

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

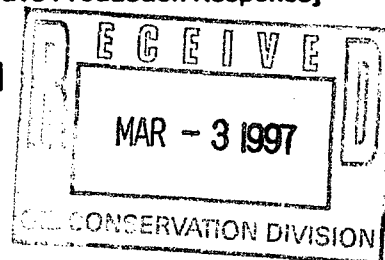
Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR



[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Peggy Bradfield

Peggy Bradfield

Regulatory/Compliance Administrator

Print or Type Name

Signature

Title

Date

2-27-97

BURLINGTON RESOURCES

SAN JUAN DIVISION

February 20, 1997

SENT FEDERAL EXPRESS

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

Re: Atlantic #6A
900'FNL, 1800'FWL Section 22, T-31-N, R-10-W, San Juan County, NM
API #30-045-22388

Dear Mr. LeMay:

This is a request for administrative approval for downhole commingling the Blanco Pictured Cliffs and Blanco Mesa Verde in the subject well. This well was originally drilled as a Pictured Cliffs/Mesa Verde dual; it is intended to commingle.

To comply with the New Mexico Oil Conservation Division rules, Burlington Resources Oil & Gas 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 Pictured Cliffs 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 Pictured Cliffs

We will consult with the Supervisor of the Aztec District Office of the New Mexico Oil Conservation Division to establish an allocation formula.

Please let me know if you require additional data.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator
encs.
xc: Bureau of Land Management

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
87499

PO Box 4289, Farmington, NM

Operator

Atlantic

Address

6A

C 22-31-10

San Juan

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 14538 Property Code 6795 API NO. 30-045-22388 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) | 3024-3098' | | 4521-5594' |
| 3. Type of production (Oil or Gas) | gas | | gas |
| 4. Method of Production (Flowing or Artificial Lift) | flowing | | flowing |
| 5. Bottomhole Pressure | (Current) a. 334 psi (see attachment) | a. | a. 394 psi (see attachment) |
| Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original | (Original) b. 824 psi (see attachment) | b. | b. 817 psi (see attachment) |
| 6. Oil Gravity ($^{\circ}$ API) or Gas BTU Content | BTU 1132 | | BTU 1214 |
| 7. Producing or Shut-In? | producing | | 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: 12-98 Rates: 74 mcf/d; 0 bopd | Date: Rates: | Date: 12-98 Rates: 372 mcf/d; 2 bopd |
| 8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%) | Oil: % Gas: % will be supplied upon completion | Oil: % Gas: % | Oil: % Gas: % 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. NMOC Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). _____

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 Mary Ellen Lutey TITLE Production Engineer DATE 2/17/97

TYPE OR PRINT NAME Mary Ellen Lutey TELEPHONE NO. (505) 326-9700

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION AT

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

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

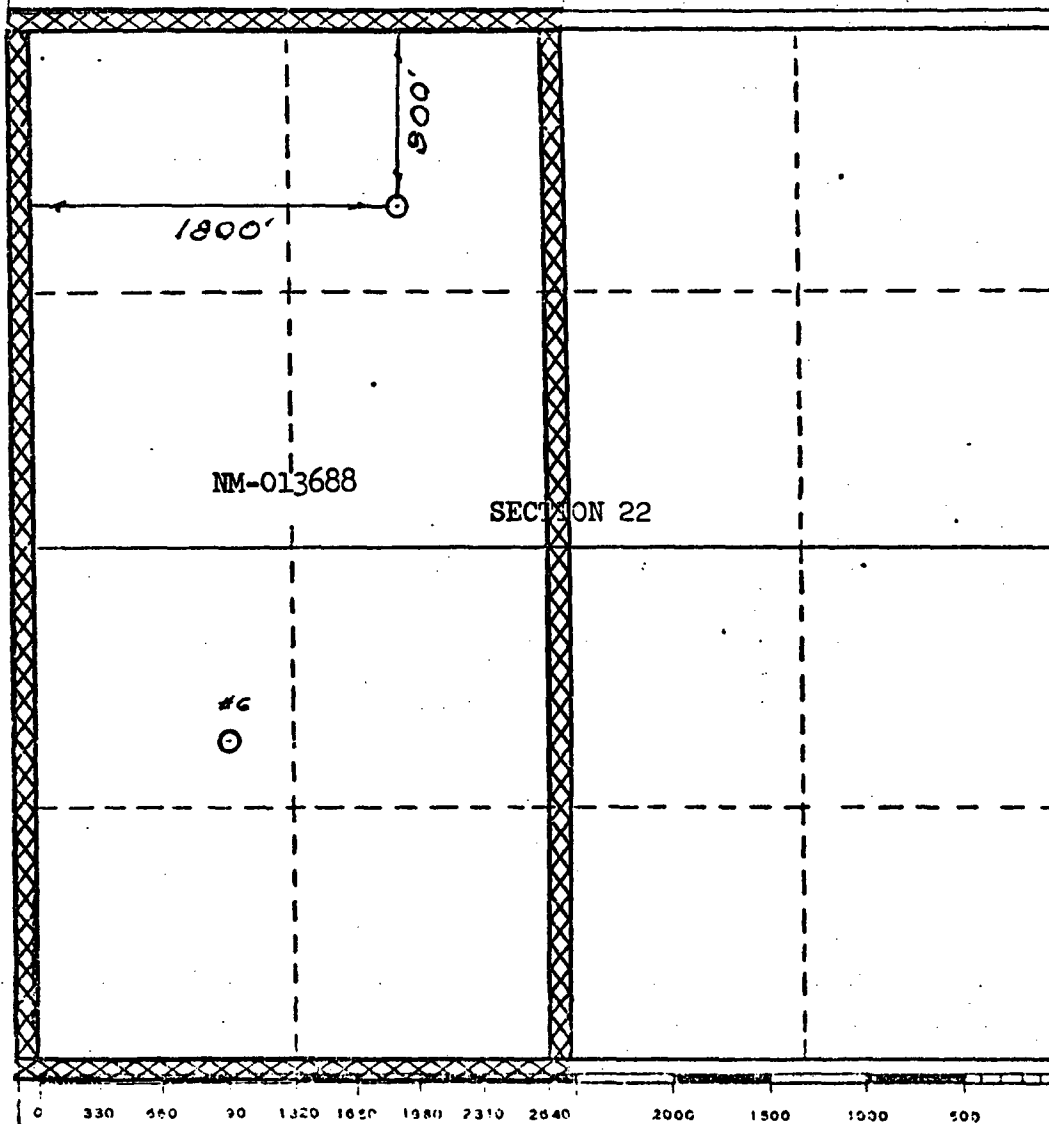
| | | | | | | | |
|---|--|--------------------------|----------------------------------|---------------------------|---|-----------------------|--|
| Operator EL PASO NATURAL GAS COMPANY | | Lease ATLANTIC | | (NM-013688) | | Well No. 6A | |
| Unit Letter C | Section 22 | Township 31-N | Range 10-W | County SAN JUAN | | | |
| Actual Footage Location of Well: 900 feet from the NORTH line and 1800 feet from the WEST line | | | | | | | |
| Ground Level Elev. 6256 | Producing Formation MESA VERDE | | Pool BLANCO MESA VERDE | | Dedicated Acreage: 320.40 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 _____

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.

Original Signed by
D. G. Brisco

Name

Position

Drilling Clerk

Company

El Paso Natural Gas

Date

March 18, 1977

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

MARCH 9, 1977

Registered Professional Engineer
 and/or Land Surveyor

David C. Jones

Certificate No.

1760

NEW MEXICO OIL CONSERVATION COMMISSION
WELLS 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.

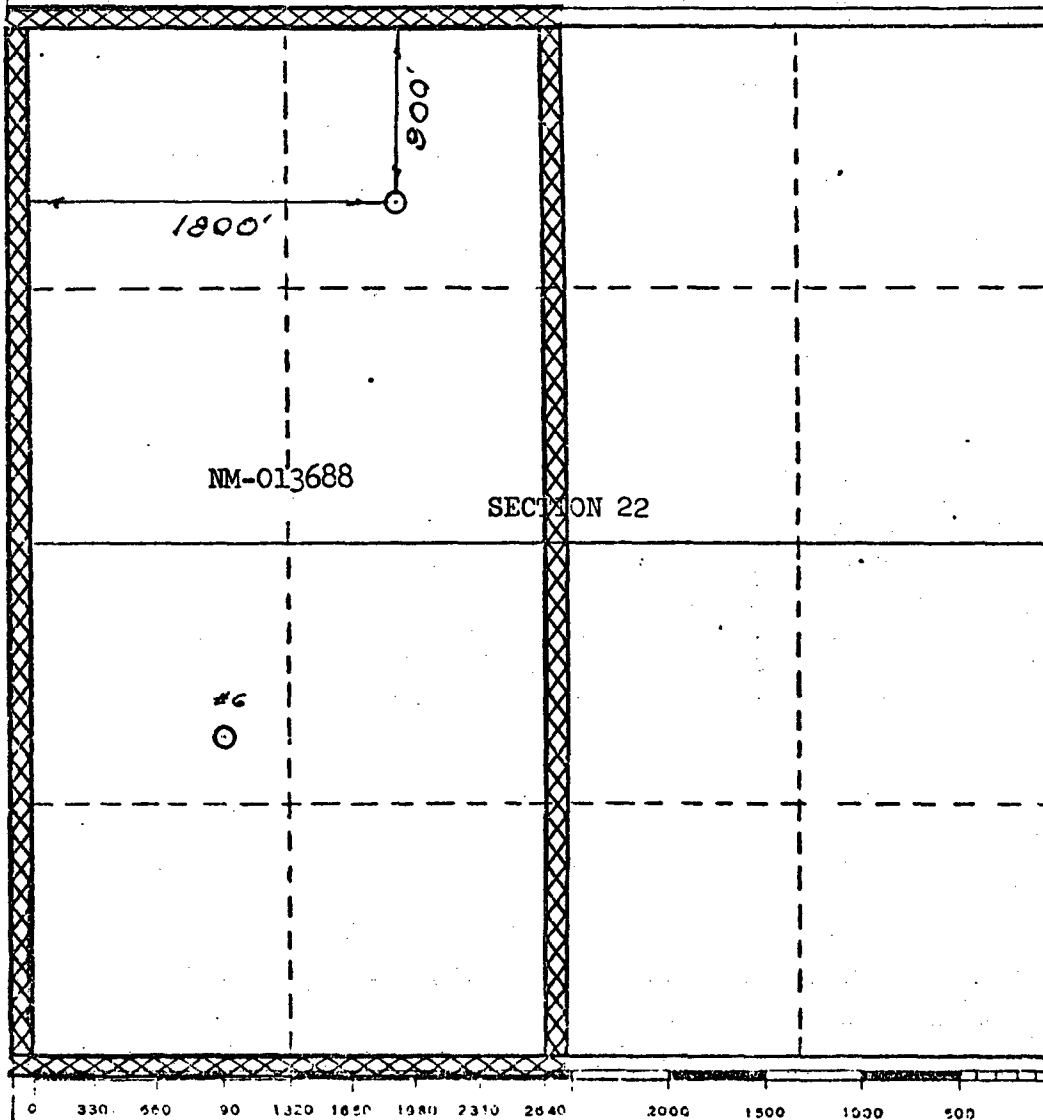
| | | | | | | |
|---|--|--------------------------|----------------------------------|---------------------------|---|-----------------------|
| Operator EL PASO NATURAL GAS COMPANY | | Lease ATLANTIC | | (NM-013688) | | Well No. 6A |
| Unit Letter C | Section 22 | Township 31-N | Range 10-W | County SAN JUAN | | |
| Actual Footage Location of Well: 900 feet from the NORTH line and 1800 feet from the WEST line | | | | | | |
| Ground Level Elev. 6256 | Producing Formation MESA VERDE | | Pool BLANCO MESA VERDE | | Dedicated Acreage: 320.40 Acres | |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 _____

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.

Original Signed by
D. G. Brisco

Name

Position

Drilling Clerk

Company

El Paso Natural Gas

Date

March 18, 1977

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

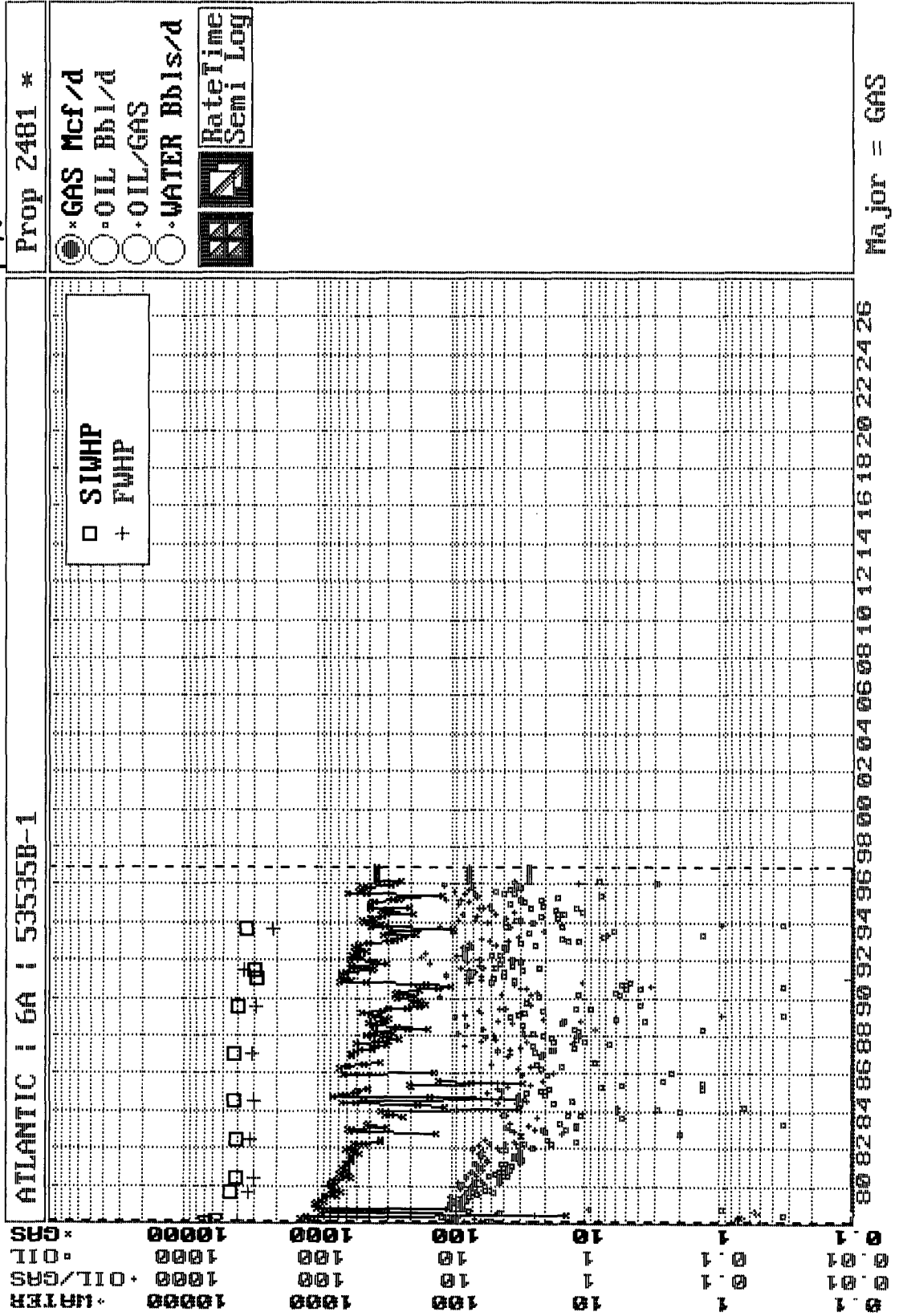
MARCH 9, 1977

Registered Professional Engineer
and/or Land Surveyor

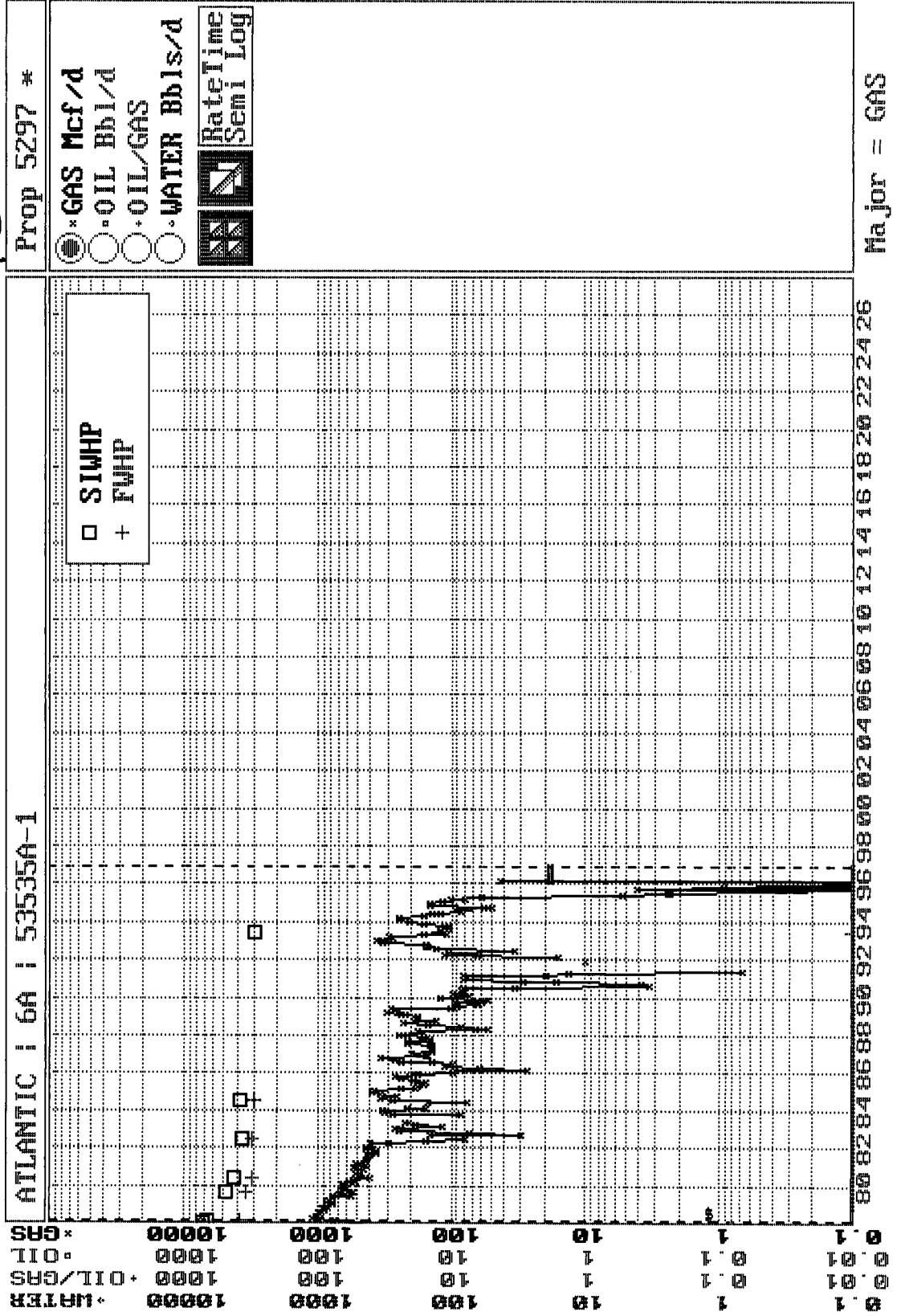
Certificate No.

1760

MV



PC

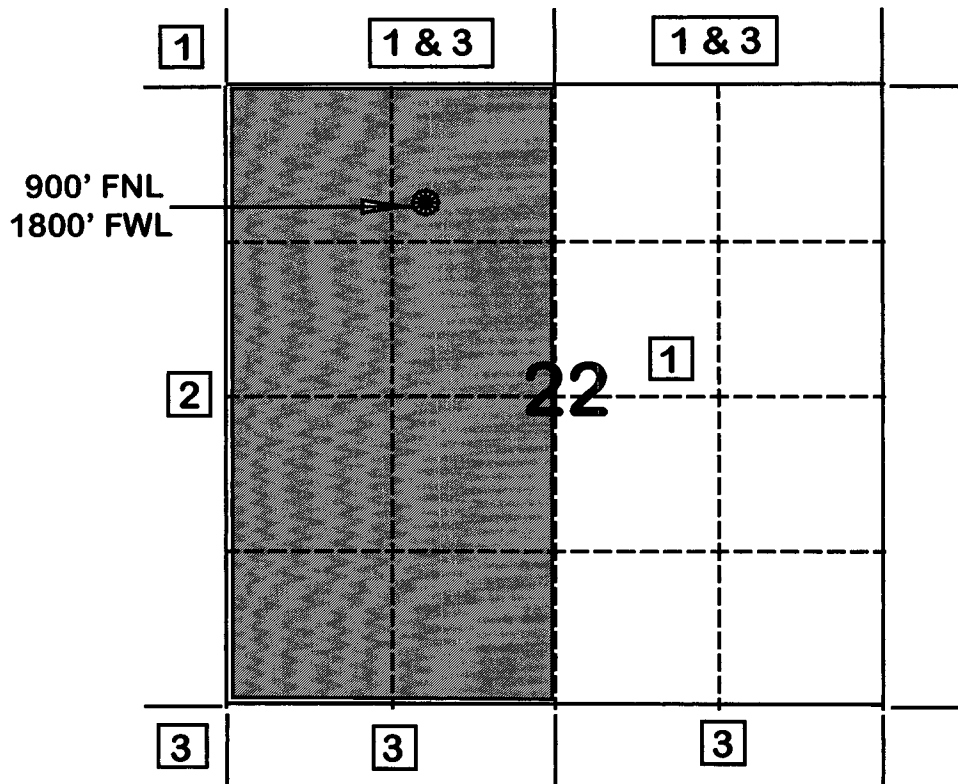


BURLINGTON RESOURCES OIL AND GAS COMPANY

**Atlantic #6A
OFFSET OPERATOR \ OWNER PLAT**

Mesaverde (W/2)/Pictured Cliffs (NW/4) Formations Commingle Well

Township 31 North, Range 10 West



- 1) Burlington Resources Oil and Gas Company Successor to Meridian Oil Inc.
- 2) Koch Exploration
P.O. Box 2256
Wichita, KS 67201
- 3) Amoco Production Company
Attn: 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 | 0.7 |
| COND. OR MISC. (C/M) | C |
| %N2 | 0.38 |
| %CO2 | 1.34 |
| %H2S | 0 |
| DIAMETER (IN) | 2.4 |
| DEPTH (FT) | 5660 |
| SURFACE TEMPERATURE (DEG F) | 60 |
| BOTTOMHOLE TEMPERATURE (DEG F) | 150 |
| FLOWRATE (MCFPD) | 0 |
| SURFACE PRESSURE (PSIA) | 343 |
| BOTTOMHOLE PRESSURE (PSIA) | 394.4 |

ATLANTIC #6A MESAVERDE - (CURRENT)

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

VERSION 1.0 3/13/94

| | |
|--------------------------------|------------------|
| GAS GRAVITY | <u>0.7</u> |
| COND. OR MISC. (C/M) | <u>C</u> |
| %N2 | <u>0.38</u> |
| %CO2 | <u>1.34</u> |
| %H2S | <u>0</u> |
| DIAMETER (IN) | <u>2.4</u> |
| DEPTH (FT) | <u>5660</u> |
| SURFACE TEMPERATURE (DEG F) | <u>60</u> |
| BOTTOMHOLE TEMPERATURE (DEG F) | <u>150</u> |
| FLOWRATE (MCFPD) | <u>0</u> |
| SURFACE PRESSURE (PSIA) | <u>704</u> |
| BOTTOMHOLE PRESSURE (PSIA) | <div>817.1</div> |

ATLANTIC #6A MESAVERDE - (ORIGINAL)

Organize Data ScreenGraph Economics Report Plot Utility Quit
 Browsing: ATLANTIC | 6A | 53535B-1 Property No.: 2481
 Table(T): TEST/M,P,H,E,T,Z,C,A,O,D,N,1,2,3,B,U,S Rec: 1/11/103224
 Item: 2/3/33 Name: DATE Type: Date Len: 8/27/203

| --DATE-- | ---CUM GAS-- | M SIWHP |
|----------|--------------|---------|
| | Mcf | Psi |
| 11/28/77 | 0 | 704.0 |
| 02/21/78 | 59273 | 585.0 |
| 08/01/79 | 531944 | 449.0 |
| 05/20/80 | 734289 | 415.0 |
| 06/09/82 | 1159620 | 406.0 |
| 07/25/84 | 1349183 | 421.0 |
| 12/31/86 | 1564058 | 430.0 |
| 06/27/89 | 1890161 | 390.0 |
| 01/28/91 | 2045706 | 286.0 |
| 06/17/91 | 2137638 | 298.0 |
| 08/17/93 | 2450779 | 343.0 |

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 10/3/13/94

| | |
|--------------------------------|--------------|
| GAS GRAVITY | <u>0.65</u> |
| COND. OR MISC. (C/M) | <u>C</u> |
| %N2 | <u>0.18</u> |
| %CO2 | <u>1.23</u> |
| %H2S | <u>0</u> |
| DIAMETER (IN) | <u>1.25</u> |
| DEPTH (FT) | <u>5660</u> |
| SURFACE TEMPERATURE (DEG F) | <u>60</u> |
| BOTTOMHOLE TEMPERATURE (DEG F) | <u>110</u> |
| FLOWRATE (MCFPD) | <u>0</u> |
| SURFACE PRESSURE (PSIA) | <u>292</u> |
| BOTTOMHOLE PRESSURE (PSIA) | <u>333.6</u> |

ATLANTIC #6A PICTURED CLIFFS - (CURRENT)

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

VERSION 10.3/13/54

| | |
|--------------------------------|---|
| GAS GRAVITY | <u>0.65</u> |
| COND. OR MISC. (C/M) | <u>C</u> |
| %N2 | <u>0.18</u> |
| %CO2 | <u>1.23</u> |
| %H2S | <u>0</u> |
| DIAMETER (IN) | <u>1.25</u> |
| DEPTH (FT) | <u>5660</u> |
| SURFACE TEMPERATURE (DEG F) | <u>60</u> |
| BOTTOMHOLE TEMPERATURE (DEG F) | <u>110</u> |
| FLOWRATE (MCFPD) | <u>0</u> |
| SURFACE PRESSURE (PSIA) | <u>714</u> |
| BOTTOMHOLE PRESSURE (PSIA) | <div style="border: 1px solid black; padding: 2px;">824.1</div> |

ATLANTIC #6A PICTURED CLIFFS - (ORIGINAL)

PC

Organize Data ScreenGraph Economics Report Plot Utility Quit
 Browsing: ATLANTIC | 6A | 53535A-1 Property No.: 5297
 Table(T): TEST/M,P,H,E,T,Z,C,A,O,D,N,1,2,3,B,U,S Rec: 1/7/103224
 Item: 2/3/33 Name: DATE Type: Date Len: 8/27/203

| --DATE-- | ---CUM_GAS-- | M SIWHP |
|----------|--------------|---------|
| | Mcf | Psi |
| 11/28/77 | 0 | 714.0 |
| 02/21/78 | 36398 | 665.0 |
| 08/01/79 | 499036 | 486.0 |
| 05/20/80 | 658210 | 423.0 |
| 06/09/82 | 976216 | 368.0 |
| 07/25/84 | 1079596 | 384.0 |
| 05/19/93 | 1557153 | 292.0 |

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

FARMINGTON

1996 MONTHLY PRODUCTION FOR 53535A

PHS030M1

ATLANTIC 6A

BLANCO PICTURED CLIFFS (GAS) FIELD

PICTURED CLIFFS ZONE

| | | | DAYS ===== | | OIL ===== | | ===== | | GAS ===== | | | | | |
|----|---|---|------------|----|-----------|-----|-------|--------------|-----------|------|--------|-------|------|---|
| MO | T | S | ON | PC | PROD | GRV | PC | PROD | ON | BTU | PRESS | WATER | PROD | C |
| 1 | 2 | F | | | | | 01 | 3 | 31 | | 15.025 | | | |
| 2 | 2 | F | | | | | 01 | 1323 | 29 | 1112 | 15.025 | | | |
| 3 | 2 | F | | | | | 01 | 2031 | 31 | 1112 | 15.025 | | | |
| 4 | 2 | F | | | | | 01 | 3255 | 30 | 1112 | 15.025 | | | |
| 5 | 2 | F | | | | | 01 | 6954 | 31 | 1112 | 15.025 | | | |
| 6 | 2 | F | | | | | 01 | 13 | 30 | 1112 | 15.025 | | | |
| 7 | 2 | F | | | | | 01 | 3 | 26 | | 15.025 | | | |
| 8 | 2 | F | | | | | 01 | 23 | 31 | 1110 | 15.025 | | | |
| 9 | 2 | F | | | | | 01 | 2 | 24 | | 15.025 | | | |
| 10 | 2 | F | | | | | 01 | 12 MONTH 195 | 31 | 1110 | 15.025 | | | |
| 11 | 2 | F | | | | | 01 | AVERAGE 5107 | 30 | 1080 | 15.025 | | | |
| 12 | 2 | F | | | | | 01 | 24 MCF 7891 | 31 | 1061 | 15.025 | | | |

PF6 - RETURNS TO ANNUAL DISPLAY
 PF10 - HELP INFORMATION

PF3 - TRANSFER TO UPDATE
 PF9 - DISPLAY MONTHLY INJECTION
 PRS 02/05/97

00/00/00 00:00:00:0

B MY JOB

NUM LU #14

FARMINGTON

1996 MONTHLY PRODUCTION FOR 53535B

PHS030M1

ATLANTIC 6A

BLANCO MESAVERDE (PRORATED GAS FIELD)

MESAVERDE ZONE

| | | | DAYS ===== | | OIL ===== | | ===== | | GAS ===== | | | | | |
|----|---|---|------------|----|-----------|------|-------|--------------|-----------|------|--------|-------|------|---|
| MO | T | S | ON | PC | PROD | GRV | PC | PROD | ON | BTU | PRESS | WATER | PROD | C |
| 1 | 2 | F | 31 | 02 | 9 | 47.9 | 01 | 7982 | 31 | 1192 | 15.025 | | | |
| 2 | 2 | F | 29 | 02 | 24 | | 01 | 7205 | 29 | 1192 | 15.025 | | | |
| 3 | 2 | F | 31 | 02 | 83 | 49.0 | 01 | 8146 | 31 | 1192 | 15.025 | | | |
| 4 | 2 | F | 30 | 02 | 36 | | 01 | 8673 | 30 | 1192 | 15.025 | | | |
| 5 | 2 | F | 31 | 02 | 37 | 55.6 | 01 | 6783 | 31 | 1192 | 15.025 | | | |
| 6 | 2 | F | 30 | 02 | 9 | | 01 | 7178 | 30 | 1151 | 15.025 | | | |
| 7 | 2 | F | 26 | 02 | 10 | | 01 | 5325 | 26 | 1149 | 15.025 | | | |
| 8 | 2 | F | 31 | 02 | 23 | | 01 | 5580 | 31 | 1149 | 15.025 | | | |
| 9 | 2 | F | 24 | 02 | | | 01 | 781 | 24 | 1149 | 15.025 | | | |
| 10 | 2 | F | 31 | 02 | 42 | | 01 | 9389 | 31 | 1149 | 15.025 | | | |
| 11 | 2 | F | 30 | 02 | 31 | | 01 | 9306 | 30 | 1149 | 15.025 | | | |
| 12 | 2 | F | 31 | 02 | 280PP 63 | 58.0 | 01 | 372 MCF 1544 | 31 | 1149 | 15.025 | | | |

PF6 - RETURNS TO ANNUAL DISPLAY
 PF10 - HELP INFORMATION

PF3 - TRANSFER TO UPDATE
 PF9 - DISPLAY MONTHLY INJECTION
 PRS 02/05/97

00/00/00 00:00:00:0

B MY JOB

NUM LU #14

ATLANTIC #6A
SECTION 22. T3IN. RIOW
MESAVERDE - PICTURED CLIFFS

