

DATE IN 7/24/97	SUSPENSE 8/13/97	ENGINEER DC	LOGGED BY RV	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]

1654  
(NC)  
measured?

**[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

RECEIVED  
JUL 24 1997

**[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

7-14-97  
Date

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

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

OIL CONSERVATION DIVISION

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

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410-1693

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Conoco Inc.

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

Operator

Address

Federal

6E

E-6-T29N-R11W

San Juan

Lease

Well No

Unit Ltr Sec Twp Rge

County

Spacing Unit Lease Types: (check 1 or more)

GRID NO. 005073 Property Code 18022 API NO. 30 045 24059 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	<u>75680</u> <u>Mesa Verde 72319</u>		<u>Dakota 71599</u>
2. TOP and Bottom of Pay Section (Perforations)	<u>3668-3700'</u>		<u>6439-6594'</u>
3. Type of production (Oil or Gas)	<u>Gas</u>		<u>Gas</u>
4. Method of Production (Flowing or Artificial Lift)	<u>Flowing</u>		<u>Flowing</u>
5. Bottom hole Pressure	a (Current)	a.	a.
Oil Zones - Artificial Lift:	<u>268 psia</u>		<u>746 psia</u>
Gas & Oil - Flowing: Estimated Current	b (Original)	b.	b.
All Gas Zones: Measured Current	<u>1130 psia</u>		<u>1461 psia</u>
Estimated Or Measured Original			
6. Oil Gravity (*API) or Gas BTU Content	<u>1381 BTU</u>		<u>1201 BTU</u>
7. Producing or Shut-in?	<u>producing</u>		<u>Producing</u>
Production Marginal? (yes or no)	<u>Yes</u>		<u>Yes</u>
• If Shut-In give date and oil/gas/water rates of last production	Date Rates	Date Rates:	Date Rates
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 <u>5-1-97</u> <u>2 bopd, 1 bwpd,</u> <u>290 mcf/d</u>	Date Rates <u>5-1-97</u> <u>1 bopd, 1 bwpd,</u> <u>40 mcf/d</u>	Date Rates <u>5-1-97</u> <u>1 bopd, 1 bwpd,</u> <u>40 mcf/d</u>
8. Fixed Percentage Allocation Formula - % for each zone	oil: <u>78</u> % Gas <u>85</u> %	oil: % Gas %	oil: <u>22</u> % Gas <u>15</u> %

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? X Yes X No  
If not, have all working, overriding, and royalty interests been notified by certified mail? X Yes X No  
Have all offset operators been given written notice of the proposed downhole commingling? X Yes X No

11. Will cross-flow occur? X 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. X Yes    No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each others X Yes    No

13. Will the value of production be decreased by commingling?    Yes X 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. X 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 7-17-97

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

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

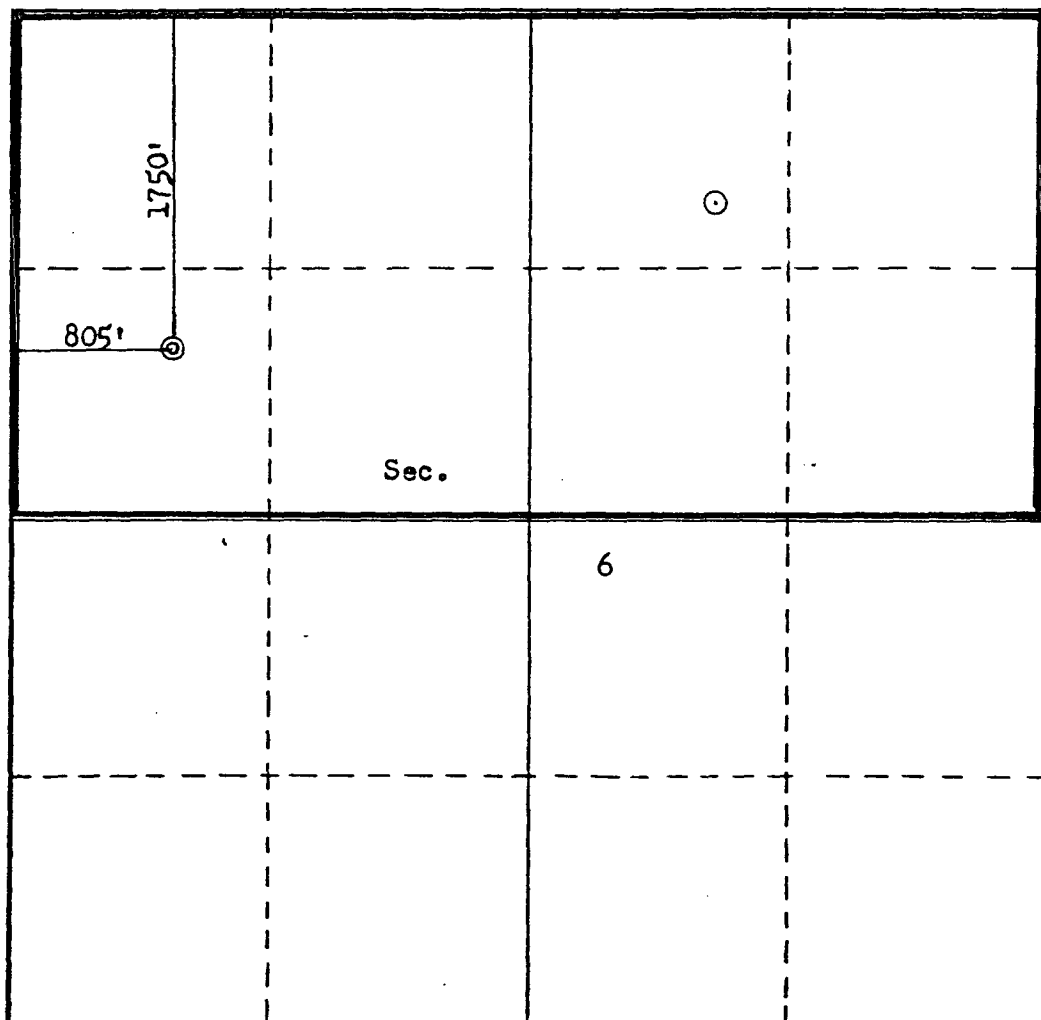
Operator <b>MESA PETROLEUM COMPANY</b>			Lease <b>FEDERAL</b>			Well No. <b>6-E</b>		
Unit Letter <b>E</b>	Section <b>6</b>	Township <b>29N</b>	Range <b>11W</b>	County <b>San Juan</b>				
Actual Footage Location of Well: <b>1750</b> feet from the <b>North</b> line and <b>805</b> feet from the <b>West</b> line								
Ground Level Elev. <b>5808</b>	Producing Formation <b>Dakota</b>		Pool <b>Basin Dakota</b>			Dedicated Acreage: <b>320</b> 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.

*John Alexander*

Name  
**JOHN ALEXANDER**

Position  
**AGENT**

Company  
**MESA PETROLEUM CO.**

Date  
**November 14, 1979**

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.

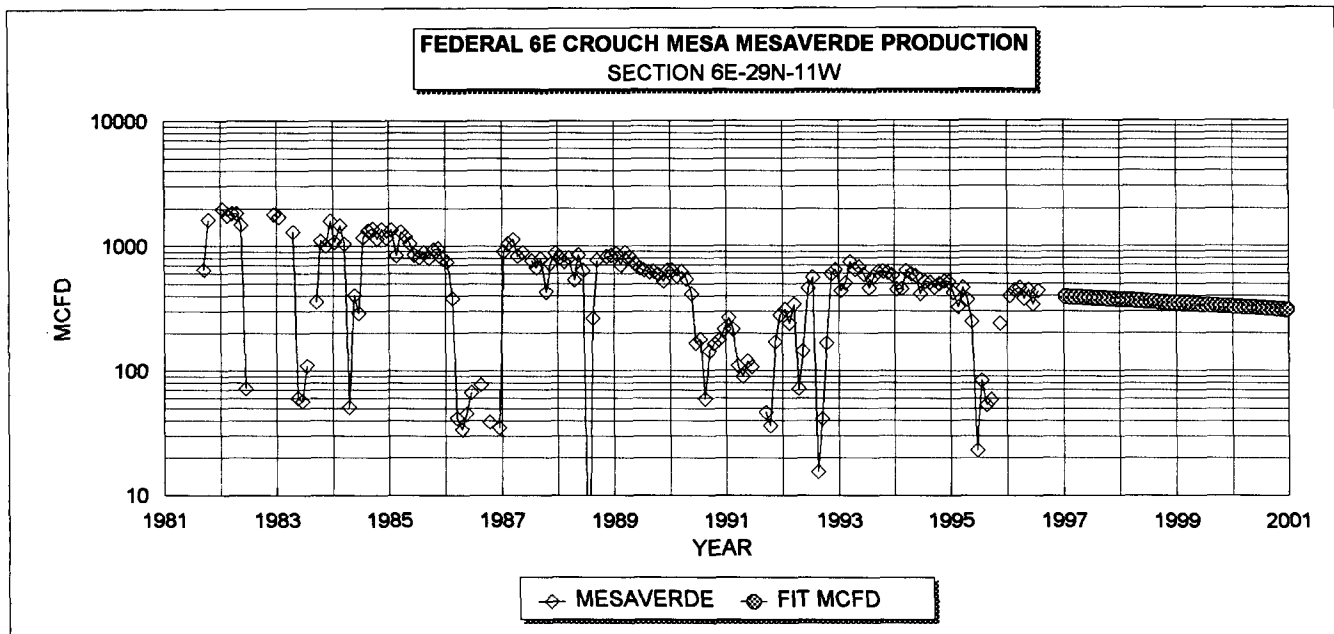
Date Surveyed  
**November 5, 1979**

Registered Professional Engineer and/or Land Surveyor

*Fred B. Alexander*  
**Fred B. Alexander**

Certificate No.  
**3950**



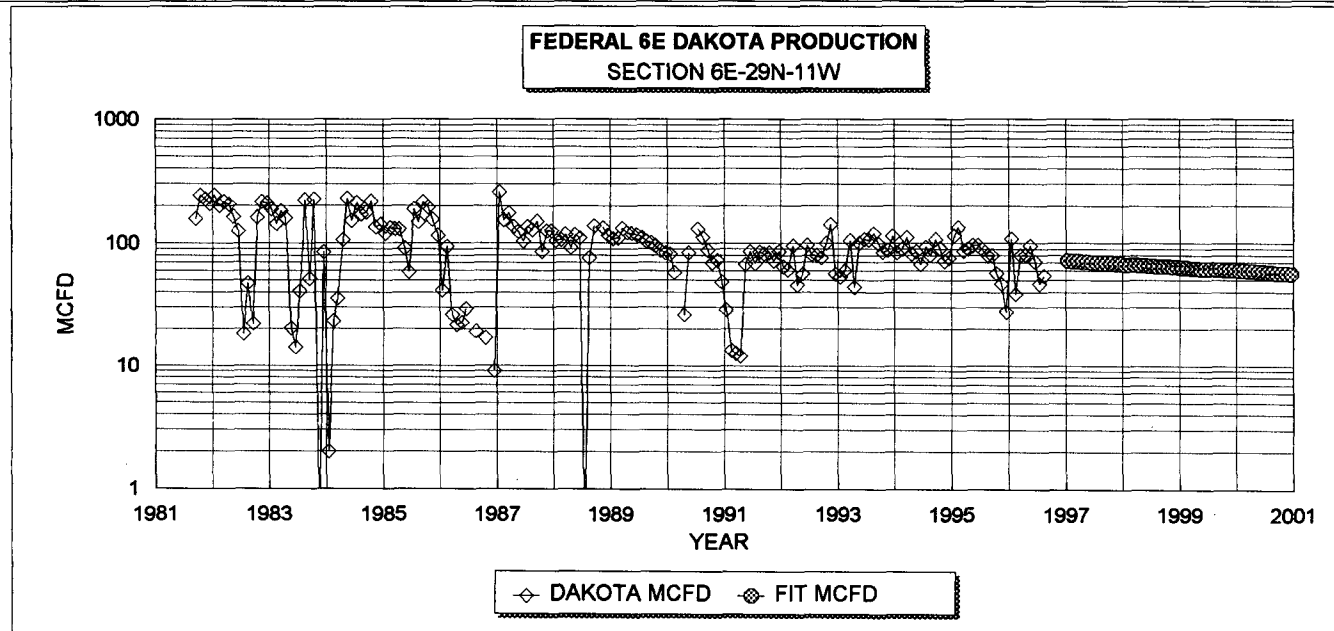


**MESAVERDE HISTORICAL DATA: 1ST PROD: 09/81**

OIL CUM: 10.55 MBO  
GAS CUM: 2949.3 MMCF  
OIL YIELD: 0.0036 BBL/MCF

**MESAVERDE PROJECTED DATA**

1/1/97 Qi: 394 MCFD  
DECLINE RATE: 6.0% (EXPONENTIAL)



**DAKOTA HISTORICAL DATA 1ST PROD: 09/81**

OIL CUM: 2.9 MBO  
GAS CUM: 539.8 MMCF  
OIL YIELD: 0.0055 BBL/MCF

**DAKOTA PROJECTED DATA**

1/1/97 Qi: 72 MCFD  
DECLINE RATE: 6.0% (EXPONENTIAL)

**FIXED COMMINGLE ALLOCATION FACTORS:**

	GAS	OIL
MESAVERDE:	85%	78%
DAKOTA	15%	22%

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

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGYDATA

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

RE: Federal, Well #6E, San Juan County, New Mexico

1. Burlington Resources Oil & Gas Co.  
P. O. Box 4289  
Farmington, NM 87499
2. Amoco Production Co.  
P. O. Box 800  
Denver, CO 80201
3. Merrion Oil & Gas Corp.  
610 Reilly Avenue  
Farmington, NM 87401
4. Four Star Oil & Gas Co.  
3300 N. Butler Avenue Ste 100  
Farmington, NM 87401
5. Conoco, Inc.  
10 Desta Dr., Suite 100W  
Midland, Texas 79705-4500

Non-Identical Interest Owners:

1. Burlington Resources Oil & Gas Co.  
P. O. Box 4289  
Farmington, NM 87499
2. Mineral MGT Service  
Onshore Federal #17555  
P. O. Box 5810  
Denver, CO 80217-5810

P 497 3bA b14

US Postal Service  
Receipt for Certified Mail

Mineral MGT Service  
Onshore Federal #17555  
P. O. Box 5810  
Denver, CO 80217-5810

PS Form 3800, April 1995

Postage	\$ .32
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	\$ 2.77
Postmark or Date	7-22-97

P 497 3bB b13

US Postal Service  
Receipt for Certified Mail

Four Star Oil & Gas Co.  
3300 N. Butler Avenue Ste 100  
Farmington, NM 87401

PS Form 3800, April 1995

Postage	\$ .32
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	\$ 2.77
Postmark or Date	7-22-97

P 497 3bB b12

US Postal Service  
Receipt for Certified Mail

Merrion Oil & Gas Corp.  
610 Reilly Avenue  
Farmington, NM 87401

PS Form 3800, April 1995

Postage	\$ .32
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	\$ 2.77
Postmark or Date	7-22-97

P 497 3bA b22

US Postal Service  
Receipt for Certified Mail

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

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

P 497 3bB b08

US Postal Service  
Receipt for Certified Mail

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 3bB b09

US Postal Service  
Receipt for Certified Mail

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 3bB b07

US Postal Service  
Receipt for Certified Mail

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