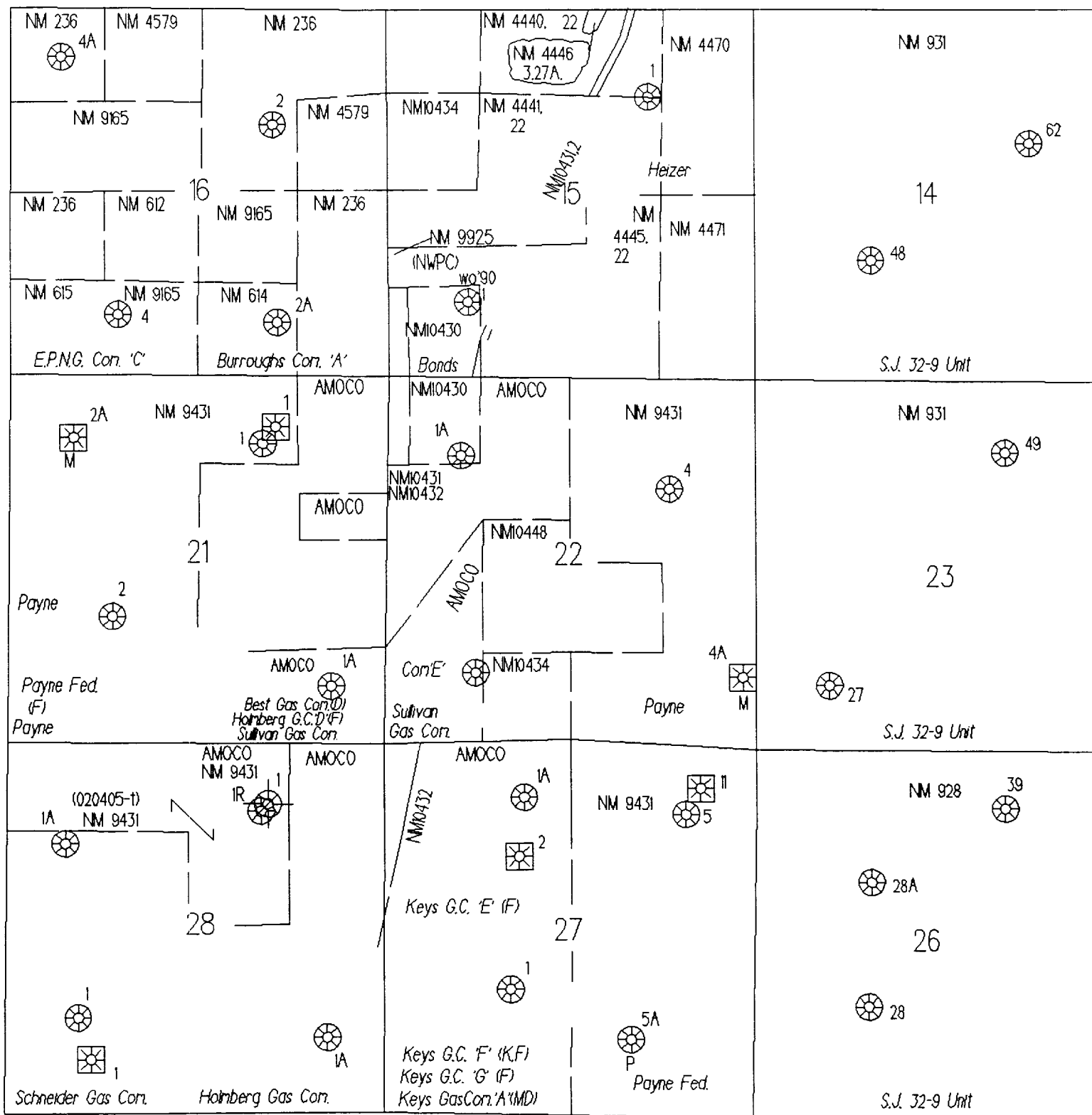
GAS RATE	WTR RATE	WHT	M FWHP-	M FBHP-	M SIWHP	M SIBHP	C FWHP-	C FBHP-
██████████	██████████	██	██Psi██	██Psi██	██Psi██	██Psi██	██████████	██████████
«			0.0		2748.0	0.0		»
«	0		528.0		756.0	0.0		»
«	0		345.0		643.0	0.0		»
«	0		458.0		1246.0	0.0		»
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«	0		220.0		1739.0	0.0		»
«					1018.0			»
«					1056.0			»

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

PAYNE #4A

SECTION 22, T32N, R10W

BLANCO MESAVERDE/BASIN DAKOTA



PRODUCTION ALLOCATION FORMULA METHOD

Payne #4A
(Mesaverde/Dakota) Commingle
Unit P, 22-T32N-R10W
San Juan County, New Mexico

Allocation Formula Method:

Current Production from Mesaverde formation = 300 MCFD

Current Production from Dakota formation = 500 MCFD

$$\frac{[(MV \& DK) 800 \text{ MCFD} - (MV) 300 \text{ MCFD}]}{(MV \& DK) 800 \text{ MCFD}} = (DK) \% \quad \underline{\text{Dakota 62\%}}$$

$$\frac{[(MV \& DK) 800 \text{ MCFD} - (DK) 500 \text{ MCFD}]}{(MV \& DK) 800 \text{ MCFD}} = (MV) \% \quad \underline{\text{Mesaverde 38\%}}$$