

DATE IN 7/12/99	SUSPENSE 8/2/99	ENGINEER DC	LOGGED BY KW	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

2407

## 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]

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

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

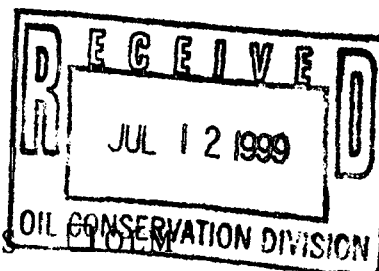
Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS

[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.

Kay Maddox  
Print or Type Name

Signature

*Kay Maddox*

Title

Regulatory Agent

Date

7/8/99

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

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

☒ YES ☐ NO

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

Lease Wood WN Federal Well No 1 Unit Ltr Sec Twp Rge B, S-21, T-29N, R-10W County San Juan

OGRID NO. 005073 Property Code 014131 API NO. 30-045-20267 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	Blanco Mesaverde 72319		Basin Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	3872-4271 Proposed		6289-6407
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a (Current)  1011 est.	a.  	a.  767
	b(Original)  1011 est.	b.  	b.  1174
6. Oil Gravity (*API) or Gas BT Content	1250 est		1242
7. Producing or Shut-In?	To be Completed		Producing
Production Marginal? (yes or no)	No		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  N/A	Date Rates:  	Date Rates  
	Date Rates  To be allocated by subtraction. See Attached Table.	Date Rates  	Date Rates  06/15/99 68 MCFD 0.3 BOPD, 0.4 BWPD
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

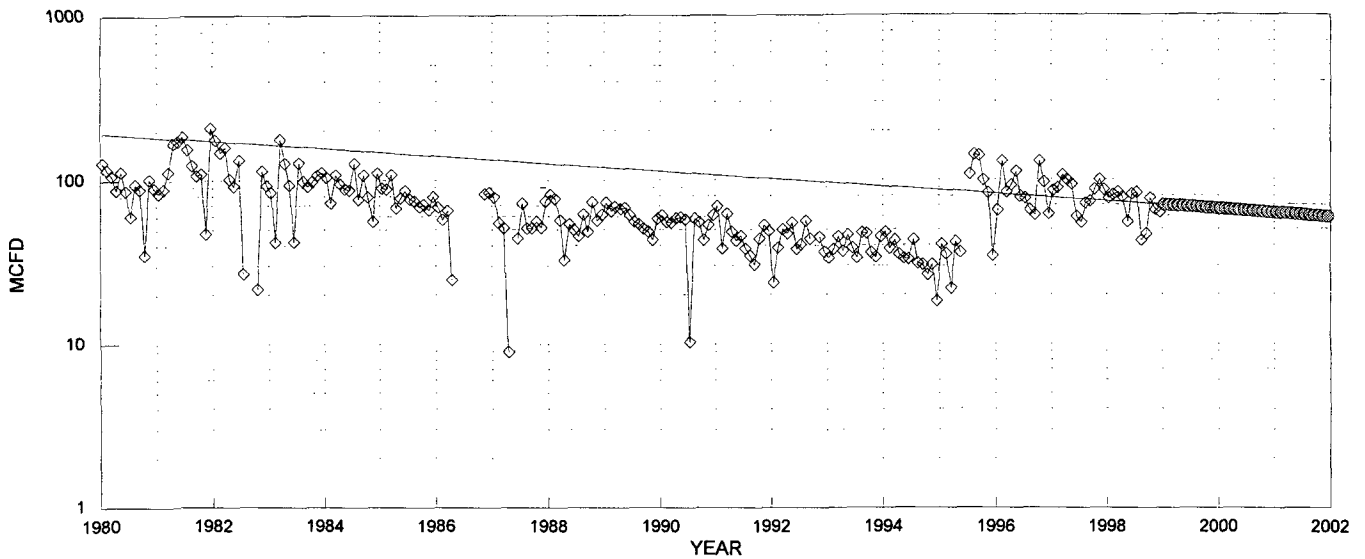
- \* C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- \* Production curve for each zone for at least one year. (If not available, attach explanation.)
- \* For zones with no production history, estimated production rates and supporting data.
- \* Data to support 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 Yolanda Perez TITLE Regulatory Analyst DATE 7/18/99

TYPE OR PRINT NAME Yolanda Perez TELEPHONE NO. (915) 293-1613

**WOOD WN FED #1 DAKOTA PRODUCTION  
SECTION 21B-29N-10W**



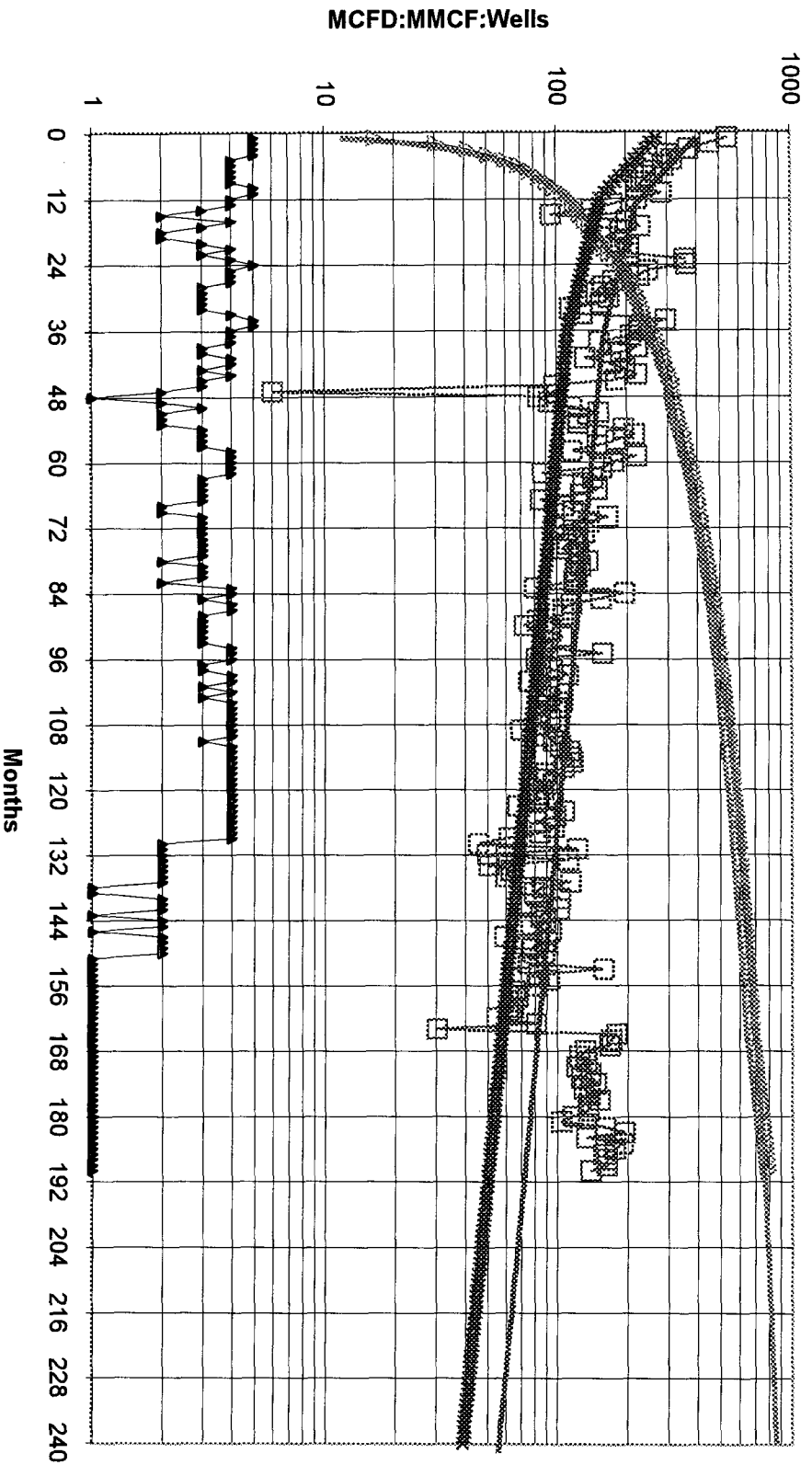
◇ DAKOTA MCFD    ◆ FIT MCFD    — Historical Fit

DAKOTA HISTORICAL DATA		1ST PROD: 10/88	DAKOTA PROJECTED DATA	
OIL CUM:	8.8	MBO	1/1/99 Qi:	70 MCFD
GAS CUM:	1252.5	MMCF	DECLINE RATE:	5.50% (EXPONENTIAL)
OIL YIELD:	0.0070	BBL/MCF	OIL YIELD:	0.0042 BBL/MCF, LAST 3 YEARS

**PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION**

YEAR	MID-YEAR AVG MCFD	MID-YEAR AVG BOPD
1999	68	0.29
2000	64	0.27
2001	60	0.26
2002	57	0.24
2003	54	0.23
2004	51	0.22
2005	48	0.20
2006	46	0.19
2007	43	0.18
2008	41	0.17
2009	38	0.16
2010	36	0.15
2011	34	0.15
2012	32	0.14
2013	31	0.13
2014	29	0.12
2015	27	0.12
2016	26	0.11
2017	24	0.10
2018	23	0.10
2019	22	0.09
2020	21	0.09
2021	20	0.08
2022	18	0.08
2023	17	0.07
2024	16	0.07
2025	16	0.07
2026	15	0.06
2027	14	0.06
2028	13	0.06

# NORMALIZED MESAVERDE PRODUCTION (29N 10W SEC 21-22)



□ NORMALIZED MCFD    △ NORM CUM MMCF    x RISKED MCFD    ▲ WELLS ON PRODUCTION  
 ..... FIT CUM MMCF    \* RISKED MCFD    ..... FIT MCFD

NORMALIZED AVG:

1096 MMCF EUR  
 859 MMCF IN 20 YRS  
 15 MCFD E.L.  
 3.0516 B/MMcf oil yield

RISKED AVG:

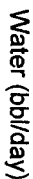
400 MCFD IP  
 45% DECLINE, 1ST 12 MONTHS  
 15% DECLINE, NEXT 24 MONTHS  
 6.0% FINAL DECLINE

30% RISK

741 MMCF EUR  
 601 MMCF IN 20 YRS  
 15 MCFD E.L.  
 3.0516 B/MMcf oil yield  
 280 MCFD IP  
 45.0% DECLINE, 1ST 12 MONTHS  
 15.0% DECLINE, NEXT 24 MONTHS  
 6.0% FINAL DECLINE

Lease: WOOD VN FEDERAL (1)

Retrieval Code: 251,045,29N10W21B00DK<sub>3</sub>

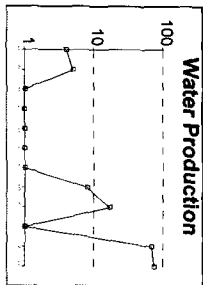
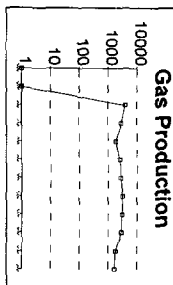
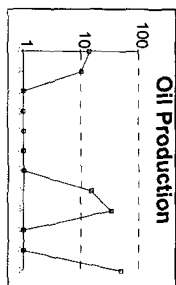


Lease: WOOD WN FEDERAL  
 Field: BASIN (DAKOTA) DK  
 Operator: CONOCO INC  
 RCI #: 251,045,29N10W21B00DK  
 API #: 30-045-20267-00

Well #: 1  
 Location: 21B 29N 10W  
 Liquid Cum: 8,581 bbls  
 Gas Cum: 1,210,850 mcf  
 Status: ACT GAS

FP Date: 68-10  
 LP Date: 97-07  
 Liq Since: FPDATE  
 Gas Since: FPDATE

DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
08/1996	14	0	4	1
09/1996	10	0	5	1
10/1996	0	3,922	0	1
11/1996	0	2,927	0	1
12/1996	0	1,862	0	1
01/1997	0	2,599	0	1
02/1997	1	2,698	1	1
03/1997	15	3,231	8	1
04/1997	33	3,014	17	1
05/1997	0	2,831	0	1
06/1997	0	1,799	69	1
07/1997	50	1,657	75	1
Total	123	26,540	179	



NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLATForm C-102  
Supersedes C-128  
Effective 1-1-65

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

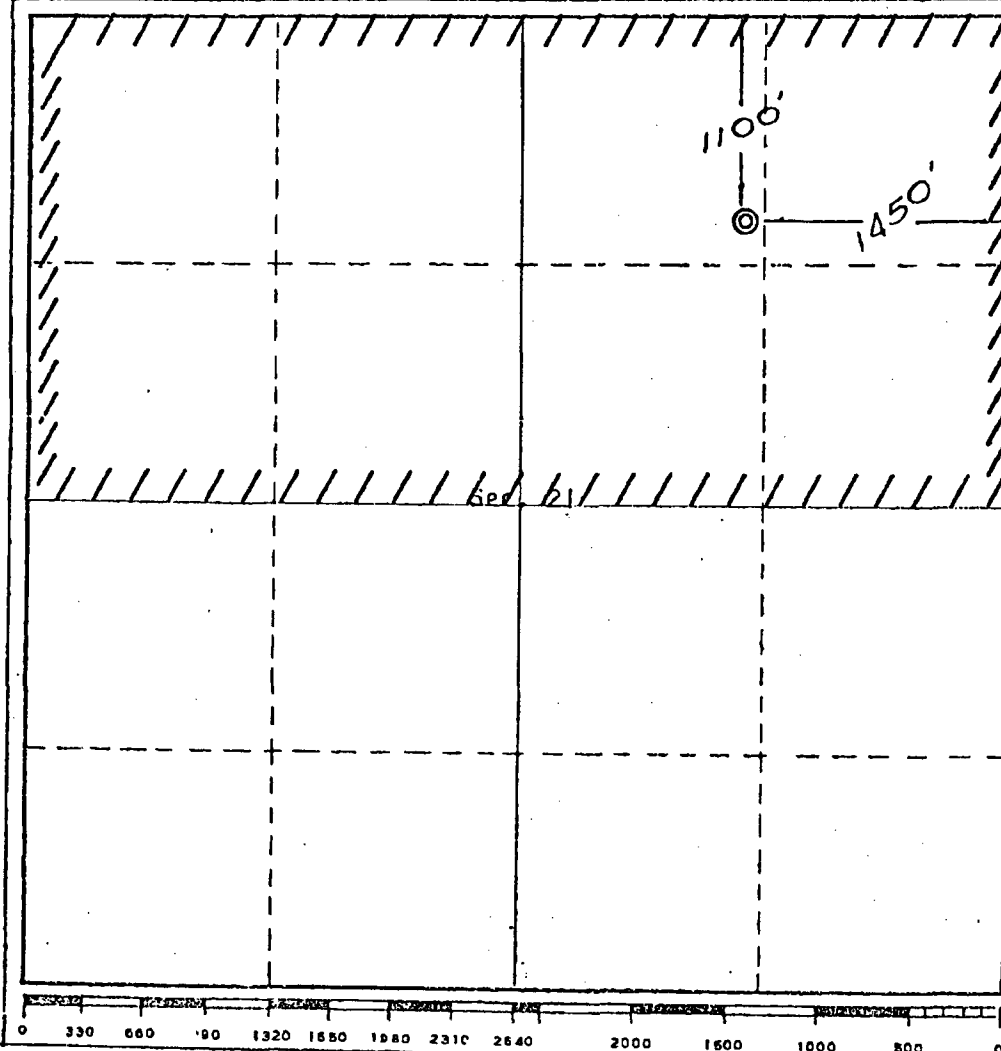
Operator <b>SINCLAIR OIL &amp; GAS COMPANY</b>			Lease <b>WN-Wood Federal Wood WN Federal</b>		Well No. <b>1</b>
Unit Letter <b>B</b>	Section <b>21</b>	Township <b>29 North</b>	Range <b>10 West</b>	County <b>San Juan</b>	
Actual Footage Location of Well: <b>1100</b> feet from the <b>North</b> line and <b>1450</b> feet from the <b>East</b> line					
Ground Level Elev: <b>5576 ungr.</b>	Producing Formation <b>Dakota-Graneros</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 hatchure 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 **Communitization - Agreement #SW448**

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.

*W.C. Brown*

Name

Chief Office Clerk

Position

Sinclair Oil &amp; Gas Co.

Company

April 26, 1968

Date

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

April 24, 1968

Registered Professional Engineer  
and/or Land Surveyor

*E. J. Cochran*

Certificate No. 3602

District I  
PO Box 1980, Hobbs, NM 88241-198

District II  
PO Drawer DD, Artesia, NM 88211-071

District III  
1000 Rio Brazos Rd. Aztec, NM 8741

District IV  
PO Box 2088, Santa Fe, NM 87504-208

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 30-045-20267	2 Pool Code 72319	3 Pool Name Blanco Mesaverde
4 Property Code 014131	5 Property Name Wood WN Federal	6 Well Number 1
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500	9 Elevation

10 Surface Location

UL or lot no. B	Section 21	Township 29N	Range 10W	Lot Idn	Feet from the 1100	North/South line North	Feet from the 1450	East/West line East	County San Juan
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11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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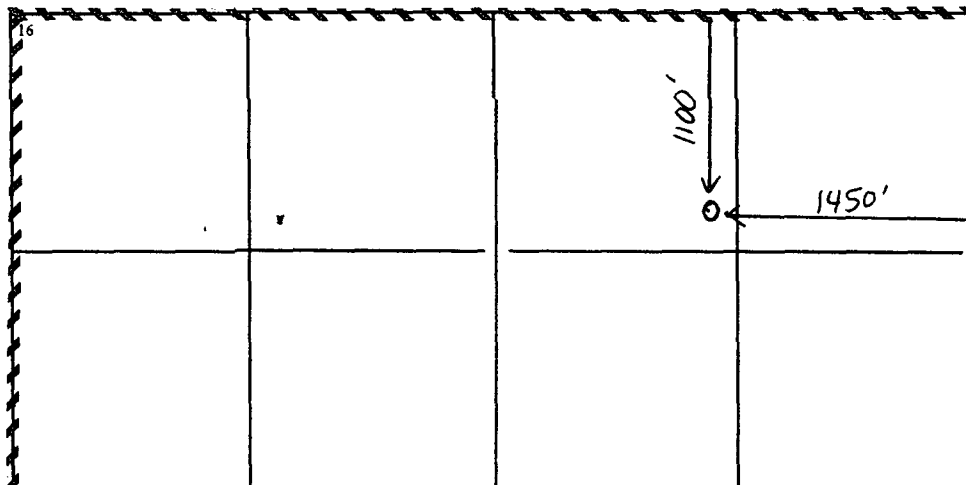
12 Dedicated Acres  
320

13 Joint or Infill

14 Consolidation Code

15 Order No.

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

	<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Yolanda Perez Printed Name Regulatory Analyst Title 7/18/99 Date
	<b>18 SURVEYOR CERTIFICATION</b> 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 belief.  Date of Survey Signature and Seal of Professional Surveyor:
	Certificate Number



Conoco, Inc.  
10 Desta Dr STE 100W  
Midland, TX 79705

RE: Application to Downhole Commingle C-107A  
Wood Wn Federal #1 Section 21, T-29-N, R-10-W, K  
San Juan County, New Mexico

**Notification Of Offset Operators:**

Amoco  
PO Box 800  
Denver, CO 80201

Burlington Resources  
PO Box 4289  
Farmington, NM 87499

S&G Interests  
811 Dallas STE 1505  
Houston, TX 77002

Horace F. McKay Jr.  
PO Box 14738  
Albuquerque, NM 87191