					1
DATE IN . 6/3/97	6/23/97	BS/DC	LOGGED	TYPE DHC	
<u> </u>				15	85

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

.pplication 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 A	PPLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Directional Drilling NSL NSP DD DSD JUN - 3 1997
	Check [B]	Cone Only for [B] and [C] Commingling - Storage - Measurement PDHC CTB PLC PC OLS OLM
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
2]	NOTIFICAT	TION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply ☐ 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
31	INFORMAT	ION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

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

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

eggy Bradfield

Regulatory/Compliance Administrator

Title

BURLINGTON RESOURCES

SAN JUAN DIVISION

June 2, 1997

SENT FEDERAL EXPRESS

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

Re:

San Juan 29-7 Unit #130M

845'FNL, 2055'FWL Section 21, T-29-N, R-7-W, Rio Arriba County, NM

API #30-039-not yet assigned

Dear Mr. LeMay:

This is a request for administrative approval for downhole commingling the Blanco Mesa Verde and Basin Dakota in the subject well. This well is planned to be drilled and completed as a Mesa Verde/Dakota commingle in 1997.

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 Dakota and expected production curve for the Mesa Verde;
- 4. Notification list of offset operators Burlington is the surrounding operator;
- 5. Shut in wellhead pressure and calculated down hole pressure of surrounding wells;
- 6. Nine-section plats for the Mesa Verde and Dakota.

Notification of Mesa Verde and Dakota interest owners is covered under Order R-10697 dated November 8, 1996 attached.

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

xc: Bureau of Land Management - hand delivered

MAR Lued

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

APPLICATION FOR DOWNHOLE COMMINGLING

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

APPROVAL PROCESS:

X Administrative ___Hearing

EXISTING WELLBORE

__YES _xNO

n JUAN 29-7 UNIT	130M		
		C 2129N-7W	Rio Arriba
ie	Well No.	Unit Ltr Sec - Twp - Rge	County Spacing Unit Lease Types: (check 1 or more)
RID NO14538 Property	Code7465/	API NO_N / AFederalX,	State(and/or) Fee
ne following facts are submitted support of downhole omningling:	Upper Zone	Intermedit Zone	Zone
Pool Name and Pool Code	Blanco Mesaverde -		Basin Dakota - 71599
Top and Bottom of Pay Section (Perforations)	will be supplied upo completion	on	will be supplied upon completion
Type of production (Oil or Gas)	gas		gas
Method of Production (Flowing or Artificial Lift)	flowing		flowing
. Bottomhole Pressure Dil Zones - Artificial Lift: Estimated Current	(Current) a. 769 psi (see atta	chment) a.	a. 957 psi (see attachment)
as & Oil - Flowing: Measured Current II Gas Zones: stimated or Measured Original	(Original) b. 1238 psi (see att	b.	b. 2627 psi (see attachment)
. Oil Gravity (^o API) or Gas BTÜ Content	BTU 1159		BTU 1008
Producing or Shut-In?	shut-in		shut-in
Production Marginal? (yes or no)	no		yes
If Shut-In and oil/gas/water rates of last production	Date: n/a Rates:	Date:	Date: n/a Rates:
ote: For new zones with no production history, plicant shall be required to attach production timates and supporting data			
If Producing, give data and il/gas/water water of recent test vithin 60 days)	Date: n/a Rates:	Date: Rates:	Date: n/a Rates:
Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: Gas: % will be supplied upon cor	Oil: Gas: %	Oil: Gas: % will be supplied upon completion
If allocation formula is based	upon something other	er than current or past product	ion, or is based upon some other method, ctions or other required data.
		ntical in all commingled zones? ests been notified by certified ma of the proposed downhole commi	
			ormations not be damaged, will any cross _No (If No, attach explanation)
Are all produced fluids from all	commingled zones co	ompatible with each other?	_x_Yes No
		igling?Yes _X_No (If Yes	· · · · · · · · · · · · · · · · · · ·
			ioner of Public Lands or the United States
ATTACHMENTO.		owing its spacing unit and acreas to one year. (If not available, atta mated production rates and suppula. d royalty interests for uncommon nents required to support commi	

TYPE OR PRINT NAME _ Sean C. Woolverton ___ TELEPHONE NO. (505) 326-9700

Patrict I PO Box 1980, Hobbs, NM 88241-1980 District II PO Drawer DD, Artesia, NM 88211-0719 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV

PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico Energy, Minerals & Natural Resources Department

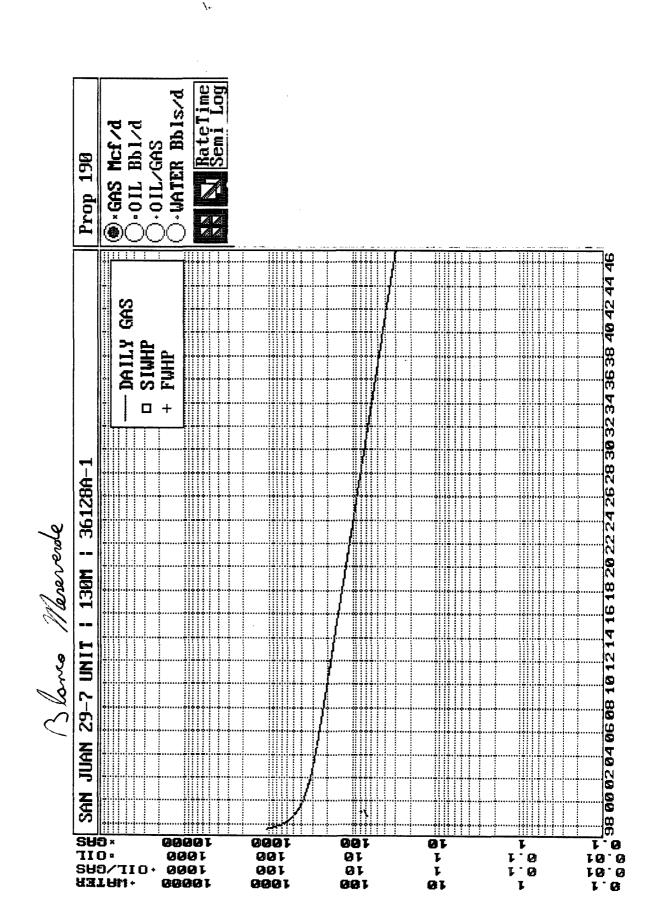
OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088 Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

		WE	LL LO	CATION	I AND ACR	REAGE DEDIC	CAT	TION PL	AT		
` ^	Pl Numbe	r		¹ Pool Code		³ Pool Name					
' Property	Code						Well Number				
'OGRID	No.	Æ	BURLIN	IGTON R	Operator RESOURCES	Nume OIL & GAS	co	MPANY		('Elevation 6343'
					10 Surface	Location					
UL or lot no.	Section 21	Township 29-N	Range 7-W	Lot Ide	Feet from the 845	North/South line North	1	from the	East/West Wes		County R.A.
	L		11 Bot	tom Hole	Location I	f Different Fro	om	Surface			
UL or lot no.	Section	Township	Range	Lot ids	Foct from the	North/South line	_	t from the	East/West	tine	County
12 Dedicated Acr	es '3 Joint	or infill '* (Consolidatio	n Code 11 C	order No.	1	<u> </u>		<u> </u>		
NO ALLOV	WABLE '					ON UNTIL ALL EEN APPROVED				EN CO	NSOLIDATED
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			_ 52	.78.6£	3'		_	6857 Cerúficato N		WZ 6 8	

RateTime Semi Log)-WATER Bbls/d ®×GAS Mcf/d 0.0IL Bb1/d).OIL/GAS **Prop 259** GAS DAILY SIWHP FWHP **-**35740A-1 JUAN 29-7 UNIT | 130M Bain Jahota SAN 6661 661 661 6601 100 r . 0 suo × 10000 91 OIL er r r 1000 SUS/TIO. 0001 · MULEH 0000 L

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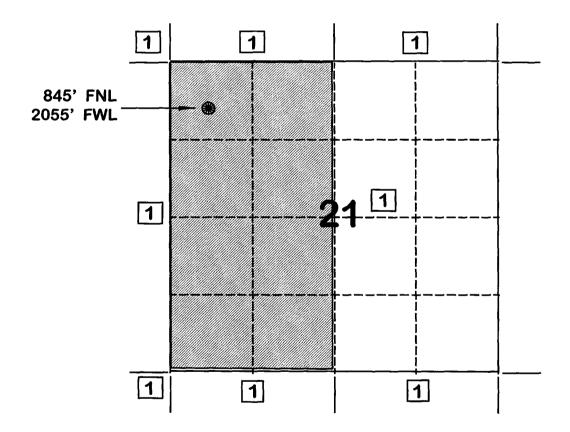


BURLINGTON RESOURCES OIL AND GAS COMPANY

San Juan 29-7 Unit #130M OFFSET OPERATOR \ OWNER PLAT

Mesaverde/Dakota Formations Commingle Well

Township 29 North, Range 7 West



1) Burlington Resources Oil and Gas Company

REQUESTED RECORD NOT FOUND (NEXT RECORD DISPLAYED)

	OPR008M1 S000	0008 CHROMATO	OGRAPH TEST MAIN SCREEN 15:10:50.7 05/18/97
	FUNCTION (A,C,D, MP NUMBER EFFECTIVE DATE	I) i 95440 19960801	** DATA AT TEST PRESSURE UNLESS NOTED ** SAN JUAN 29-7 UNIT 130
	REGION CD MP TYPE CODE	42 10	SAN JUAN GAS METER - WELLHEAD SALES
-	SAMPLE TYPE CODE SAMPLE DATE SAMPLE LINE PRES SAMPLE LINE TEME	E (GAS,LIQ,BTU) SSURE (PSIG) PERATURE (DEG F) PSIG) E (DEG F) HS) A NUMBER	GAS BTU/CF 19960529 (AT 14.73 PSIG) WET 1008.162 DRY 1026.000 BTU/CF 14.730 WET 1008.162 DRY 1026.000 60 VAPOR FACTOR 6 098795 EL PASO FIELD SERVICES
В	03=DETAIL SCR 11=PREV SCR 21=REFRESH SCR MY JOB	04=MP-NM BRWS 12=MAIN MENU 22=PREV MENU	06=MP/DS LST 07=MP/WN LST 20=NEXT REC 24=HELP PA1=TERMINATE LU #2
	OPR008M2 S000	0008 CHROMATO	OGRAPH GAS SAMPLE DETAIL 15:10:54.7 05/18/97
		GPN MOL % (AT 14	M ** DATA AT 14.730 PSIG UNLESS NOTED ** 4.73)
	HYDROGEN HELIUM NITROGEN OXYGEN	0.14	MP NUMBER 95440 EFFECTIVE DATE 19960801
	HYDROGEN SULFIDE CARBON DIOXIDE		GASOLINE CONTENT (GPM) 26/70 GASOLINE
	METHANE ETHANE		100% PROPANE
	PROPANE ISO-BUTANE		0827 TOTAL 0294
	N-BUTANE	0.06 0.0	0189
	ISO-PENTANE N-PENTANE		0146 SPECIFIC GRAVITY 0072 CALCULATED 0.5900
	HEXANE		MEASURED
	HEXANE PLUS HEPTANE PLUS	0.06 0.0	0262 SULPHER GRAINS / 100 CU FT
	TOTALS	100.00 0.7	7836
В	03=MAIN SCRE	EEN NUM	24=HELP PA1=TERMINATE LU #2

REQUESTED RECORD NOT FOUND (NEXT RECORD DISPLAYED)
OPR008M1 S001 O008 CHROMATOGRAPH TEST MAIN SCREEN 20:08:24.1 05/20/97

B MY JOB

				20:08:24.1 05/20/97
FUNCTION (A,C,D,) MP NUMBER EFFECTIVE DATE	I) i 71664 19970101	** DATA AT TE SAN JUAN 29-7	ST PRESSURE U UNIT	NLESS NOTED ** 50
MP TYPE CODE	10	GAS METER - W	ELLHEAD SALES	
SAMPLE TYPE CODE SAMPLE DATE SAMPLE LINE PRESS SAMPLE LINE TEMP	(GAS,LIQ,BTU) SURE (PSIG) ERATURE (DEG F	GAS 19961219	BT (AT 1 WET 1158.502	U/CF 4.73 PSIG) DRY 1179.000
SAMPLE LINE TEMP TEST DATE TEST PRESSURE (P: TEST TEMPERATURE TEST LIFE (MONTH:	SIG) (DEG F)	14.730 60	VAPOR FAC	TU/CF 2 DRY _1179.000 TOR
TEST LIFE (MONTH: TESTER SOURCE BA TEST PURPOSE CODI	NUMBER	098795 EL PA	SO FIELD SERV	ICES
03=DETAIL SCR 11=PREV SCR 21=REFRESH SCR B MY JOB	04=MP-NM BRWS 12=MAIN MENU 22=PREV MENU	06=MP/DS LST 24=HELP LU #3	07=MP/WN L 20=NEXT RE PA1=TERMIN	ST C ATE
OPR008M2 S001	0008 CHROMATO	OGRAPH GAS SAME	LE DETAIL	20:08:27.5 05/20/97
	GPI MOL % (AT 1		AT 14.730 PS	IG UNLESS NOTED **
HYDROGEN HELIUM NITROGEN OXYGEN	0.37		MP NUMBER EFFECTIVE DAT	E 19970101
HYDROGEN SULFIDE CARBON DIOXIDE METHANE		 26 10 2042 EX	GASOLINE CON /70 GASOLIN 0% PROPANE	TENT (GPM) E
ETHANE PROPANE ISO-BUTANE N-BUTANE	$\begin{array}{cccc} -4.04 & 1. \\ -0.60 & 0. \end{array}$	2042 EX 1134 1963 2554	CESS BUTANES TOTAL	
ISO-PENTANE N-PENTANE HEXANE HEXANE PLUS	0.14	0507 CA	SPECIFIC LCULATED ASURED	GRAVITY _0.6780
HEPTANE PLUS TOTALS			HER GRAINS /	100 CU FT
03=MAIN SCRE	EN		24=HELP	PA1=TERMINATE

NUM LU #3

San Juan 29-7 Unit #130M Bottom Hole Pressures Flowing and Static BHP Cullender and Smith Method

Version 1.0 3/13/94

Mesaverde	Dakota			
<u>MV-Current</u>	DK-Current			
GAS GRAVITY COND. OR MISC. (C/M) %N2 %CO2 %H2S DIAMETER (IN) DEPTH (FT) SURFACE TEMPERATURE (DEG F) BOTTOMHOLE TEMPERATURE (DEG F) SURFACE PRESSURE (PSIA) D.00 2.375 60 80 80 80 80 80 80 80 80 80	GAS GRAVITY COND. OR MISC. (C/M) %N2 %CO2 %H2S DIAMETER (IN) DEPTH (FT) SURFACE TEMPERATURE (DEG F) BOTTOMHOLE TEMPERATURE (DEG F) FLOWRATE (MCFPD) SURFACE PRESSURE (PSIA) BOTTOMHOLE PRESSURE (PSIA)	0.59 C 0.14 1.59 0.00 2.375 7519 60 180 0 817		
MV-Original	DK-Original			
GAS GRAVITY COND. OR MISC. (C/M) %N2 %CO2 %H2S DIAMETER (IN) DEPTH (FT) SURFACE TEMPERATURE (DEG F) BOTTOMHOLE TEMPERATURE (DEG F) SURFACE PRESSURE (PSIA) BOTTOMHOLE PRESSURE (PSIA) 1081 0.678 0.87 0.00 0.87 4934 4934 500 500 500 500 500 500 500 5	GAS GRAVITY COND. OR MISC. (C/M) %N2 %CO2 %H2S DIAMETER (IN) DEPTH (FT) SURFACE TEMPERATURE (DEG F) BOTTOMHOLE TEMPERATURE (DEG F) FLOWRATE (MCFPD) SURFACE PRESSURE (PSIA) BOTTOMHOLE PRESSURE (PSIA)	0.59 C 0.14 1.59 0.00 2.375 7519 60 180 0 2212		

DK

Page No.: 1

Print Time: Tue May 20 10:39:20 1997
Property ID: 2098
Property Name: SAN JUAN 29-7 UNIT | 130 | 1517-1
Table Name: K:\ARIES\RR98PDP\TEST.DBF

,	Psi	CUM_GAS Mcf	DATE
- intiol	2212.0	0	09/13/85
_	1512.0	31267	12/09/85
	1279.0	58835	10/03/86
	879.0	108144	10/11/87
	832.0	140560	09/04/88
/	743.0	205466	08/07/90
- arrent	817.0	243176	05/28/92

MV

Page No.: 1
Print Time: Tue May 20 10:41:52 1997
Property ID: 4431
Property Name: SAN JUAN 29-7 UNIT | 50 | 69647-1
Table Name: K:\ARIES\RR98PDP\TEST.DBF

DATE	CUM_GAS	M SIWHP	
09/17/56	0	1081.0	initial
10/24/56	0	1080.0	
09/25/57	176000	799.0	
09/06/58	357000	846.0	
03/29/59	502000	778.0	
03/06/60	683000	773.0	
10/05/61	1001000	765.0	
03/13/62	1078000	766.0	
07/22/63	1285000	730.0	
02/07/64	1332000	776.0	
08/20/65	1634000	719.0	
11/03/66	1900000	669.0	
03/03/67	1965000	713.0	
03/14/67	0	0.0	
08/18/67	2095000	646.0	
03/05/68	2189000	687.0	
04/06/69	2436110	655.0	
03/03/70	2629730	635.0	
06/02/71	2876663	612.0	
08/15/72	3165831	577.0	
07/09/73	3374915	574.0	
08/21/74	3590014	585.0	
04/20/76	3888187	619.0	
05/16/78	4252046	597.0	
07/29/80	4518631	637.0	
05/13/82 08/21/84	4643165	690.0	
10/03/86	4729137	717.0	
04/14/89	4822061 5025309	727.0 665.0	
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07/15/91	5154159	677.0	- wrent

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76R 06 76 [52] 17.DS831 5.J29-7 Uni 17ENECO Na 360	5.1.78-7 UM S.1.78-7 UM S.1.78-7 UM NM 8027.0.722 49	97 29 29-7 5.139-7 Uni NN 9337/0.22	S.L29-7 Uni NM 328. 22:30	54 62A SJ297 Uni SJ297 Uni SMJ 328. 0MPC 0MPC	29 33A 10APO
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SJ397 Uni SJ397 Uni TIENNECON	S.129-7 Unit NW 3030 3E	40A (TENN) (TENN	S.J.29-7 Uhr NM 9328:0122	S.J.29-7 Uni S.J.29-7 Uni NM 85% NM 9378.01.22	74 ⊕ SJ25-7 Uni SM 307 375 SM 527 SM 527
88 88 w 131 80 89 89 w	32A	M 33 97 ⊞ 98 77A	34 83 34 83 83	70A 30 XXE 30 XX	36 8
S.J.29-7 Uni	€9 S.J.29+7 Unr	SJ29-7 UNI	5.129-7 Unr \	70 50A ∰ ∰ ∰ S.128-7 Und	55A 55A 58 €9 5.23+7 Unf

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 11629 ORDER NO. R-10697

APPLICATION OF BURLINGTON RESOURCES OIL & GAS COMPANY FOR THE ESTABLISHMENT OF A DOWNHOLE COMMINGLING "REFERENCE CASE" FOR ITS SAN JUAN 29-7 UNIT PURSUANT TO DIVISION RULE 303.E. AND THE ADOPTION OF SPECIAL ADMINISTRATIVE RULES THEREFOR, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on October 17, and November 7, 1996, at Santa Fe, New Mexico, before Examiners David R. Catanach and Michael E. Stogner, respectively.

NOW, on this 8th day of November, 1996, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises.

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Burlington Resources Oil & Gas Company (Burlington), pursuant to the provisions of Division Rule 303.E., seeks to establish a downhole commingling "reference case" to provide exceptions for (a) marginal economic criteria, (b) pressure criteria, (c) allocation formulas and (d) modification of notification rules on a unit-wide basis for downhole commingling of Dakota, Mesaverde, Fruitland Coal and Pictured Cliffs gas production within existing or future drilled wells within the San Juan 29-7 Unit, San Juan County, New Mexico.
- (3) Division Rule No. 303.E., amended by Order No. R-10470-A, currently states:

"If sufficient data exists on a lease, pool, formation, geographic area, etc., so as to render it unnecessary to repeatedly provide such data on Form C-107-A, an operator may except any of the various criteria required under Paragraph 303.D. of this rule by establishing a "reference case". The Division, upon its own motion, or by application from an operator, may establish "reference cases" either administratively or by hearing. Upon Division approval of such "reference cases" for specific criteria, subsequent applications to downhole commingle (Form C-107-A) will be required only to cite the Division order number which established such exceptions and shall not be required to submit data for those criteria."

- (4) The applicant is the current operator of the San Juan 29-7 Unit which encompasses some 22,500 acres in Township 29 North, Range 7 West, NMPM, San Juan County, New Mexico.
- (5) Within the San Juan 29-7 Unit, the applicant currently operates fifty-five (55) Basin-Dakota Gas Pool wells, one hundred thirty-one (131) Blanco-Mesaverde Gas Pool wells, thirteen (13) Blanco-Pictured Cliffs and South Blanco-Pictured Cliffs Gas Pool wells, and forty-nine (49) Basin-Fruitland Coal Gas Pool wells.
 - (6) According to its evidence and testimony, Burlington seeks to:
 - a) establish a "reference case" for marginal economic criteria in the Dakota and Pictured Cliffs formations whereby these formations and/or pools may be identified as "marginal" on Form C-107-A's subsequently filed for wells within the San Juan 29-7 Unit. The applicant further proposes that the data provided in the immediate case serve as supplemental data or confirmation that these formations and/or pools should be classified as "marginal";
 - b) establish a "reference case" for pressure criteria in the Dakota and Pictured Cliffs formations whereby the Division may utilize data provided in the immediate case to verify the pressure data provided on Form C-107-A's subsequently filed for wells within the San Juan 29-7 Unit;
 - c) establish a "reference case" whereby the Division utilizes the data presented in the immediate case to endorse or approve certain methods of allocating production whereby the applicant need not submit additional data or justification when proposing a certain method of allocating production on Form C-107-A's subsequently filed for wells within the San Juan 29-7 Unit; and.

- d) establish a "reference case" or an administrative procedure for authorizing the downhole commingling of existing or future drilled wells within the San Juan 29-7 Unit without additional notice to each affected interest owner as required by Division Rule No. 303.D.
- (7) In support of its request to except marginal economic criteria, the applicant presented geologic and engineering evidence and testimony which indicates that within the San Juan 29-7 Unit:
 - a) the structure and thickness of the Dakota and Pictured Cliffs formations are very consistent;
 - b) the average recoverable Dakota and Pictured Cliffs gas reserves underlying an undeveloped drill block are approximately 245 MMCFG and 76 MMCFG, respectively;
 - c) the average initial producing rate for a newly drilled or recompleted Dakota and Pictured Cliffs gas well is approximately 218 MCFGD and 238 MCFGD, respectively; and,
 - d) the estimated ultimate gas recoveries and initial producing rates from the Dakota and Pictured Cliffs formations are insufficient to justify drilling stand alone wells and/or dually completed wells to recover such gas reserves.
- (8) The evidence and testimony presented by the applicant indicates that the Dakota and Pictured Cliffs formations within the San Juan 29-7 Unit should be properly classified as "marginal".
- (9) In support of its request to except pressure criteria within the Dakota and Pictured Cliffs formations within the San Juan 29-7 Unit, the applicant presented engineering evidence and testimony which indicates that:
 - a) the average shut-in bottomhole pressure within the Dakota and Pictured Cliffs formations at the time of initial development was approximately 3,209 psi and 1,148 psi, respectively; and,
 - b) the average current shut-in bottomhole pressure within the Dakota and Pictured Cliffs formations is approximately 952 psi and 655 psi, respectively.

- (10) There is sufficient pressure data available within the San Juan 29-7 Unit so as to except pressure criteria as proposed by the applicant.
- (11) The applicant testified that various allocation methods will be utilized for downhole commingled wells within the San Juan 29-7 Unit depending on the circumstances. Some of the methods and circumstances are described as follows:
 - a) the subtraction method will likely be utilized in those instances involving the Basin-Fruitland Coal Gas Pool and in those instances where a zone with a well established decline rate is commingled with a newly completed zone;
 - b) a fixed allocation formula will be utilized in those instances where production history for both zones is available, or in those instances where newly completed zones are tested and stabilized flow rates obtained.
- (12) The allocation methods proposed by the applicant are routinely utilized by industry and approved by the Division and therefore, the proposal to except allocation formulas should be approved.
- (13) In support of its request to establish a "reference case" or administrative procedure for providing notice within the San Juan 29-7 Unit the applicant presented evidence and testimony which indicates that:
 - a) the interest ownership between two zones within a given wellbore in the San Juan 29-7 Unit is generally not common;
 - b) pursuant to Division Rule No. 303.D., applicant is currently required to notify all interest owners within the San Juan 29-7 Unit every time a Form C-107-A is submitted to the Division. There are a considerable number of such interest owners within the unit:
 - c) providing notice to each interest owner within the San Juan 29-7
 Unit of subsequent downhole comminglings is unnecessary and is an excessive burden on the applicant;
 - d) the downhole commingling of wells within the San Juan 29-7 Unit Area will benefit working, royalty, and overriding royalty interest owners. In addition, the downhole commingling of wells within the San Juan 29-7 Unit should not violate the correlative rights of any interest owner;

- e) no interest owner appeared at the hearing in opposition to the establishment of a "reference case" or administrative procedure for notice.
- (14) An administrative procedure should be established within the San Juan 29-7 Unit for obtaining approval for subsequent downhole commingled wells without notice to Unit interest owners, provided however that, all other provisions contained within Division Rule No. 303.C. are complied with.
- (15) Approval of the proposed "reference cases" for marginal economic criteria, pressure criteria, allocation formulas and notice will lessen the burden on the applicant insofar as providing the data required pursuant to Division Rule No. 303.D. and Form C-107-A, will provide the applicant a streamlined method for obtaining downhole commingling approvals within the San Juan 29-7 Unit, and will not violate correlative rights.

IT IS THEREFORE ORDERED THAT:

- (1) The application of Burlington Resources Oil & Gas Company to establish a "reference case" for (a) marginal economic criteria, (b) pressure criteria, (c) allocation formulas and (d) modification of notification rules on a unit-wide basis for downhole commingling of Dakota, Mesaverde, Fruitland Coal and Pictured Cliffs gas production within existing or future drilled wells within the San Juan 29-7 Unit, San Juan County, New Mexico, is hereby approved.
- (2) Upon filing of Division Form No. C-107-A's for wells subsequently downhole commingled within the San Juan 29-7 Unit Area, the applicant shall not be required to submit supporting data to justify the classification of the Pictured Cliffs and Dakota formations as "marginal", supporting data to verify the Pictured Cliffs and Dakota pressure information provided, and support or justification for utilizing a given method or formula for allocation of production, provided however, in the event any of the data described above appearing on Form C-107-A appears to be beyond the data range provided in this case, the Division may require the submittal of additional supporting data.
- (3) In order to obtain Division authorization to downhole commingle wells within the San Juan 29-7 Unit, the applicant shall file a Form C-107-A with the Santa Fe and Aztec Offices of the Division. Such application shall contain all the information required under Rule No. 303.C. of the Division Rules and Regulations, provided however that the applicant shall not be required to provide notice to all interest owners within the San Juan 29-7 Unit of such proposed commingling.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LeMAY

Directo

SEAL

DATE IN		SUSPENSE	ENGINEER	LOGGED	TYPE	
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		NEW MEVIC	ABOVE THIS LINE FOR DIVISION USE ONL			
			- Engineering Bureau -			
•		ADMINISTRAT	IVE APPLICATIO	N COVERSHEE	T	
nnlice			MINISTRATIVE APPLICATIONS FOR E	EXCEPTIONS TO DIVISION RULES (IND REGULATIONS	
.pplication 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 A		eck Those Which Apply Unit - Directional Drill P DD DSI	ling	,	
	Chec [B]	ck One Only for [B] and Commingling - Sto	orage - Measurement	ols 🗖 o	LM	
	[C]	Injection - Disposa WFX PM	l - Pressure Increase - E X SWD II			
2]	NOTIFICA [A]		TO: - Check Those What or Overriding Royal		s Not Apply	
	[B]	Offset Operator	s, Leaseholders or Surfa	ace Owner		
	[C]	☐ Application is C	One Which Requires Pu	blished Legal Notice		
	[D]	Notification and	Vor Concurrent Approv Management - Commissioner of Pub	al by BLM or SLO		
	[E]	☐ For all of the ab	ove, Proof of Notificati	on or Publication is A	ttached, and/or,	
	[F]	☐ Waivers are Att	ached			
•3]	INFORMA	TION / DATA SUB	MITTED IS COMPLI	ETE - Statement of U	nderstanding	
regul pprov U, Ol	hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and cegulations of the Oil Conservation Division. Further, I assert that the attached application for administrative pproval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, U, ORRI) is common. I understand that any omission of data, information or notification is cause to have the pplication package returned with no action taken.					
		Note: Statement	must be completed by an individual v	with supervisory capacity.		
	radfield	y Stadfie	ed Regula	atory/Compliance Administrator		
rint of	Type Name	Signature	<u> </u>	Title	Date	



SAN JUAN DIVISION

June 2, 1997

SENT FEDERAL EXPRESS

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

Re:

San Juan 29-7 Unit #130M

845'FNL, 2055'FWL Section 21, T-29-N, R-7-W, Rio Arriba County, NM

API #30-039-not yet assigned

Dear Mr. LeMay:

This is a request for administrative approval for downhole commingling the Blanco Mesa Verde and Basin Dakota in the subject well. This well is planned to be drilled and completed as a Mesa Verde/Dakota commingle in 1997.

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 Dakota and expected production curve for the Mesa Verde;
- Notification list of offset operators Burlington is the surrounding operator;
- 5. Shut in wellhead pressure and calculated down hole pressure of surrounding wells;
- 6. Nine-section plats for the Mesa Verde and Dakota.

Notification of Mesa Verde and Dakota interest owners is covered under Order R-10697 dated November 8, 1996 attached.

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

xc: Bureau of Land Management - hand delivered

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico Energy, Minerals and Natural Resources Department **OIL CONSERVATION DIVISION**

Form C-107-A New 3-12-96 APPROVAL PROCESS:

<u>DISTRICT II</u>

2040 S. Pacheco Santa Fe, New Mexico 87505-6429

X Administrative ___Hearing

EXISTING WELLBORE

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

811 South First St., Artesia, NM 88210-2835

APPLICATION FOR DOWNHOLE COMMINGLING

__YES _xNO

Burlington Resources Oil & C	Sas Company	PO Box 4	289, Farmington, NM 87499
perator SAN JUAN 29-7 UNIT	Addre 130M C 21	29N-7W	Rio Arriba
ease	Well No. Unit L	tr Sec - Twp - Rge Spacing	County Unit Lease Types: (check 1 or more)
OGRID NO14538 Property C	Code7465 API NO.N / A	FederalX, State	and/or) Fee
The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
Pool Name and Pool Code	Blanco Mesaverde - 72319		Basin Dakota - 71599
Top and Bottom of Pay Section (Perforations)	will be supplied upon completion		will be supplied upon completion
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	(Current) a. 769 psi (see attachment)	a.	a. 957 psi (see attachment)
Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	(Original) b. 1238 psi (see attachment)	b.	b. 2627 psi (see attachment)
6. Oil Gravity (°API) or Gas BTU Content	BTU 1159		BTU 1008
7. Producing or Shut-In?	shut-in		shut-in
Production Marginal? (yes or no)	no		yes
* If Shut-In and oil/gas/water rates of last production	Date: n/a Rates:	Date: Rates:	Date: n/a Rates:
Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data			
* If Producing, give data and oil/gas/water water of recent test (within 60 days)	Date: n/a Rates:	Oate: Rates:	Date: n/a Rates:
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: Gas: %	Oil: Gas: %	Oil: Gas: %
Are all working, overriding, and If not, have all working, overridi Have all offset operators been	royalty interests identical in all d ing, and royalty interests been no given written notice of the propos	commingled zones? otified by certified mail? sed downhole commingling?	
production be recovered, and	tes No if yes, are fluids of will the allocation formula be reliable.	ompatible, will the formations nablex YesNo (If No,	ot be damaged, will any cross-flo attach explanation)
2. Are all produced fluids from all			
 Will the value of production be of If this well is on, or community 		- , , ,	•
			lic Lands or the United States Bu
5. NMOCD Reference Cases for Ru 6. ATTACHMENTS:		IO(S)R-10697 acing unit and acreage dedicatio (If not available, attach explanati uction rates and supporting data. erests for uncommon interest car ed to support commingling.	
hereby certify that the inform	nation above is true and com	plete to the best of my know	rledge and belief.
SIGNATURE Seun Wo	Kerton_TITLE_Produ	ction EngineerDAT	E05/27/97
YPE OR PRINT NAME _ <u>Sear</u>			

PO Box 1980, Hobbs, NM 88241-1980 District II PO Drawer DD. Artesia, NM 88211-0719 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV

State of New Mexico Energy, Minerals & Natural Resources Department

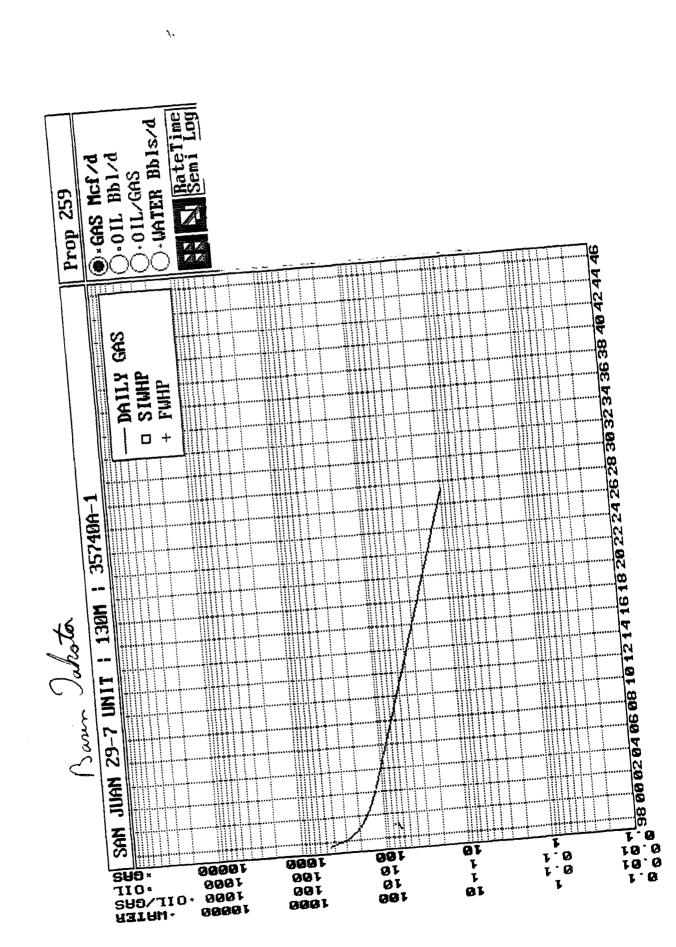
OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

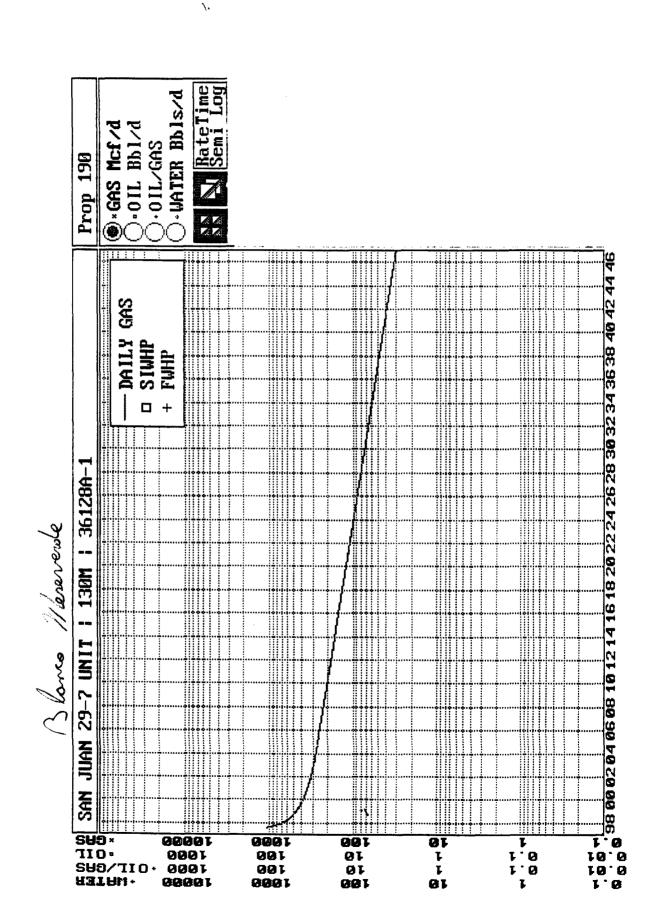
Form C-102 Revised February 21, 1994 Instructions on back

Submit to Appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Copies

() Box 2088, Sai	ita Fe, NM		II. I O	CATIO	ON AND	A C P	FAGE DEDIC	Γ ΔΊ	TION PI	AT	AME	NDED REPORT
API Number				Pool Code			REAGE DEDICATION PLAT					
* Property Code					Name 'Well Number 9-7 Unit 130M					Well Number		
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		- 		GTON			Location GAS		MPANI	<u></u>		6343'
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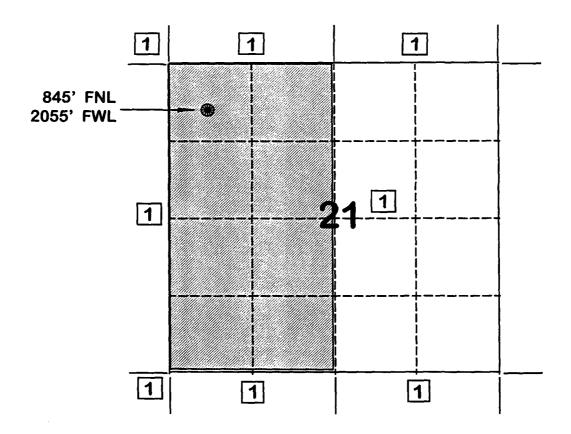


BURLINGTON RESOURCES OIL AND GAS COMPANY

San Juan 29-7 Unit #130M OFFSET OPERATOR \ OWNER PLAT

Mesaverde/Dakota Formations Commingle Well

Township 29 North, Range 7 West



1) Burlington Resources Oil and Gas Company

B MY JOB

	FUNCTION (A,C,D, MP NUMBER EFFECTIVE DATE REGION CD MP TYPE CODE	I) i 95 1996080 42 10	* 5440 S 01 S G	* DATA A AN JUAN AN JUAN AS METEI	AT TEST PRESSURE UNLESS NOTED ** 1 29-7 UNIT 130 1 CR - WELLHEAD SALES
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03=MAIN SCF		24=HELP PA1=TERMINATE

NUM LU #3

San Juan 29-7 Unit #130M Bottom Hole Pressures Flowing and Static BHP Cullender and Smith Method

Version 1.0 3/13/94

Mesaverde	Dakota				
MV-Current	DK-Current				
GAS GRAVITY COND. OR MISC. (C/M) %N2 %CO2 %H2S DIAMETER (IN) DEPTH (FT) SURFACE TEMPERATURE (DEG F) BOTTOMHOLE TEMPERATURE (DEG F) SURFACE PRESSURE (PSIA) 0.678 0.37 0.87 4934 4934 50 60 60 60 60 60 60 60 60 60	GAS GRAVITY COND. OR MISC. (C/M) %N2 %CO2 %H2S DIAMETER (IN) DEPTH (FT) SURFACE TEMPERATURE (DEG F) BOTTOMHOLE TEMPERATURE (DEG F) FLOWRATE (MCFPD) SURFACE PRESSURE (PSIA) BOTTOMHOLE PRESSURE (PSIA)	0.59 C 0.14 1.59 0.00 2.375 7519 60 180 0 817			
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Table Name: K:\ARIES\RR98PDP\TEST.DBF

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10/03/86	58835	1279.0	
10/11/87	108144	879.0	
09/04/88	140560	832.0	
08/07/90	205466	743.0	,
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Property ID: 4431

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09/06/58	357000	846.0
03/29/59	502000	778.0
03/06/60	683000	773.0
10/05/61	1001000	765.0
03/13/62	1078000	766.0
07/22/63	1285000	730.0
02/07/64	1332000	776.0
08/20/65	1634000	719.0
11/03/66	1900000	669.0
03/03/67	1965000	713.0
03/14/67 08/18/67	2025000	0.0
03/05/68	2095000 2189000	646.0 687.0
04/06/69	2436110	655.0
03/03/70	2629730	635.0
06/02/71	2876663	612.0
08/15/72	3165831	577.0
07/09/73	3374915	574.0
08/21/74	3590014	585.0
04/20/76	3888187	619.0
05/16/78	4252046	597.0
07/29/80	4518631	637.0
05/13/82	4643165	690.0
08/21/84	4729137	717.0
10/03/86	4822061	727.0
04/14/89	5025309	665.0
04/15/91	5147423	665.0
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STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 11629 ORDER NO. R-10697

APPLICATION OF BURLINGTON RESOURCES OIL & GAS COMPANY FOR THE ESTABLISHMENT OF A DOWNHOLE COMMINGLING "REFERENCE CASE" FOR ITS SAN JUAN 29-7 UNIT PURSUANT TO DIVISION RULE 303.E. AND THE ADOPTION OF SPECIAL ADMINISTRATIVE RULES THEREFOR, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on October 17, and November 7, 1996, at Santa Fe, New Mexico, before Examiners David R. Catanach and Michael E. Stogner, respectively.

NOW, on this 8th day of November, 1996, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises.

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Burlington Resources Oil & Gas Company (Burlington), pursuant to the provisions of Division Rule 303.E., seeks to establish a downhole commingling "reference case" to provide exceptions for (a) marginal economic criteria, (b) pressure criteria, (c) allocation formulas and (d) modification of notification rules on a unit-wide basis for downhole commingling of Dakota, Mesaverde, Fruitland Coal and Pictured Cliffs gas production within existing or future drilled wells within the San Juan 29-7 Unit, San Juan County, New Mexico.
- (3) Division Rule No. 303.E., amended by Order No. R-10470-A, currently states:

"If sufficient data exists on a lease, pool, formation, geographic area, etc., so as to render it unnecessary to repeatedly provide such data on Form C-107-A, an operator may except any of the various criteria required under Paragraph 303.D. of this rule by establishing a "reference case". The Division, upon its own motion, or by application from an operator, may establish "reference cases" either administratively or by hearing. Upon Division approval of such "reference cases" for specific criteria, subsequent applications to downhole commingle (Form C-107-A) will be required only to cite the Division order number which established such exceptions and shall not be required to submit data for those criteria."

- (4) The applicant is the current operator of the San Juan 29-7 Unit which encompasses some 22,500 acres in Township 29 North, Range 7 West, NMPM, San Juan County, New Mexico.
- (5) Within the San Juan 29-7 Unit, the applicant currently operates fifty-five (55) Basin-Dakota Gas Pool wells, one hundred thirty-one (131) Blanco-Mesaverde Gas Pool wells, thirteen (13) Blanco-Pictured Cliffs and South Blanco-Pictured Cliffs Gas Pool wells, and forty-nine (49) Basin-Fruitland Coal Gas Pool wells.
 - (6) According to its evidence and testimony, Burlington seeks to:
 - a) establish a "reference case" for marginal economic criteria in the Dakota and Pictured Cliffs formations whereby these formations and/or pools may be identified as "marginal" on Form C-107-A's subsequently filed for wells within the San Juan 29-7 Unit. The applicant further proposes that the data provided in the immediate case serve as supplemental data or confirmation that these formations and/or pools should be classified as "marginal";
 - b) establish a "reference case" for pressure criteria in the Dakota and Pictured Cliffs formations whereby the Division may utilize data provided in the immediate case to verify the pressure data provided on Form C-107-A's subsequently filed for wells within the San Juan 29-7 Unit:
 - c) establish a "reference case" whereby the Division utilizes the data presented in the immediate case to endorse or approve certain methods of allocating production whereby the applicant need not submit additional data or justification when proposing a certain method of allocating production on Form C-107-A's subsequently filed for wells within the San Juan 29-7 Unit; and.

- d) establish a "reference case" or an administrative procedure for authorizing the downhole commingling of existing or future drilled wells within the San Juan 29-7 Unit without additional notice to each affected interest owner as required by Division Rule No. 303.D.
- (7) In support of its request to except marginal economic criteria, the applicant presented geologic and engineering evidence and testimony which indicates that within the San Juan 29-7 Unit:
 - a) the structure and thickness of the Dakota and Pictured Cliffs formations are very consistent;
 - b) the average recoverable Dakota and Pictured Cliffs gas reserves underlying an undeveloped drill block are approximately 245 MMCFG and 76 MMCFG, respectively;
 - c) the average initial producing rate for a newly drilled or recompleted Dakota and Pictured Cliffs gas well is approximately 218 MCFGD and 238 MCFGD, respectively; and,
 - d) the estimated ultimate gas recoveries and initial producing rates from the Dakota and Pictured Cliffs formations are insufficient to justify drilling stand alone wells and/or dually completed wells to recover such gas reserves.
- (8) The evidence and testimony presented by the applicant indicates that the Dakota and Pictured Cliffs formations within the San Juan 29-7 Unit should be properly classified as "marginal".
- (9) In support of its request to except pressure criteria within the Dakota and Pictured Cliffs formations within the San Juan 29-7 Unit, the applicant presented engineering evidence and testimony which indicates that:
 - a) the average shut-in bottomhole pressure within the Dakota and Pictured Cliffs formations at the time of initial development was approximately 3,209 psi and 1,148 psi, respectively; and,
 - b) the average current shut-in bottomhole pressure within the Dakota and Pictured Cliffs formations is approximately 952 psi and 655 psi, respectively.

- (10) There is sufficient pressure data available within the San Juan 29-7 Unit so as to except pressure criteria as proposed by the applicant.
- (11) The applicant testified that various allocation methods will be utilized for downhole commingled wells within the San Juan 29-7 Unit depending on the circumstances. Some of the methods and circumstances are described as follows:
 - a) the subtraction method will likely be utilized in those instances involving the Basin-Fruitland Coal Gas Pool and in those instances where a zone with a well established decline rate is commingled with a newly completed zone;
 - b) a fixed allocation formula will be utilized in those instances where production history for both zones is available, or in those instances where newly completed zones are tested and stabilized flow rates obtained.
- (12) The allocation methods proposed by the applicant are routinely utilized by industry and approved by the Division and therefore, the proposal to except allocation formulas should be approved.
- (13) In support of its request to establish a "reference case" or administrative procedure for providing notice within the San Juan 29-7 Unit the applicant presented evidence and testimony which indicates that:
 - a) the interest ownership between two zones within a given wellbore in the San Juan 29-7 Unit is generally not common;
 - b) pursuant to Division Rule No. 303.D., applicant is currently required to notify all interest owners within the San Juan 29-7 Unit every time a Form C-107-A is submitted to the Division. There are a considerable number of such interest owners within the unit;
 - c) providing notice to each interest owner within the San Juan 29-7
 Unit of subsequent downhole comminglings is unnecessary and is an excessive burden on the applicant;
 - d) the downhole commingling of wells within the San Juan 29-7 Unit Area will benefit working, royalty, and overriding royalty interest owners. In addition, the downhole commingling of wells within the San Juan 29-7 Unit should not violate the correlative rights of any interest owner:

- e) no interest owner appeared at the hearing in opposition to the establishment of a "reference case" or administrative procedure for notice.
- (14) An administrative procedure should be established within the San Juan 29-7 Unit for obtaining approval for subsequent downhole commingled wells without notice to Unit interest owners, provided however that, all other provisions contained within Division Rule No. 303.C. are complied with.
- (15) Approval of the proposed "reference cases" for marginal economic criteria, pressure criteria, allocation formulas and notice will lessen the burden on the applicant insofar as providing the data required pursuant to Division Rule No. 303.D. and Form C-107-A, will provide the applicant a streamlined method for obtaining downhole commingling approvals within the San Juan 29-7 Unit, and will not violate correlative rights.

IT IS THEREFORE ORDERED THAT:

- (1) The application of Burlington Resources Oil & Gas Company to establish a "reference case" for (a) marginal economic criteria, (b) pressure criteria, (c) allocation formulas and (d) modification of notification rules on a unit-wide basis for downhole commingling of Dakota, Mesaverde, Fruitland Coal and Pictured Cliffs gas production within existing or future drilled wells within the San Juan 29-7 Unit, San Juan County, New Mexico, is hereby approved.
- (2) Upon filing of Division Form No. C-107-A's for wells subsequently downhole commingled within the San Juan 29-7 Unit Area, the applicant shall not be required to submit supporting data to justify the classification of the Pictured Cliffs and Dakota formations as "marginal", supporting data to verify the Pictured Cliffs and Dakota pressure information provided, and support or justification for utilizing a given method or formula for allocation of production, provided however, in the event any of the data described above appearing on Form C-107-A appears to be beyond the data range provided in this case, the Division may require the submittal of additional supporting data.
- (3) In order to obtain Division authorization to downhole commingle wells within the San Juan 29-7 Unit, the applicant shall file a Form C-107-A with the Santa Fe and Aztec Offices of the Division. Such application shall contain all the information required under Rule No. 303.C. of the Division Rules and Regulations, provided however that the applicant shall not be required to provide notice to all interest owners within the San Juan 29-7 Unit of such proposed commingling.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LeMAY

Director

SEAL