



RELEASE 5.11.93

Midland Division
Exploration Production

OIL CONSERVATION DIVISION
RECEIVED

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

1993 APR 22 AM 9 40

April 20, 1993

State of New Mexico
Energy & Minerals Department
Oil Conservation Division
P.O. Box 1088
Santa Fe, NM 87504-2088

Gentlemen:

**Application to Downhole Commingle the
Dakota and Mesaverde Gas Producing zones
in Trieb Federal #2E, 950' FNL & 1550' FEL,
Sec. 33, T-30N, R-10W, San Juan County, New Mexico**

It is proposed to downhole commingle the Dakota and Mesaverde Gas zones in this well to maintain economic operation and to maximize the efficient and effective recovery of Gas at this location. Economic evaluation of the continued operation of this well as a dual completion has shown that it can only be economically maintained if it can be downhole commingled and operated as a single completion.

The Dakota producing rate had declined to 7.3 before being shut-in in 10/91. The Mesaverde rate has declined to 6.7 MCFGPD as of 1/93. Elimination of excess operational equipment and operating expense associated with dual operation would contribute to the maximization of the producing lives and recoveries from each pool.

The following attachments are submitted in support of this application:

1. EXHIBIT A is a plat (a) showing Dakota wells in the area, (b) identifying the subject well, and (c) outlining the Dakota proration unit.
2. EXHIBIT B is a plat (a) showing Mesaverde wells in the area, (b) identifying the subject well, and (c) outlining the Mesaverde proration unit.
3. EXHIBIT C is a C-116 which shows the most recently available producing rates for each completion.
4. EXHIBITS D and E are current decline curves for Dakota and Mesaverde production.
5. Bottom hole pressures for these two completions are:

<u>ZONE</u>	<u>PSIA</u>	<u>DEPTH</u>	<u>GRADIENT</u>
Mesaverde	1001	4673'	.214 psi/ft
Dakota	1925	6998'	.275 psi/ft

6. WI, RI, and ORRI ownerships are identical for both formations.
7. EXHIBITS F & G are respectively Mesaverde and Dakota gas analyses. BTU values are similar for both and since sales are based on a \$/BTU rate, revenue for the combined gas stream should be essentially the same as for the separated sales streams of the dual completion. Therefore, there should be no significant revenue loss due to commingling.
8. Allocation percentages based on the most recently available producing rates for each completion as shown on EXHIBIT C.

	<u>Gas</u>	
Blanco Mesaverde	48 %	No oil
		or
Basin Dakota	52 %	Water

9. Working and royalty interests are identical for the entire 320-acre proration units for both formations.

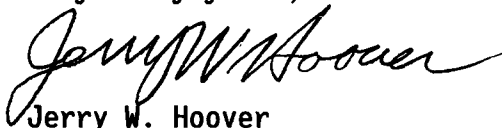
W.I.: Conoco 100%
R.I.: Conoco 83.9988%, Federal - 16.0012%

Federal Leases: SF-078204-A for NE/4, Mesaverde & Dakota
NM-03998 for SE/4, Mesaverde & Dakota

Federal Com. for E/2: SW-1 as to Dakota
SCR-127 as to Mesaverde

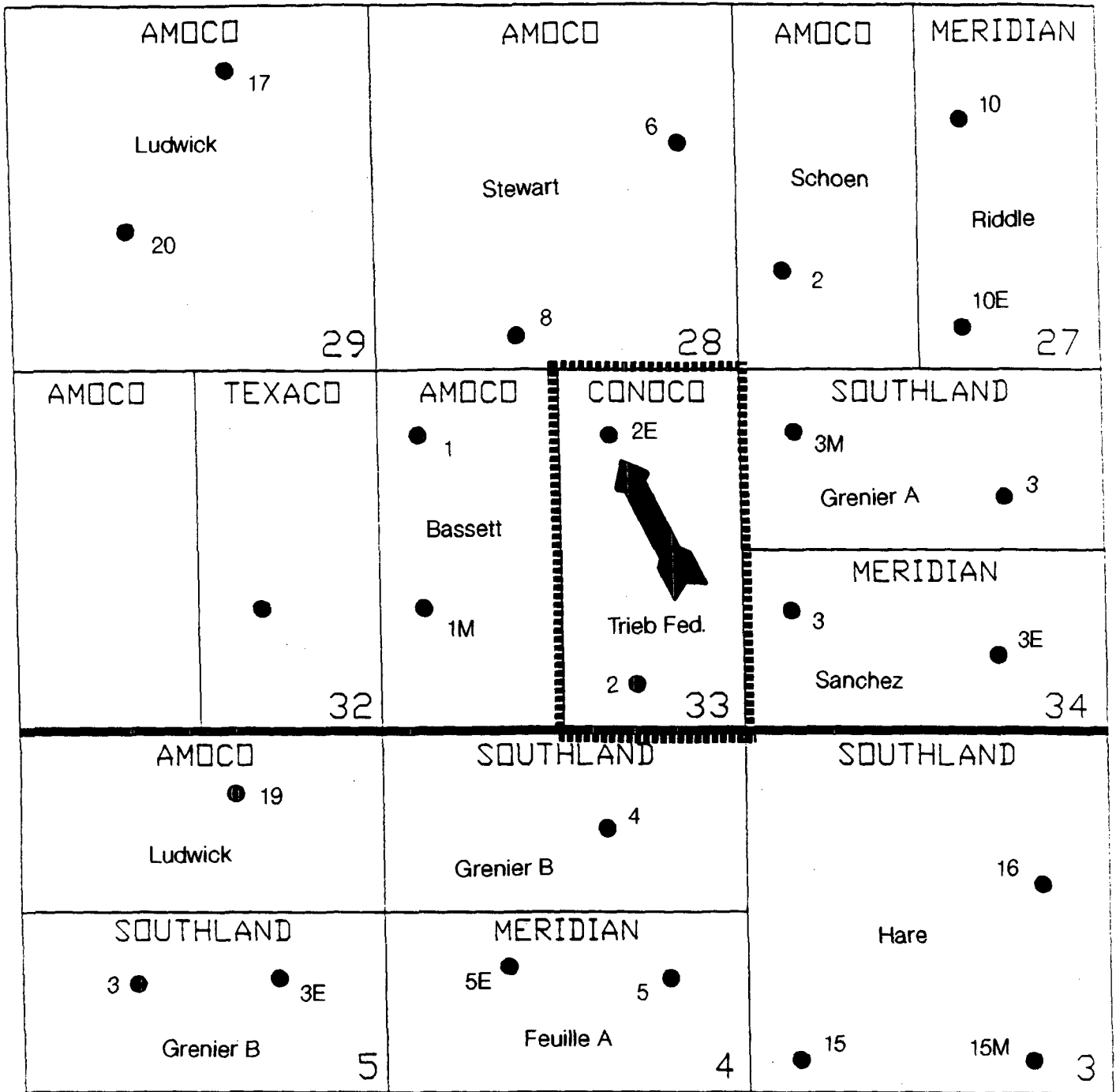
10. Offset operators, as shown on EXHIBITS A & B, are Amoco, Southland, and Meridian. Each of these operators as well as the Bureau of Land Management were sent a copy of this application by certified mail. EXHIBIT H shows copies of the certified mail receipts.

Very truly yours,



Jerry W. Hoover
Senior Conservation Coordinator

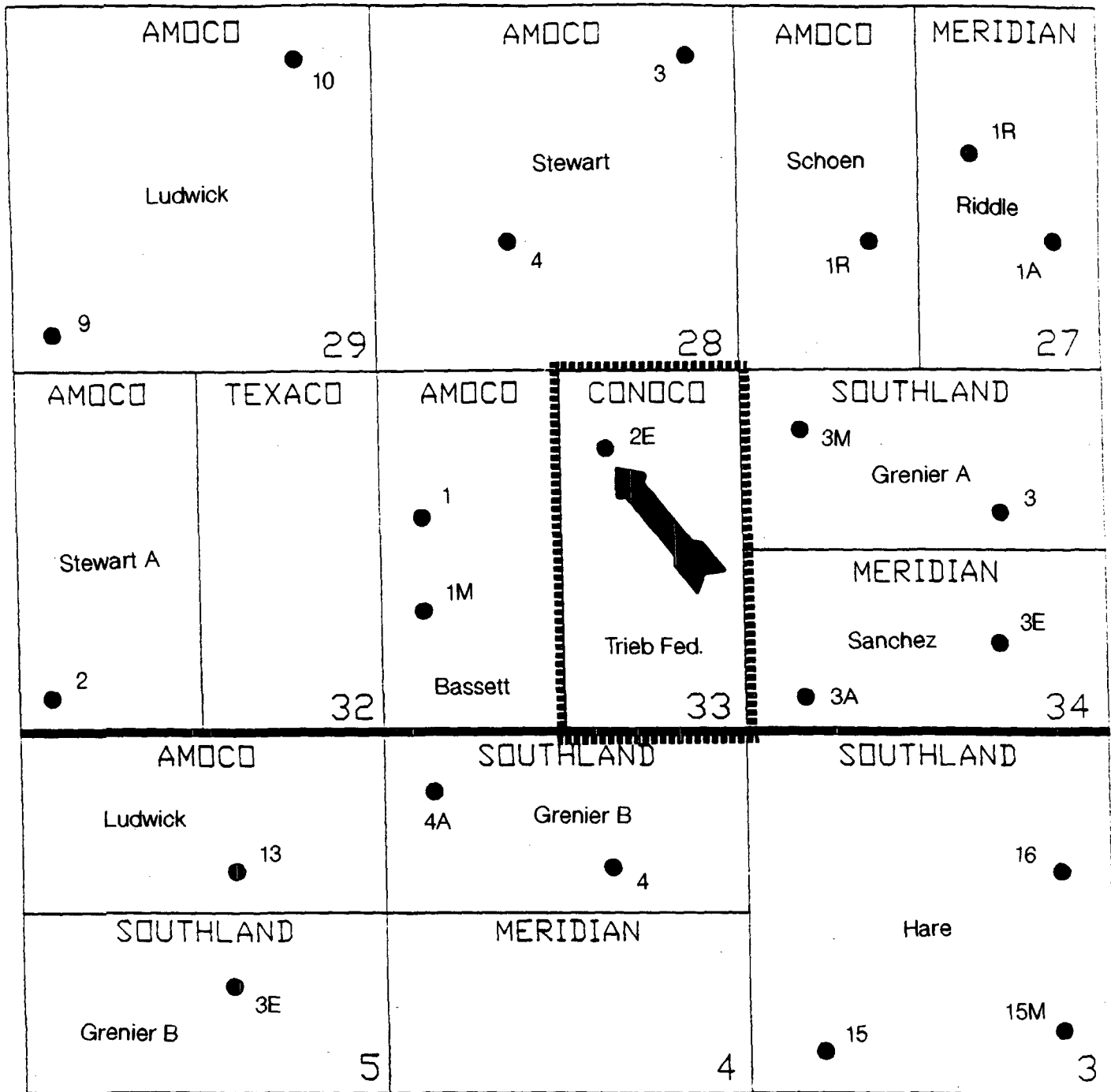
R10W



CONOCO INC.	
DAKOTA WELLS	
NAME:	
DATE:	NUMBER:
3-17-93	BA1169

EXHIBIT A

R10W



CONOCO INC.	
MESA VERDE WELLS	
NAME:	
DATE:	NUMBER:
3-17-93	BA1169

EXHIBIT B

Submit 2 copies to Appropriate District Office.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-116
Revised 1/1/89

GAS - OIL RATIO TEST

Operator		Pool		County									
Conoco Inc.		Blanco Mesaverde		Basin Dakota									
Address		10 Desta Drive, St. 100W, Midland, TX 79705		San Juan									
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	Completion		Special <input checked="" type="checkbox"/>	
		U	S	T						R	WATER BBL.S.		PROD. DURING TEST GRAV. OIL
Trieb Federal (Mesaverde)	2E	B	33	30N	10W	1/93	--	--	marginal Mo.	0	--	0	6.7
	2E	B	33	30N	10W	9/91	--	--	marginal Mo.	0	--	0	7.3
Trieb Federal (Dakota)									Dakota shared with well #2				

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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

Signature

Printed name and title

Jerry W. Hoover

Sr. Conservation Coordinator

Date

4/20/93

(915) 686-6548

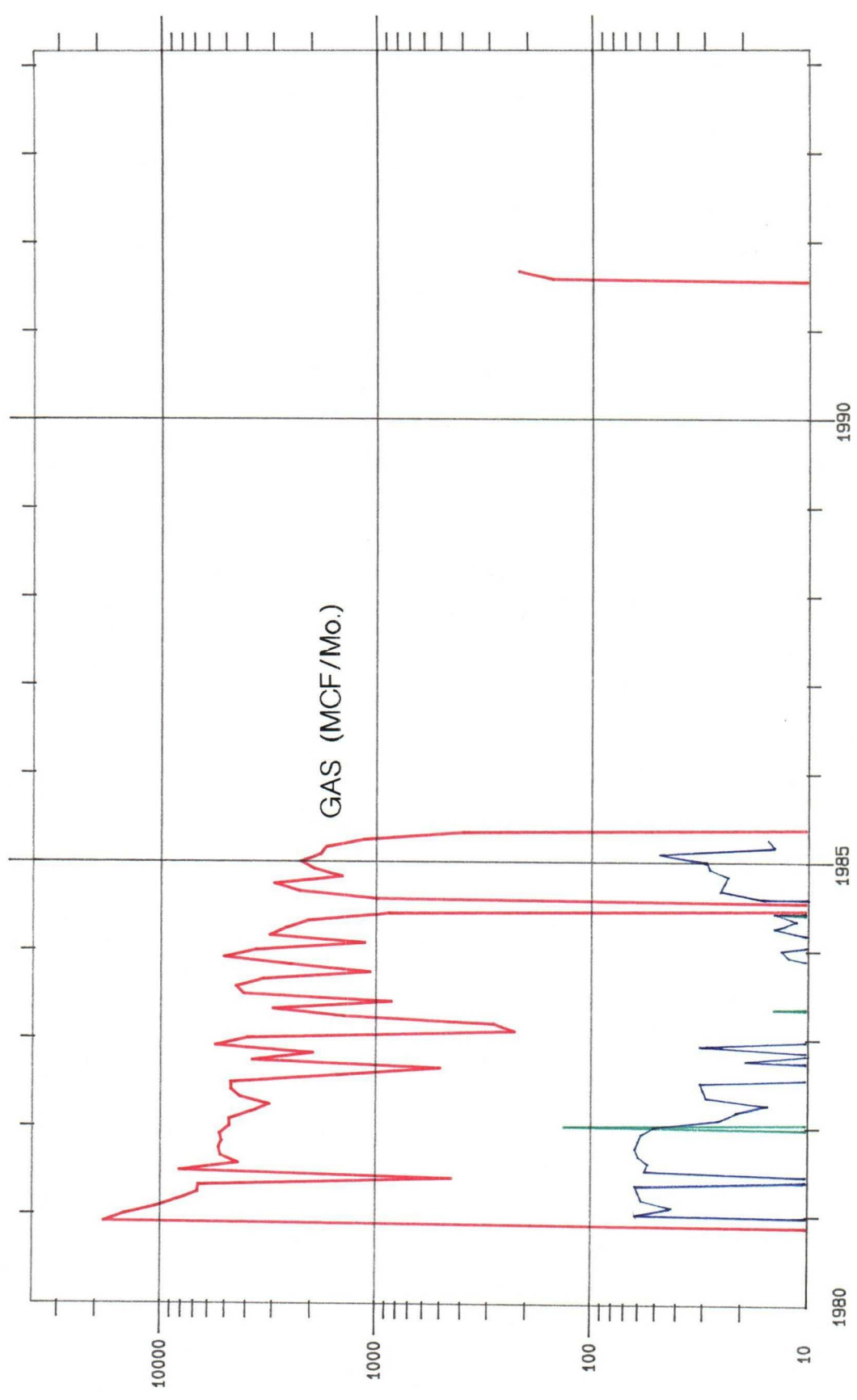
Telephone No.

Calculated
Oil
Gas
Water

TRIEB FEDERAL #2E DK
Production Rate vs Time
Bbl/Mo or Mcf/Mo vs Months
TRIEB FEDERAL #2E CONOCO INCORPORATED
For the Period 12/1980 to 09/1991

Production
Oil
Gas
Water

Basin Dakota



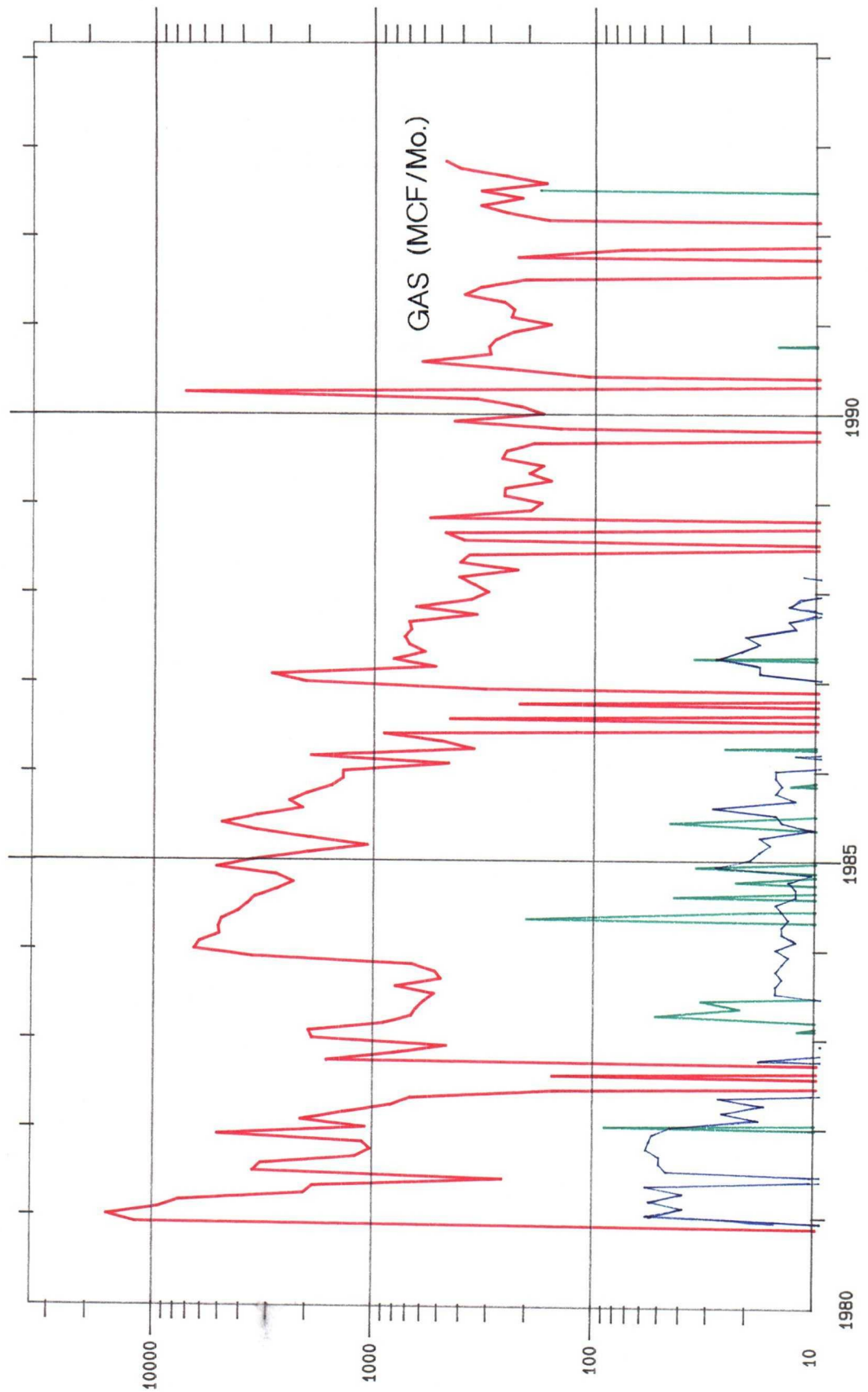
Reported Oil Production = 173 Bbls
Reported Gas Production = 202616 Mcf
Reported Water Production = 1250 Bbls

Calculated
Oil
Gas
Water

TRIEB FEDERAL #2E MV
Production Rate vs Time
BBL/Mo or Mcf/Mo vs Months
TRIEB FEDERAL 2E CONOCO INCORPORATEI Occ #2
For the Period 12/1980 to 11/1992

Production
Oil
Gas
Water

Blanco Mesaverde



Reported Oil Production = 924 Bbls
Reported Gas Production = 215899 Mcf
Reported Water Production = 1597 Bbls

07-08-87

EL PASO NATURAL GAS COMPANY
MEASUREMENT DEPARTMENT
POST OFFICE BOX 1492
EL PASO, TEXAS 79978

RECEIVED

JUL 16 1987

PRODUCTION RECORD

MAILEE
04515

CHROMATOGRAPHIC GAS ANALYSIS REPORT

MESA OPERATING LTD PARTNERSHIP
P. O. BOX 2009
AMARILLO, TX 79189

ANAL DATE 00-00-00	METER STATION NAME TRIEB FEDERAL #2E MV	METER STA 93431 OPER 6014			
TYPE CODE	SAMPLE DATE	EFF. DATE	USE MOS	H2S GRAINS	LOCATION
00 ***	06-02-87	06-26-87	06	0	4 F 11

	NORMAL MOL%	GPM
CO2	.70	.000
H2S	.00	.000
N2	.30	.000
METHANE	80.61	.000
ETHANE	9.47	2.533
PROPANE	5.31	1.463
ISO-BUTANE	1.09	.357
NORM-BUTANE	1.22	.385
ISO-PENTANE	.43	.157
NORM-PENTANE	.32	.116
HEXANE PLUS	.55	.239
	100.00	5.250

SPECIFIC GRAVITY .724

MIXTURE HEATING VALUE
(BTU/CF @14.73 PSIA, 60 DEGREES, DRY) 1256

RATIO OF SPECIFIC HEATS 1.279

NO TEST SECURED FOR H2S CONTENT

*** TYPE CODE EXPLANATION SINGLE METER ANALYSIS

GXC

DATE 8/10/87
REGULATORY
MARKETING
WF

EXHIBIT F

CORE LABORATORIES, INC.
Petroleum Reservoir Engineering
DALLAS, TEXAS

Page 3 of

File 3806-GA-998

Company MESA PETROLEUM Formation

Well TRIEB 2E DK County

Field State

Chromatographic Gas Analysis

COMPONENT	MOL PER CENT	G. P. M.	DENSITY @ 60° F. GRAMS PER CUBIC CENTIMETER	° API @ 60° F.	MOLECULAR WEIGHT
Carbon Dioxide	2.14				
Nitrogen	.17				
Methane	88.53				
Ethane	6.37	1.694			
Propane	1.83	.501			
iso-Butane	.29	.094			
n-Butane	.32	.100			
iso-Pentane	.17	.062			
n-Pentane	.10	.036			
Hexanes	.02	.008			
Heptanes plus	.06	.027			
	100.00	2.522			

Calculated gas gravity (air = 1.000) = .640

Calculated gross heating value = 1085 BTU
per cubic foot of dry gas at 14.65 psia

3/30/81: TLS
Div.
J. Archer
T. Yoakam
L. Carnes
D & M
M-C-P

SAMPLE DETAILS

Type GAS
Client Sample No. Cylinder No. 993
Date Sampled Temperature °F
Sampling Pressure psig Sampled By

EXHBIT G

P 989 354 380


**Receipt for
Certified Mail**

 No Insurance Coverage Provided
 Do not use for International Mail
 (See Reverse)

Sent to Amoco Production Co.	
Street and No. P.O. Box 800	
P.O., State and ZIP Code Denver, CO 80201	
Postage	\$
Certified Fee XX	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date 4/20/93	

PS Form 3800, June 1991

P 989 354 379


**Receipt for
Certified Mail**

 No Insurance Coverage Provided
 Do not use for International Mail
 (See Reverse)

Sent to Meridian Oil, Inc.	
Street and No. P.O. Box 4289	
P.O., State and ZIP Code Farmington, NM 87499	
Postage	\$
Certified Fee XX	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date 4/20/93	

PS Form 3800, June 1991

P 989 354 381


**Receipt for
Certified Mail**

 No Insurance Coverage Provided
 Do not use for International Mail
 (See Reverse)

Sent to Southland Royalty c/o Meridian Oil, Inc.	
Street and No. P.O. Box 4289	
P.O., State and ZIP Code Farmington, NM 87499	
Postage	\$
Certified Fee XX	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date 4/20/93	

PS Form 3800, June 1991

EXHIBIT H