ENGINEER

DC

LOGGED BY

TYPE DHC

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -2040 South Pacheco, Santa Fe, NM 87505



igal

ADMINISTRATIVE APPLICATION COVERSHEET

| | AL | MINISTRATIVE AFFLICATION GOVERNMENT. |
|-------|------------------------------|---|
| TH | IS COVERSHEET IS M | ANDATORY FOR ALL ADMINISTRATIVE APPLICATION FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE |
| Appli | nnwoG-DHD] IooG-DG] W] | |
| [1] | TYPE OF AP [A] | PLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Directional Drilling INSL INSP INSP INSP INSP INSP INSP INSP INSP |
| | Check [B] | One Only for [B] or [C] Commingling - Storage - Measurement ADHC CTB PLC PC OLS OLM |
| | [C] | Injection - Disposal - Pressure Increase - Enhanced Oil Recovery ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR |
| [2] | NOTIFICAT [A] | ION 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 |
| [3] | INFORMAT | ION / DATA SUBMITTED IS COMPLETE - Certification |
| | | |

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. <u>I understand that any omission of data</u> (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

| Note: \$ | Statement must be completed by an ir | ndividual with managerial and/or supervis | ory capacity. |
|--------------------|--------------------------------------|---|---------------|
| | | 1/3 | |
| | Mu Mila | wed Seglish | r |
| Print or Type Name | Signature | Title | Date |

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

APPLICATION FOR DOWNHOLE COMMINGLING

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

APPROVAL PROCESS:

X Administrative __Hearing

EXISTING WELLBORE

X YES ___ NO

| BURLINGTON RESOURCES OIL & GAS (| · · · · · · · · · · · · · · · · · · · | armington, NM 87499 | | | | | | | |
|---|--|---|-----------------------------|---|--|--|--|--|--|
| Operator | #7 L 1 | | Son luon | Now Movino | | | | | |
| Neudecker | | 3-29-10 Ltr Sec - Twp - Rge | San Juan | , New Mexico | | | | | |
| Lease | Wen No. | cu oec - rwp - nge | Spacing Uni | it Lease Types: (check 1 or more) | | | | | |
| OGRID NO. 14538 Property Co | ode7355 API NO30-045- | 08255 <u>F</u> ederal <u>x</u> , | State | _, (and/or) Fee | | | | | |
| The following facts are submitted in support of downhole commingling: | Upper Zone | Intermedia Zone | te: | Lower And | | | | | |
| Pool Name and Pool Code | Blanco Mesaverde - 72319 | | | Basin Dakota - 71599 | | | | | |
| Top and Bottom of Pay Section (Perforations) | Proposed: 3975' – 4650' | | | 6613' - 6786' | | | | | |
| Type of production (Oil or Gas) | Gas | | | Gas | | | | | |
| Method of Production (Flowing or Artificial Lift) | Will Flow After Completion | | | Flowing | | | | | |
| 5. Bottomhole Pressure | (Current) | a. | `. | (Current) | | | | | |
| Oil Zones - Artificial Lift: Estimated Current | a. 608 psia @ 4313' Based on offset well | | | a. 692 psia @ 6700' | | | | | |
| Gas & Oil - Flowing: Measured Current | (Original) | | | | | | | | |
| All Gas Zones: Estimated or Measured Original | b. 1283 psia @ 4313' Based on offset well | b. | | b. 2490 psia @ 6700' | | | | | |
| 6. Oil Gravity (°API) or Gas BTU Content | 1223 | | | 1181 | | | | | |
| 7. Producing or Shut-In? | Waiting on Completion | | | Producing | | | | | |
| Production Marginal? (yes or no) | No | | | Yes | | | | | |
| * If Shut-In and oil/gas/water rates of last production | Date: N/A (Zone not completed yet) 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 (Zone not completed yet) | Date: Rates: | | Date: 5/9/98 109 MCFD, 0 BOD | | | | | |
| 8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%) | Oil: Gas: | Oil: % Gas: % | , | Oil: Gas: | | | | | |
| (total of % s to equal 100%) | will be supplied upon completion | <u></u> | | will be supplied upon completion | | | | | |
| 9. If allocation formula is based submit attachments with support 10. Are all working, overriding, and | l rovalty interests identical in a | II commingled zones? | • | Yes X No | | | | | |
| If not, have all working, overric Have all offset operators been | ling, and royalty interests been given written notice of the pro | notified by certified in posed downhole community | mail? ningling? | XYesNo _XYesNo | | | | | |
| 11. Will cross-flow occur? _X Ye production be recovered, and | s No If yes, are fluids com will the allocation formula be re | patible, will the form eliableX_ Yes | ations not be No (If No, | e damaged, will any cross-flowed attach explanation) | | | | | |
| 12. Are all produced fluids from all | • | | _X_ Yes | _ No | | | | | |
| 13. Will the value of production be | | | Yes, attach e | • | | | | | |
| 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 applicationX_Yes No | | | | | | | | | |
| • | the state of the s | 1 | | • | | | | | |
| 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.

TYPE OR PRINT NAME Kevin Midkiff TELEPHONE NO. (505) 326-9700

TITLE Operations Engineer DATE 5/11/98

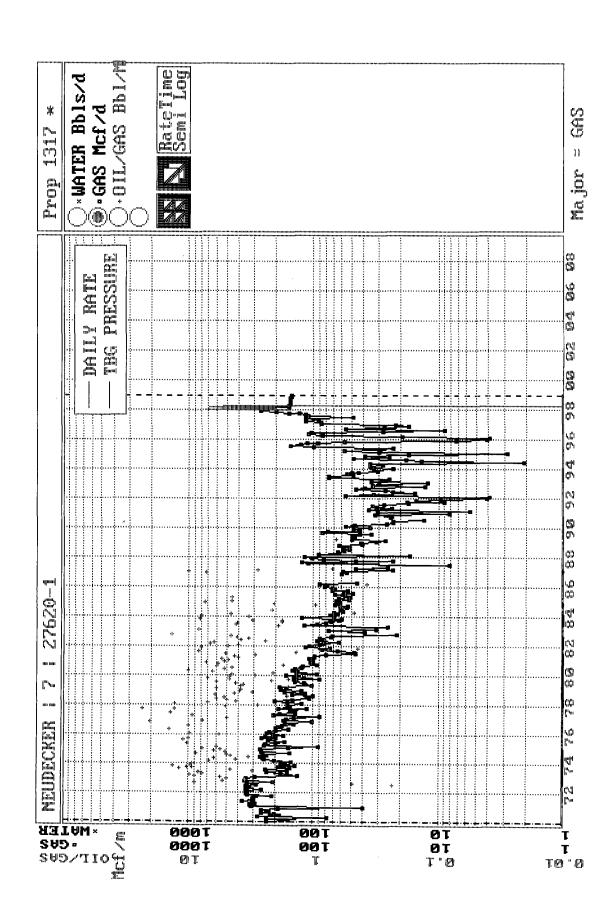
PO BOX 1980, HODDS, NM 88241-1980 Hevised reprudry Energy, Munerals & Natural Resources Department Instruction - Submit to Appropriate Distr: PO Drawer 00. Artesia. NM 88211-0719 State Lease OIL CONSERVATION DIVISION PO Box 2088 1000 Rio Brazos Ad. Aztec. NM 87410 97 KOY 25 PH 2: 24 Santa Fe. NM 87504-2088 AMENDED District IV PO Box 2088, Santa Fe, NM 87504-2088 FATE INGTON, NM WELL LOCATION AND ACREAGED DEDICATION PLAT API Number 'Pool Code 72319/71599 Blanco Mesaverde/Basin Dakota 30-045-08255 Well N Property Code Property Name NEUDECKER 7355 Eleve OGRID No. *Operator Name 585 BURLINGTON RESOURCES OIL & GAS COMPANY 14538 10 Surface Location SA 13 29N 1550 790 West 10W South 11 Bottom Hole Location If Different From Surface 4V-W/320 Joint or Infill DK = W/320NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOL OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION " OPERATOR CERTIFI I hereby cortify that the information conta-true and complete to the test of my knowle *Not re-surveyed: Prepared from plat By: James P. Leese Dated: 28 August. 1963 \$ignature eggy Bradfield Printed Name Regulatory Adminis Title 11-10-97 Date SURVEYOR CERTIFI I hereby cartify that the well location a was plotted from field notes of attual ou or under my autorymann, and that the sam-currect to the seet of my belief. 790 OCTOBER 29. Date of Certificate

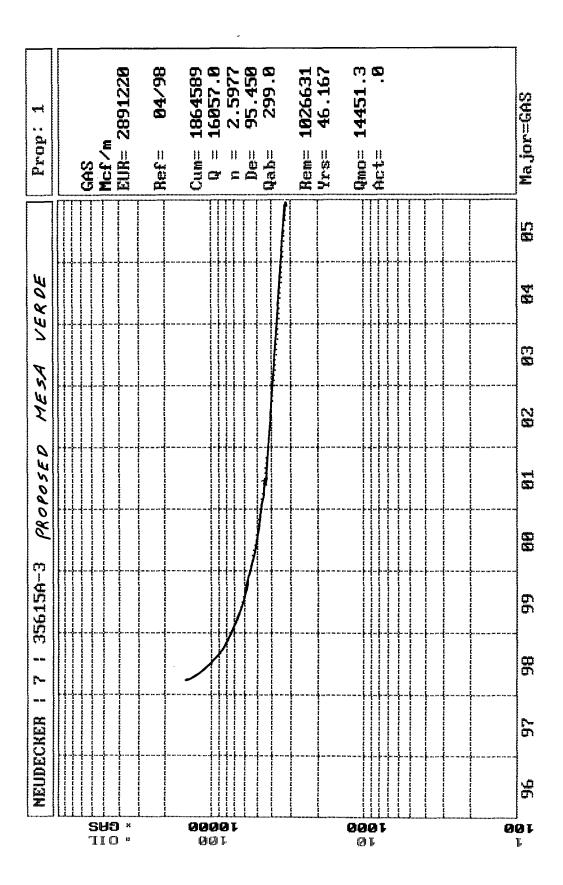
Neudecker No. 7 Bottom Hole Pressures Flowing and Static BHP Cullender and Smith Method

Version 1.0 3/13/94

| Mesaverde ** | Dakota |
|--|--|
| MV-Current | <u>DK-Current</u> |
| GAS GRAVITY COND. OR MISC. (C/M) %N2 0.3 %CO2 0.81 %H2S DIAMETER (IN) DEPTH (FT) SURFACE TEMPERATURE (DEG F) BOTTOMHOLE TEMPERATURE (DEG F) SURFACE PRESSURE (PSIA) BOTTOMHOLE PRESSURE (PSIA) 0.705 M 4 4 60.8 0.3 60.8 0.3 60.8 60.8 60.8 60.8 60.8 60.8 60.8 60.8 60.8 60.8 60.8 60.8 60.8 60.8 60.8 60.8 60.8 | GAS GRAVITY COND. OR MISC. (C/M) %N2 0.26 %CO2 1.6 %H2S DIAMETER (IN) DEPTH (FT) SURFACE TEMPERATURE (DEG F) BOTTOMHOLE TEMPERATURE (DEG F) 146 FLOWRATE (MCFPD) SURFACE PRESSURE (PSIA) BOTTOMHOLE PRESSURE (PSIA) 692.4 |
| MV-Original | <u>DK-Original</u> |
| GAS GRAVITY COND. OR MISC. (C/M) %N2 %CO2 0.81 %H2S 0 DIAMETER (IN) DEPTH (FT) SURFACE TEMPERATURE (DEG F) BOTTOMHOLE TEMPERATURE (DEG F) FLOWRATE (MCFPD) SURFACE PRESSURE (PSIA) BOTTOMHOLE PRESSURE (PSIA) 1283.2 | GAS GRAVITY COND. OR MISC. (C/M) %N2 |

^{**} The Mesa Verde information is based on data from the Lackey A No. 2 located in Sec. 12, UL-L, T29N R10W





Page No.: 1
Print Time: Sat May 09 15:26:46 1998
Property ID: 1317
Property Name: NEUDECKER | 7 | 27620-1
Table Name: K:\ARIES\RR99PDP\TEST.DBF

| DATE | <u>CU</u> M_GAS Mcf | M_SIWHP Psi | |
|----------|------------------------|----------------|---|
| 10/08/63 | 0 | 2011.0 | Initia/ |
| 12/24/64 | 55000 | 1477.0 | |
| 08/05/65 | 125000 | 1446.0 | |
| 10/18/66 | 361000 | 1282.0 | |
| 02/16/67 | 421000 | 1141.0 | |
| 02/02/68 | 580000 | 1117.0 | |
| 12/16/70 | 898071 | 963.0 | |
| 08/14/71 | 975044 | 874.0 | |
| 09/08/72 | 1096431 | 759.0 | |
| 06/06/73 | 1163922 | 754.0 | |
| 05/06/75 | 1309298 | 645.0 | |
| 06/20/77 | 1450701 | 694.0 | |
| 06/18/79 | 1556665 | 718.0 | |
| 08/05/81 | 1644514 | 757.0 | |
| 07/18/83 | 1693211 | 747.0 | |
| 07/11/85 | 1740658 | 744.0 | |
| 10/04/88 | 1802141 | 676.0 | |
| 04/15/93 | 1853262 | 677.0 | |
| 04/01/98 | 1990199 | 570 | Current Based on Pressure Vs. Cum Gas Curve |

Page No.: 1

Print Time: Sat May 09 15:31:50 1998

Property ID: 10630 OFFSET WELL LOCATED IN Sec. 12-L, T29N RIO W

Table Name: K:\ARIES\RR99PDP\TEST.DBF MESA VERDE

| DATE | CUM_GAS | M_SIWHP | | | • | | | |
|----------|---------|---------|-----------|----------|-----------|-----|----------|-------|
| | Mcf | Psi | | | | | | |
| 09/05/52 | 0 | 1103.0 | INITIA | , | | | | |
| 07/19/53 | 74000 | 746.0 | 210111111 | | | | | |
| 04/15/54 | 135000 | 800.0 | | | | | | |
| 06/15/55 | 218000 | 834.0 | | | | | | |
| 04/23/56 | 275000 | 836.0 | | | | | | |
| 05/15/57 | 334000 | 846.0 | | | | | | |
| 05/06/58 | 385000 | 845.0 | | | | | | |
| 01/07/59 | 426000 | 686.0 | | | | | | |
| 04/14/59 | 444000 | 716.0 | | | | | | |
| 04/14/60 | 499000 | 700.0 | | | | | | |
| 04/13/61 | 556000 | 723.0 | | | | | | |
| 07/11/62 | 614000 | 738.0 | | | | | | |
| 02/04/63 | 643000 | 659.0 | | | | | | |
| 07/16/64 | 702000 | 723.0 | | | | | | |
| 08/04/65 | 754000 | 607.0 | | | | | | |
| 07/22/66 | 799000 | 672.0 | | | | | | |
| 07/25/67 | 847000 | 689.0 | | | | | | |
| 08/12/68 | 898000 | 605.0 | | | | | | |
| 08/10/70 | 1039413 | 699.0 | | | | | | |
| 08/13/71 | 1078583 | 662.0 | | | | | | |
| 05/11/72 | 1117089 | 636.0 | | | | | | |
| 04/25/74 | 1218821 | 602.0 | | | | | | |
| 06/01/76 | 1308447 | 616.0 | | | | | | |
| 04/20/78 | 1384720 | 576.0 | | | | | | |
| 05/19/80 | 1450236 | 600.0 | | | | | | |
| 05/03/82 | 1508567 | 570.0 | | | | | | |
| 06/19/84 | 1560419 | 569.0 | | | | | | |
| 06/03/86 | 1550691 | 588.0 | | | | | | |
| 12/03/86 | 1614277 | 604.0 | | | | | | |
| 06/01/89 | 1656248 | 444.0 | | | | | | |
| 02/18/91 | 1671350 | 469.0 | | | | | | |
| 09/10/91 | 1674868 | 481.0 | | | | | | |
| 04/15/93 | 1690296 | 488.0 | | | | | | |
| 06/03/93 | 1691867 | 478.0 | | | | | | |
| 04/01/98 | 1901352 | 529 | Current | Based on | Press HIE | Vs. | Cum, Gas | curve |

Package Preparation Volume Data

| DPNo: 2762 | 20 N | EUDECKER | | 7 | | | For | n: Dř | |
|--------------------|---|------------------------|--------|---|-----------------|--------------------------|------------|----------|-------------------|
| Supt: 60 Pipeline: | KEN RAYBO | ON Flunger: | F: 338 | JOHNNY ELLI | S ual: No | MS: | 327 MiKE G | | No |
| ripeillie. | | | 110 | | | ••••• | | | |
| <u>Ov</u> | vnership (No | Trust) | | <u>Pr</u> | <u>ior Year</u> | | <u>Cu</u> | rent Yea | <u>r</u> |
| GWI: | <u>Gas</u> 40.4694% | <u>Oil</u> 40.4694% | | MCF/M | ВОРМ | <u>Days</u> <u>On</u> | MCF/M | BOPN | <u>Days</u> On |
| GNI: | 34.0070% | 34.0070% | Jan | 2,594 | 0.0 | 31 | 8,236 | 0.0 | 31 |
| | | • | Feb | 2,608 | 0.0 | 28 | 9,499 | 0.0 | 28 |
| <u>Volumes</u> | | | Mar | 3,482 | 0.0 | 31 | 0 | 0.0 | 31 |
| (Days On) | <u>MCFI</u> | <u>BOPD</u> | Apr | 2,764 | 0.0 | 30 | 0 | 0.0 | 0 |
| 7 Day Avg | 150 | 0.0 | May | 3,486 | 0.0 | 31 | 0 | 0.0 | 0 |
| 30 Day Avg | 109 | 0.0 | Jun | 1,398 | 0.0 | 24 | 0 | 0.0 | 0 |
| 60 Day Avg | 54 | 0.0 | Jul | 3,295 | 0.0 | 31 | 0 | 0.0 | 0 |
| 3 Mo Avg | 289 | 0.0 | Aug | 3,502 | 0.0 | 31 | 0 | 0.0 | 0 |
| 6 Mo Avg | 226 | 0.0 | Sept | 3,990 | 0.0 | 30 | 0 | 0.0 | 0 |
| 12 MoAvg | 164 | 0.0 | Oct | 4,802 | 0.0 | 31 | 0 | 0.0 | 0 |
| , | | | Nov | 6,121 | 0.0 | 30 | 0 | 0.0 | 0 |
| <u>Volumes</u> | | | Dec | 8,254 | 0.0 | 31 | 0 | 0.0 | 0 |
| (Days in Mo | nth) MCFI | <u>BOPD</u> | Total | 46.296 | 0.0 | | 17.735 | 0.0 | |
| 30 Day Avg | 109 | 0.0 | lotai | 40,290 | 0.0 | | 17,733 | 0.0 | |
| 60 Day Avg | 54 | 0.0 | | | | | | | |
| 3 Mo Avg | 289 | 0.0 | | | , | | Prii | nt Forn | |
| 6 Mo Avg | 224 | 0.0 | | | | | | | |
| 12 Mo Avg | 161 | 0.0 | | | | | Exit Vo | lumes | Data |
| 5/9/1998 | *************************************** | ••••• | .4 | *************************************** | | | | | |

| תידו | DIAT | ING | $TI \cap T$ |
|------|------|-----|-------------|
| rΑ | RIVI | | LUNN |

1998 MONTHLY PRODUCTION FOR 27620

PHS030M1

FARMINGTON
NEUDECKER 7

BASIN DAKOTA (PRORATED GAS) FIELD DAKOTA ZONE

| | | אעכ | | OIL === | | ====== | | CNC | | ==== | | | • |
|------|-----|-----|----|---------|-----|--------|-------|-----|------|--------|---------|------|---|
| | | | | | | | | | | | _ | | |
| I OM | ' S | ON | PC | PROD | GRV | PC | PROD | ON | BTU | PRESS | WATER : | PROD | C |
| 1 2 | F | 31 | | | | 01 | 8201 | 31 | 1181 | 15.025 | | 26 | |
| 2 2 | F | 28 | | | | 01 | 9427 | 28 | 1181 | 15.025 | | 30 | |
| 3 2 | F | 31 | | | | 01 | 12716 | 31 | 1181 | 15.025 | | 40 | |
| 4 | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | | |
| 10 | | | | | | | | | | | | | |
| 11 | | | | | | | | | | | | | |
| 12 | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |

PF6 - RETURNS TO ANNUAL DISPLAY PF3 - TRANSFER TO UPDATE
PF10 - HELP INFORMATION PF9 - DISPLAY MONTHLY INJECTION
00/00/00 00:00:00:0 PRS 05/05/98

| FARMINGTON ANNUAL PRODUCTION FOR 27620 PHS020M1 NEUDECKER 7 | | | | | | | | | |
|---|--------------|-----------|--------------|---------------|------------|-----------|--|--|--|
| BASIN DAKOTA | • | GAS) FIEL | 222 | DAKOTA ZONE | ==== WATER | CUM ===== | | | |
| PC DATE 02 6912 | BBLS 6219 | PC 01 | DATE 6912 | MCF 826202 | DATE | BBLS | | | |
| YEAR | OIL | OIL CUM | GAS | GAS CUM | WATER | WATER CUM | | | |
| 1990 | | 9524 | 9542 | 1830573 | 29 | 128 | | | |
| 1991 | | 9524 | 7918 | 1838491 | 26 | 154 | | | |
| 1992 | | 9524 | 9890 | 1848381 | 31 | 185 | | | |
| 1993 | | 9524 | 15496 | 1863877 | 47 | 232 | | | |
| 1994 | | 9524 | 9840 | 1873717 | 30 | 262 | | | |
| 1995 | | 9524 | 24328 | 1898045 | 77 | 339 | | | |

POSITION CURSOR BY YEAR AND PRESS ENTER TO DISPLAY MONTHLY PRODUCTION

ENTER - CONTINUES ANNUAL DISPLAY

PF3 - TRANSFER TO UPDATE

PF6 - RETURN TO WELL-INFO DISPLAY

PF9 - ANNUAL INJECTION DISPLAY

PF10 - HELP INFORMATION

00/00/00 00:00:00:0 D03 09/02/89

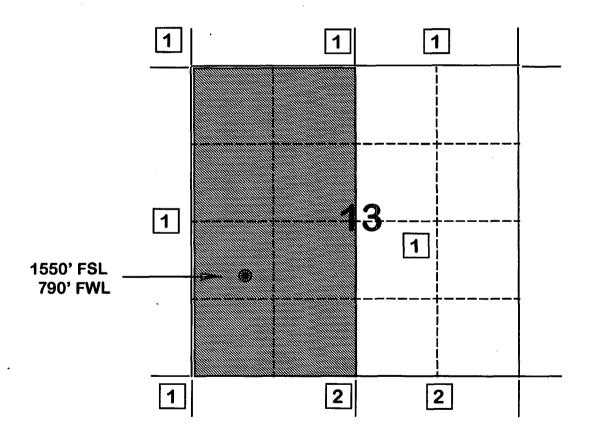
BURLINGTON RESOURCES OIL AND GAS COMPANY

Neudecker #7

OFFSET OPERATOR \ OWNER PLAT

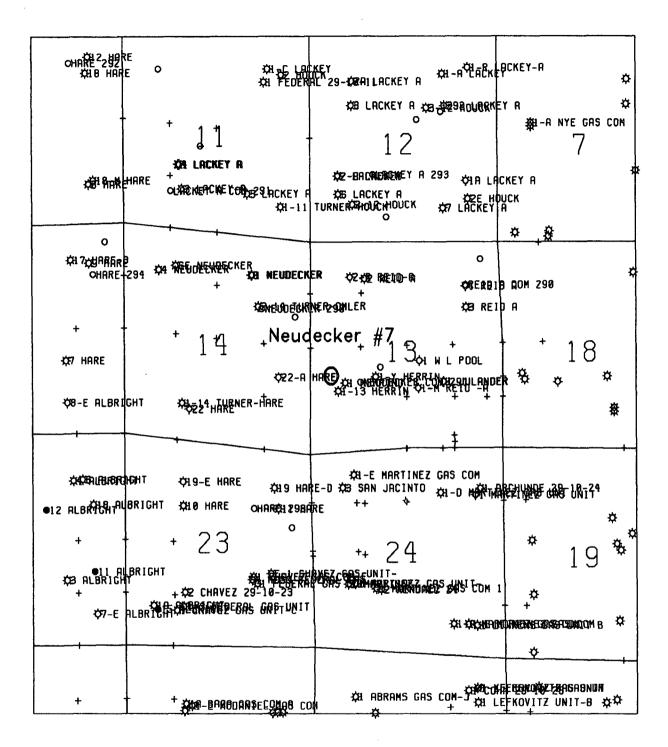
Mesaverde/Dakota Formations Commingle Well

Township 29 North, Range 10 West



- 1) Burlington Resources Oil and Gas Company
- 2) Amoco Production Company

Attn: Bruce Zimney P.O. Box 800 Denver, CO 80201



Neudecker #7
L Sec 13 T29N R10W
DK / MV

Catanach, David

From:

Catanach, David

Sent:

Wednesday, June 10, 1998 1:15 PM 'Peggy Bradfield' Neudecker No. 7

To: Subject:

Peggy,

Thanks for the cookies, they were delicious. I was reviewing your DHC application for the Neudecker No. 7 and found that the WI, RI and ORRI notice list was not included. Item No. 10 states that notice was given to these parties. Can you please tell me if they were notified and send me a notice list?

I'll hold this app until I hear from you.

By, the way, how was the raft trip?

Thanks,

David