

DHC 5/12/97

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

APR 22 1997
State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
2040 S. Pacheco
Santa Fe, New Mexico 87505-8429

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

APPROVAL PROCESS:
☒ Administrative ☐ Hearing
EXISTING WELLBORE
☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator: Conoco Inc. Address: 10 Desta Dr. Ste 100W, Midland, Tx. 79705-4500

Lease: San Juan 28-7 Well No: 88 Unit Ltr Sec Twp Rge: A-10-T27N-R7W County: Rio Arriba

OGRID NO. 005073 Property Code 16608 API NO. 30-039-07147 Spacing Unit Lease Types: (check 1 or more)
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	Pictured Cliffs 72439		Mesa Verde 72319
2. TOP and Bottom of Pay Section (Perforations)	3144' - 3200'		5384' - 5510'
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	a (Current) 240 psia b(Original) 1156	a. b.	a. 412 psia b. 1262
6. Oil Gravity (*API) or Gas BT Content	1239		1255
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	Yes		Yes
• If Shut-In give date 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 • If Producing, date and oil/gas/water rates of recent test (within 60 days)	Date Rates 1/97 avg. 24 mcf/d; 0 bopd	Date Rates Date Rates	Date Rates 1/97 avg. 83 mcf/d; 0.2 bopd
8. Fixed Percentage Allocation Formula - % for each zone	oil: 0 % Gas 22 %	oil: % Gas %	oil: 100 % Gas 78

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
* Conoco is offset operator to all San Juan 28-7 Unit wells.
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 others ☒ 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). _____

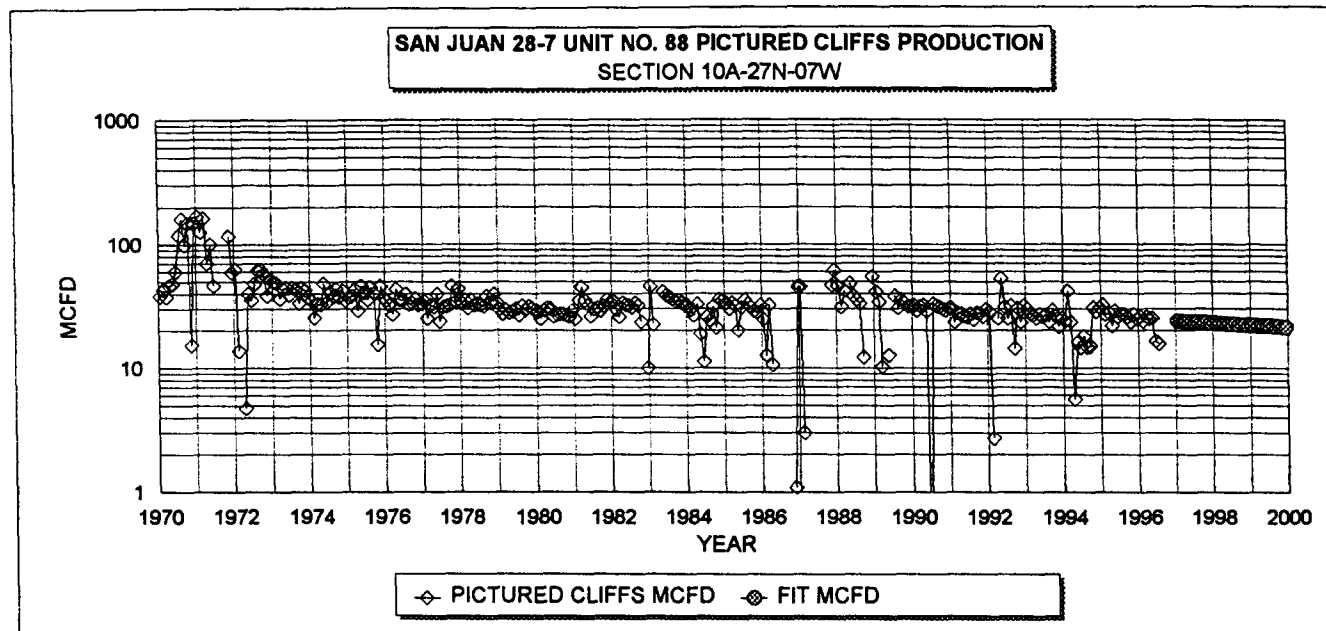
16. ATTACHMENTS

- 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 Jerry W. Hoover TITLE Sr. Conservation Coord DATE 1/27/97

TYPE OR PRINT NAME Jerry W. Hoover TELEPHONE NO. (915) 686-6548

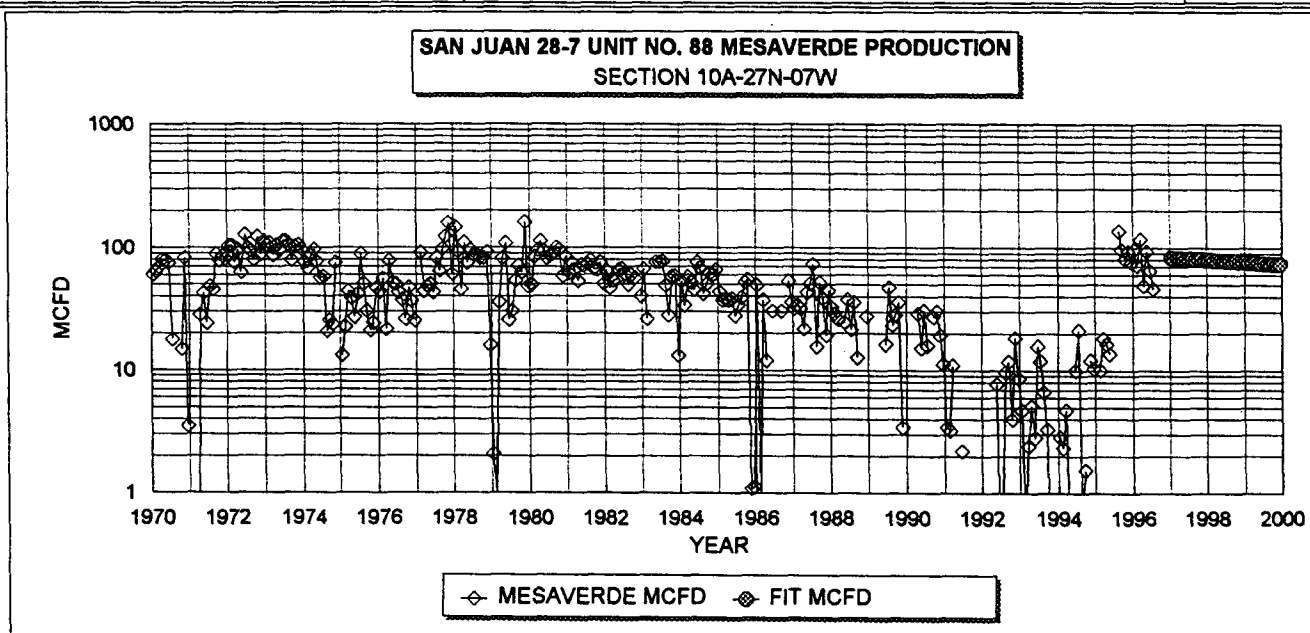


PICTURED CLIFFS HISTORICAL DATA 1ST PROD: 10/58

OIL CUM: 0.00 MBO
GAS CUM: 552.5 MMCF
OIL YIELD: 0.0000 BBL/MCF

PICTURED CLIFFS PROJECTED DATA

1/1/97 Qi: 24 MCFD
DECLINE RATE: 4.0% (EXPONENTIAL)



MESAVERDE HISTORICAL DATA 1ST PROD: 10/58

OIL CUM: 2.5 MBO
GAS CUM: 902.9 MMCF
OIL YIELD: 0.0028 BBL/MCF

MESAVERDE PROJECTED DATA

1/1/97 Qi: 83 MCFD
DECLINE RATE: 4.0% (EXPONENTIAL)

FIXED COMMINGLE ALLOCATION FACTORS:

	GAS	OIL
PICTURED CLIF	22%	0%
MESAVERDE	78%	100%

GAS ALLOCATION BASED ON PROJECTED 1997 RATES
OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGYDATA

Well Location and Acreage Dedication Plat

Section A.

Date APRIL 18, 1958

Operator EL PASO NATURAL GAS COMPANY Lease SAN JUAN 28-7 UNIT SF 078972
 Well No. 88 (PM) Unit Letter A Section 10 Township 27-N Range 7-W NMPM
 Located 830 Feet From NORTH Line, 1109 Feet From EAST Line
 County RIO ARriba G. L. Elevation 6571 Dedicated Acreage 320 & 160 Acres
 Name of Producing Formation MESA VERDE & PICTURED CLIFF Pool BLANCO MV., SO. BLANCO FC. BAY.

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?
 Yes X No _____
2. If the answer to question one is "no", have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____. If answer is "yes", Type of Consolidation.
3. If the answer to question two is "no", list all the owners and their respective interests below:

Owner

Land Description

Section B.

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

El Paso Natural Gas Company

(Operator)

Original Signed F. H. WOOD

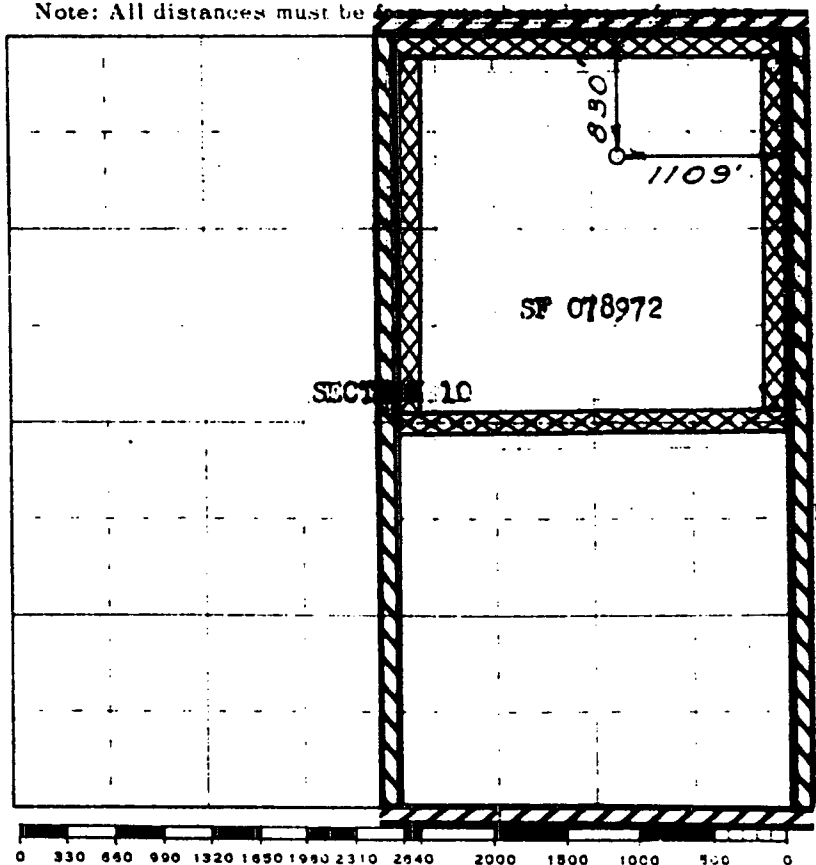
(Representative)

Box 997

(Address)

Farmington, New Mexico

Note: All distances must be



Scale 4 inches equal 1 mile

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

(Seal)

Date Surveyed MARCH 20, 1957

Farmington, New Mexico

David O. Kilmer
 Registered Professional Engineer and/or Land Surveyor

Dwights

Lease: SAN JUAN 28 7 UNIT (88)

Retrieval Code: 251,039,27N07W10A00MV

12/26/96

10³
10³

10²
10²

10
10

1
1

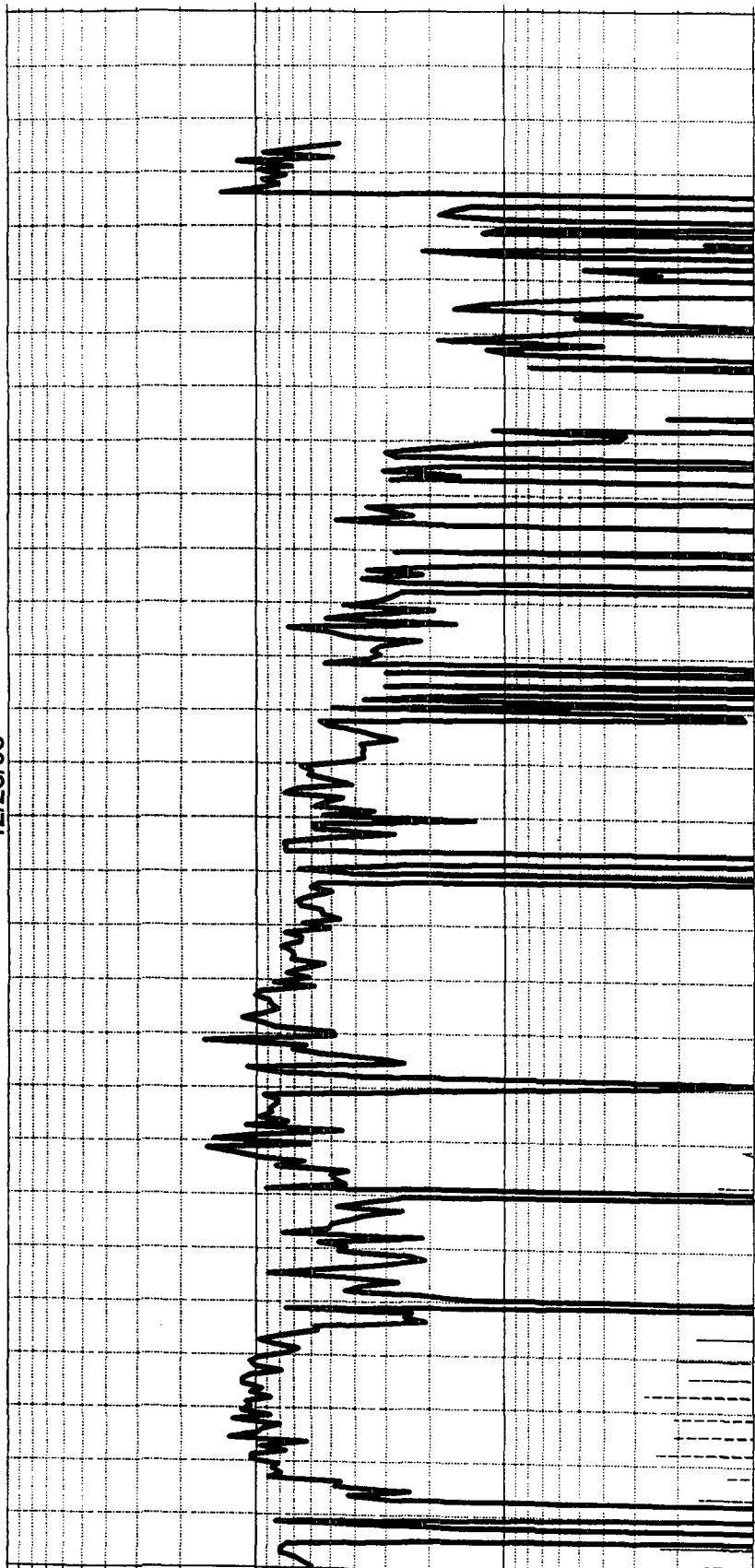
1970 1972 1974 1976 1978 1980 1982 1984 1986 1988 1990 1992 1994 1996 1998

Gas (mcf/day)
Water (bbl/day)

Oil (bbl/day)
Well Count

County: RIO ARRIBA, NM
Field: BLANCO (MESAVARDE) MV
Reservoir: MESAVARDE
Operator: CONOCO INC

F.P. Date: 10/58
Oil Cum: 2489 bbl
Gas Cum: 902.9 mmcf
Location: 10A 27N 7W



Dwights

Lease: SAN JUAN 28 7 UNIT (88)

Retrieval Code: 251,039,27N07W10A00PC

12/26/96

10³
10³
10³

10²
10²
10²

10
10
10

1
1
1

Gas (mcf/day)
Water (bbl/day)

Oil (bbl/day)
Well Count

County: RIO ARRIBA, NM
Field: BLANCO SOUTH (PICTURE CLIFF)
Reservoir: PICTURE CLIFFS
Operator: CONOCO INC

F.P. Date: 11/58
Oil Cum: 0 bbl
Gas Cum: 552.5 mmcf
Location: 10A 27N 7W

1970 1972 1974 1976 1978 1980 1982 1984 1986 1988 1990 1992 1994 1996 1998