

DATE IN 7/24/97	SUSPENSE 8/13/97	ENGINEER DC	LOGGED BY RW	TYPE DHC
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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]

1645

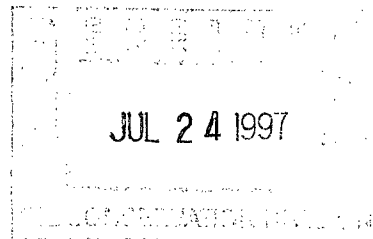
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [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.

Ann E. Ritchie
Print or Type Name

Signature

Regulatory Agent
Title

Date

7-14-97

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

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

EXISTING WELLBORE

☐ YES ☒ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Conoco Inc.

10 Desta Dr., Ste 100W, Midland, TX 79705-4500

Operator

Address

Jicarilla A

8M

N-23-T26N-R4W

Rio Arriba

Lease

Well No

Unit Ltr Sec Twp Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 005073 Property Code _____ API NO. N/A 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 Mesa Verde 72319		Basin Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	5761-6115' OA		7705-7915' OA
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow		To Flow
5. Bottom hole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a (Current) 672 psia b (Original) 1375 psia	a. b.	a. 1038 psia b. 2646 psia
6. Oil Gravity (*API) or Gas BTU Content	1248 BTU		1342 BTU
7. Producing or Shut-In?	To be drilled		To be drilled
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, give date and oil/gas/water rates of recent test (within 60 days)	Date Rates To be determined from tests on completion	Date Rates: Date Rates	Date Rates Date Rates To be determined from tests on completion
8. Fixed Percentage Allocation Formula -% for each zone	oil: % Gas %	oil: % Gas %	oil: % Gas %

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 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 Ann E. Ritchie TITLE Regulatory Agent DATE 7-14-97

TYPE OR PRINT NAME Ann E. Ritchie TELEPHONE NO. (915) 686-6548/684-6381

District I
PO Box 1960, Hobbs, NM 88241-1960
District II
PO Drawer DD, Arroyo, NM 88211-0719
District III
1000 Mio Brezon 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
		71599/72319	Basin Dakota/Blanco Mesaverde
Property Code	Property Name		Well Number
18018	Jicarilla A		8M
OGRID No.	Operator Name		Elevation
05073	CONOCO, INC.		6873'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
N	23	26-N	4-W		1190	South	1850	West	R.A.

11 Bottom Hole Location If Different From Surface

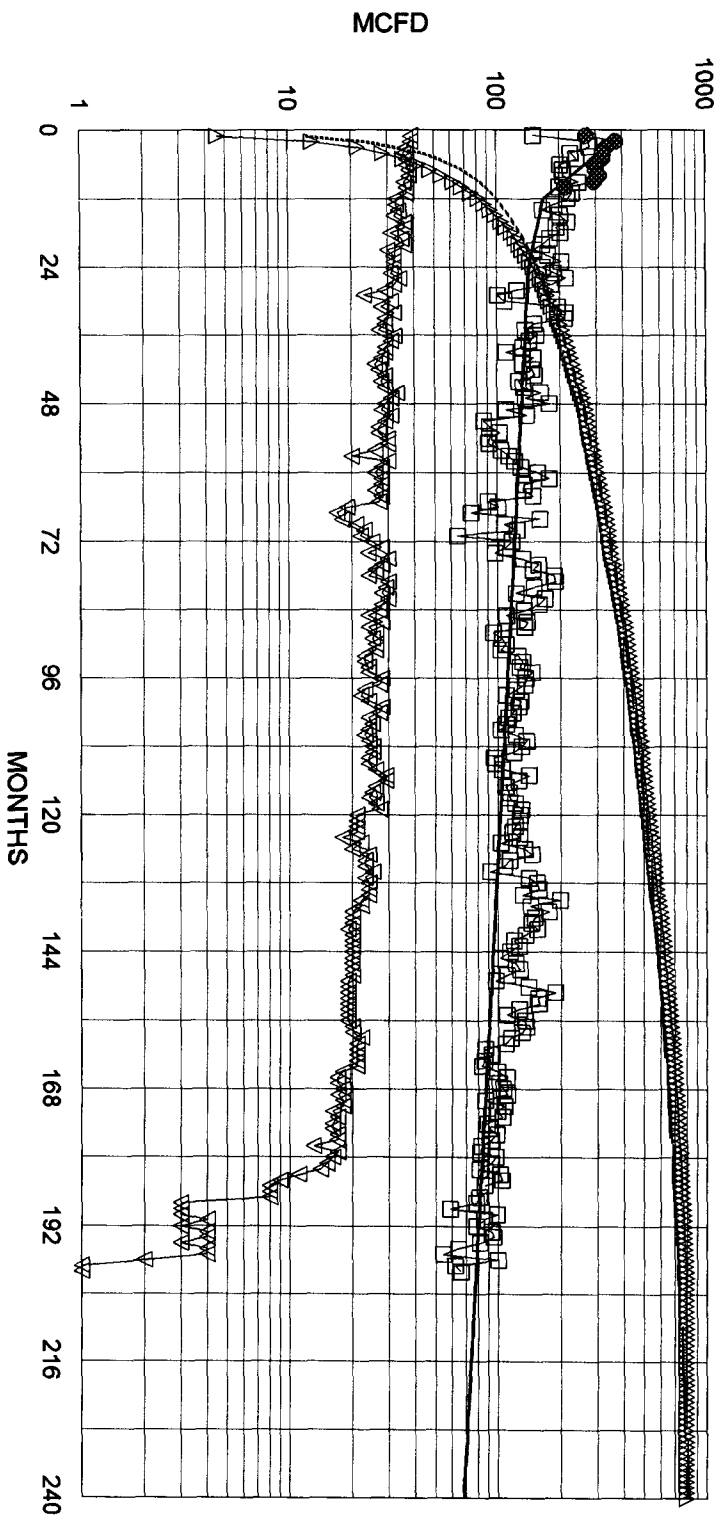
UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
W/320			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	5297.82'		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature: <u>Jerry W. Joover</u> Printed Name: <u>JERRY W. JOOVER</u> Title: <u>SR. CONSERVATION COORDINATOR</u> Date: <u>3/30/97</u>
	23		
5280.00'	1850'		
	1190'		
	5295.18'		

NORMALIZED DAKOTA PRODUCTION
39 WELLS SINCE 1980, 26N-4W (MERIT JICARILLA A,B,&E OFFSETS)



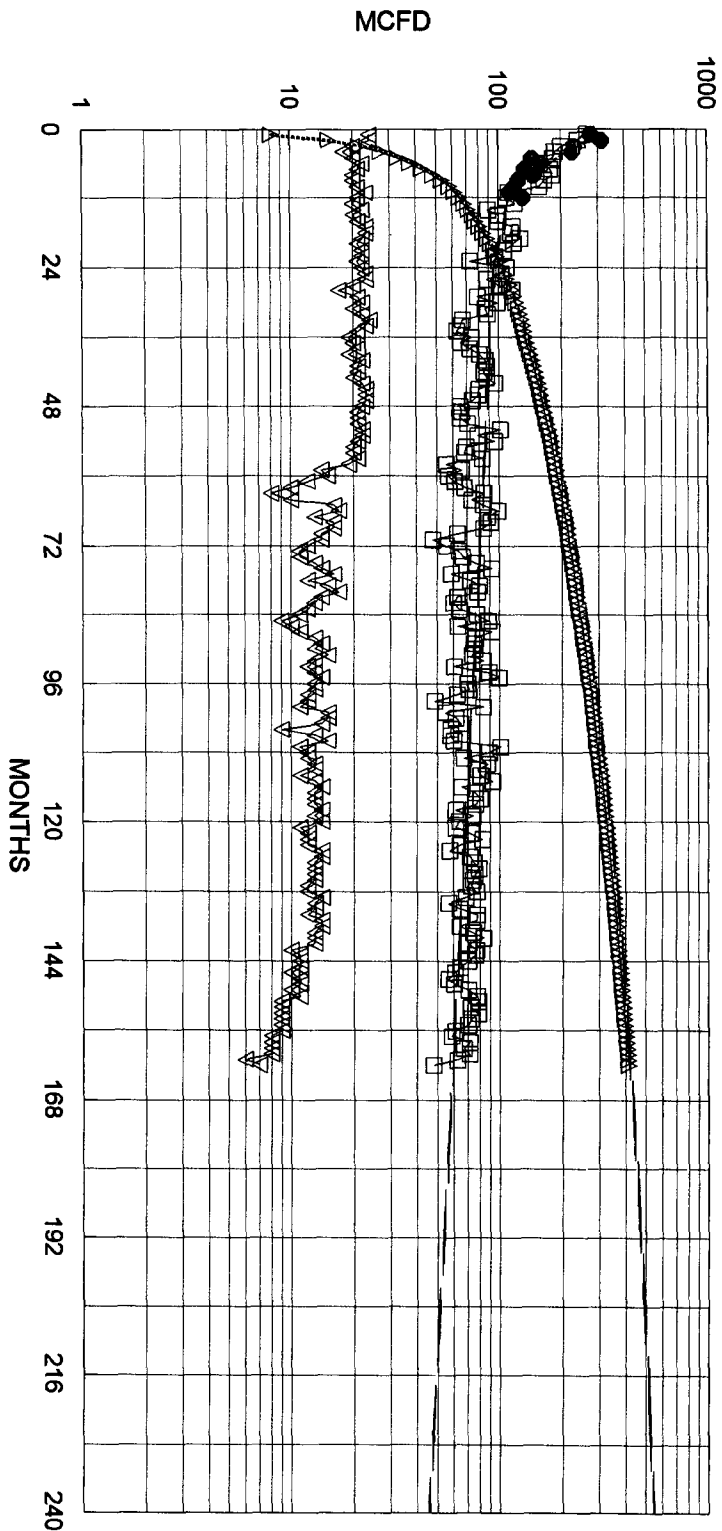
— FIT MCFD □ NORMALIZED MCFD △ NORM CUM MMCF ▽ WELLS ON PRODUCTION
 — FIT CUM MMCF — RISKED MCFD ◆ JICARILLA E 7E & 8M

NORMALIZED AVG:

1210 MMCF EUR
 824 MMCF IN 20 YRS
 25 MCFD E.L.
 0.0167 bbl/mcf oil yield

420 MCFD IP
 60% DECLINE, 1ST 12 MONTHS
 15% DECLINE, NEXT 12 MONTHS
 4% FINAL DECLINE

NORMALIZED MESAVERDE PRODUCTION
25 WELLS SINCE 1980: 26N 4W SEC 7-36



— FIT MCFD □ NORMALIZED MCFD △ NORM CUM MMCF
▽ WELLS ON PRODUCTION — FIT CUM MMCF ◆ 7 NEW MERIT REC. SINCE '94

NORMALIZED AVG:

777 MMCF EUR
549 MMCF IN 20 YRS
20 MCFD E.L.
0.004 BBL/MCF OIL YIELD

280 MCFD IP
60% DECLINE, 1ST 12 MONTHS
15% DECLINE, NEXT 12 MONTHS
4.0% FINAL DECLINE

COMBINED MV/DK IP:
COMBINED EUR:
COMBINED 20 YR MMCF:
COMBINED OIL YIELD:

700 MCFD
1987 MMCF
1373 MMCF
0.01 BBL/MCF

Conoco, Inc.
C-107-A
Offset Operator List

RE: Jicarilla A, Well #8M, Rio Arriba County, New Mexico

1. Burlington Resources Oil & Gas Co.
P. O. Box 4289
Farmington, NM 87499
2. Chateau Oil & Gas Inc.
2515 McKinney Ave. Ste 840
Dallas, TX 75201
3. Conoco, Inc.
10 Desta Dr., Suite 100W
Midland, Texas 79705-4500

P 497 368 607

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided

Burlington Resources Oil & Gas Co.
 P. O. Box 4289
 Farmington, NM 87499

PS Form 3800, April 1995

Postage	\$ 1.70
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 4.15
Postmark or Date	7-22-97

P 497 368 608

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided

Chateau Oil & Gas Inc.
 2515 McKinney Ave. Ste. 840
 Dallas, TX 75201

PS Form 3800, April 1995

Postage	\$ 1.47
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.92
Postmark or Date	7-22-97

P 497 368 609

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided

Amoco Production Company
 P. O. Box 800
 Denver, CO 80202

PS Form 3800, April 1995

Postage	\$ 1.24
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.69
Postmark or Date	7-22-97

P 497 368 622

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided

Caulkins Oil Co.
 1600 Broadway Ste. 2100
 Denver, CO 80202

PS Form 3800, April 1995

Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	7-22-97