ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE
Application Acronyms: [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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]
TYPE OF APPLICATION - Check Those Which Apply for [A] [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD JUN 2 4 2003
Check One Only for [B] or [C] [B] Commingling - Storage - Measurement DHC
[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR
[D] Other: Specify
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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.
CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.
Note: Statement must be completed by an individual with managerial and/or supervisory capacity.
Deborah Machery Kaland Starley Regulator Specialist 6/13/3 Print or Type Name Signature Title
oleborah. Marberry De-mail Address Conocophillips. Com

<u>District I</u> 1625 N. French Drive, Hobbs, NM 68240

Form C-107A Revised May 15, 2000

<u>District II</u>

811 South First Street, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico Energy, Minerals, and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, New Mexico 87505

APPLICATION FOR DOWNHOLE COMMINGLING

APPLICATION TYPE X Single Well Established Pre-Approved Pools

EXISTING WELLBORE

X
Yes
No

P.O. BOX 2197 WL3 4061 HOUSTON TX 77252 CONOCOPHILLIPS CO. Address Operator K 19 26N 6W **RIO ARRIBA REAMES COM** County Well No. Unit Letter-Section-Township-Range Lease API No. 30-039-23257 OGRID No. 217817 Property Code_ _ Lease Type _X_Federal __ _State ___

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BASIN FRUITLAND COAL	OTERA CHACRA	BLANCO MESAVERDE V
Pool Code	71629	82329	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2191 - 2346	3239 - 3343	4709 - 4781
Method of Production (Flowing of Artificial Lift)	FLOWING	EXPECTED TO FLOW	EXPECTED TO FLOW
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	350	475	550
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1175	1225	1250
Producing, Shut-in or New Zone	PRODUCING	SHUT-IN	SHUT-IN
Date and Oil/Gas/Water Rates of Last Production (Note: For new zones with no production history, applicant shall be required to attach production astimates and supporting data.)	Date: 03/24/2003 Rates: 67mcfd 066/5 (0;/ //bb) Wafe	Date: 11/01/1996 Rates: 18 mcfd	Date: 11/01/1996 Rates: 8 mcfd
Fixed Allocation Percentage (Note: If allocation is based upon someting other than current or part production, supporting data or explanation will be required.)	Oil Gas 0 % Subtraction see attacked	Oil Gas 67,9 O % Rotio % See attached	Oil Gas 32.1 100% Ration See attached

ADDITIONAL DATA				
Are all working, royalty and overriding royalty interests identical in all commingling zones? If not, have all working royalty and overriding royalty interest owners been notified by certified mail?	Yes_ Yes_	X	_ No_ _ No_	X
Are all produced fluids from all commingling zones compatible with each other?	Yes_	X	No_	
Will commingling decrease the value of production?	Yes_		No_	X
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes_	X	_ No	
NMOCD Reference Case No. applicable to this well:				
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 working, royalty and overriding royalty interests for uncommon interest cases. Any additional statements, data or documents required to support commingling.			-	

Pre-Approved Pools

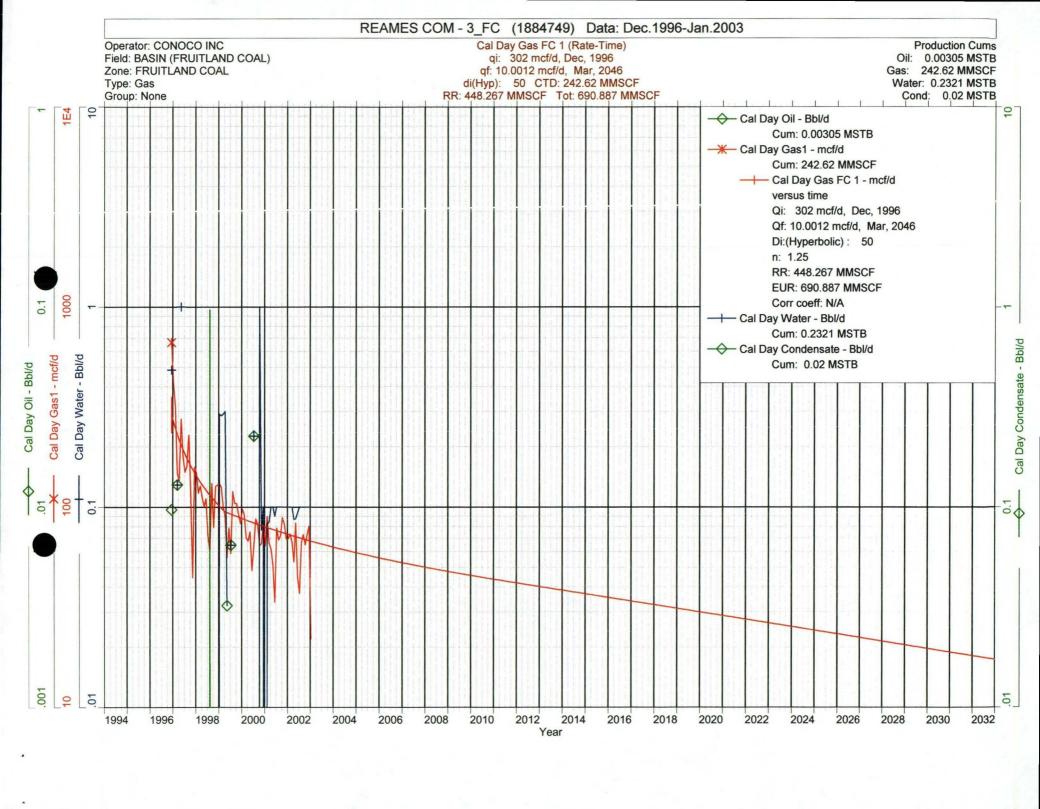
If application is to establish Pre-Approved Pools, the following additional information will be required:

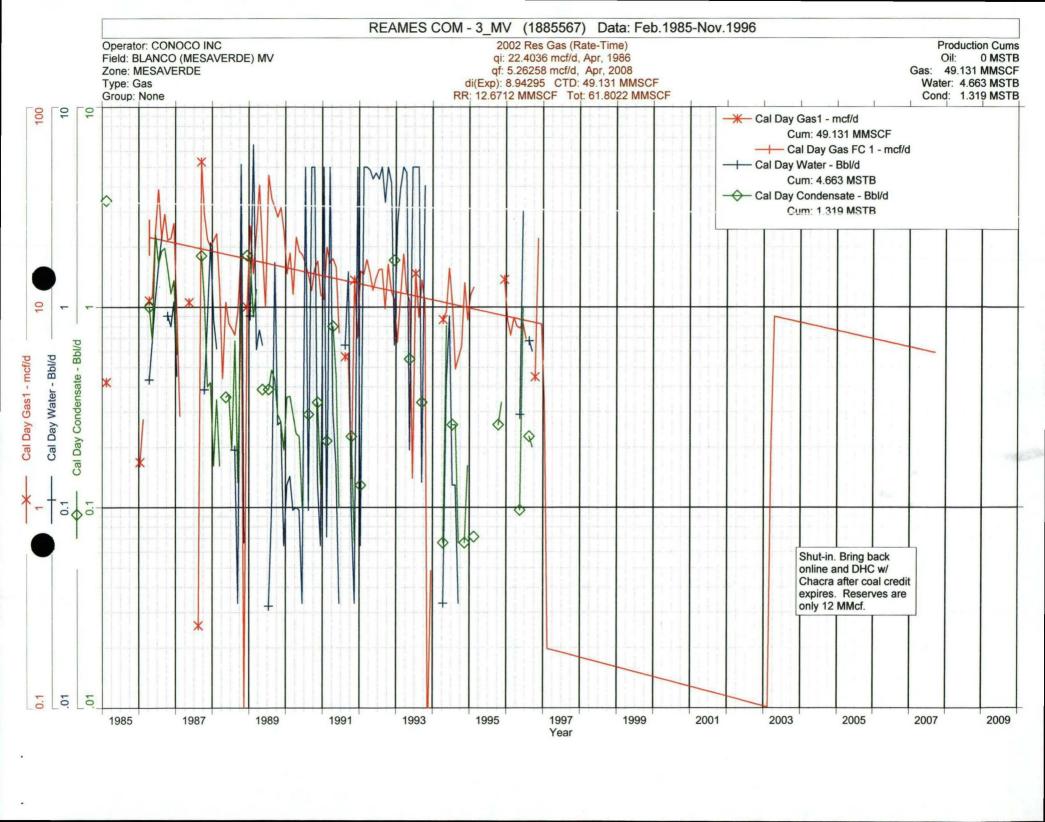
List of other orders approving downhole commingling within the proposed Pre-Approved Pools List of all operators within the proposed Pre-Approved Pools

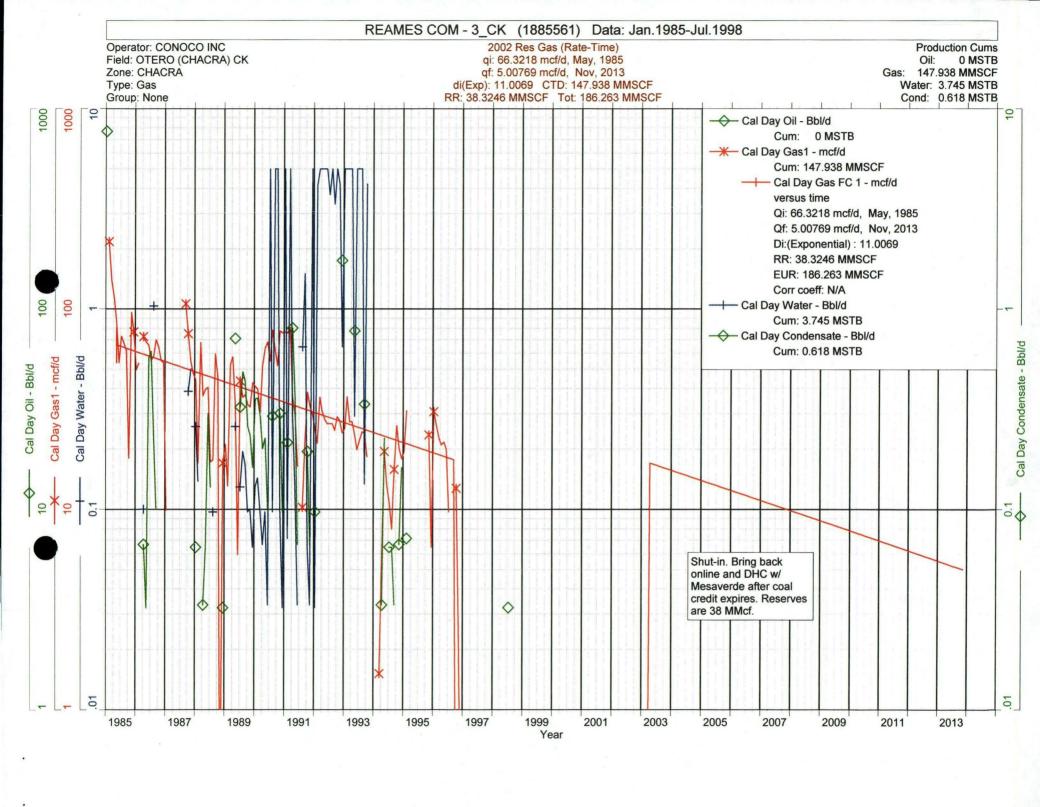
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.

Bottomhole pressure data

Total Process Control
I hereby certify that the information above is true and complete to he best of my knowledge and belief. SIGNATURE DATE 06/13/2003
TYPE OR PRINT NAME DEBORAH MARBERRYTELEPHONE NO. (832)486-2326







Reames Com # 3 Fruitland Coal, Mesa Verde, and Chacra Production Allocation

The gas produced after commingling the Fruitland Coal, Mesa Verde, and Chacra formations for the Reames Com # 3 will be allocated by using the subtraction method to account for the production from the Fruitland Coal and the ratio method to divide the remaining gas production between the Mesa Verde and the Chacra formations.

Attached are the past production plots for the Fruitland Coal, Mesa Verde, and Chacra formations and the yearly and monthly 2003 Fruitland Coal gas forecasts. The remaining gas produced after subtracting out the Fruitland Coal gas will be allocated by the ratio method between the Mesa Verde and the Chacra formations. The two formations have not produced since the end of 1996 when they produced as a dual completion before completing the Fruitland Coal. From the prior stabilized production the additional gas will be divided up with 67.9 % of the gas production allocated to the Chacra formation and the remaining 32.1 % allocated to the Mesa Verde formation. All condensate produced from the well will be allocated to the Mesa Verde formation.

Prepared by: Brad Peterson

March 24, 2003

Reames Com 3 Fruitland Coal Gas Forcast

			Daily Gas		
Year	Yearly Gas Rate	Date	Rate	Days	Monthly Gas Rate
i Gai	mcf	Date	mcf/d	Days	mcf
			mona		11101
2004	22,339	2003 03	66.84	31	2072
2005	20,989	2003 04	66.44	30	1993
2006	19,810	2003 05	66.04	31	2047
2007	18,771	2003 06	65.65	30	1970
2008	17,846	2003 07	65.27	31	2023
2009	17,018	2003 08	64.89	31	2012
2010	16,273	2003 09	64.52	30	1936
2011	15,594	2003 10	64.15	31	1989
2012	14,953	2003 11	63.78	30	1913
2013	14,340	2003 12	63.42	31	1966
2014	13,752				
2015	13,188				
2016	12,647				
2017	12,129				
2018	11,631				
2019	11,154				
2020	10,696				
2021	10,258				
2022	9,837				
2023	9,433				
2024	9,047				
2025	8,676				
2026	8,319				
2027	7,978				
2028	7,651				
2029	7,338				
2030	7,036				
2031	6,748				
2032	6,471				·
2033	6,205				
2034	5,951				
2035	5,707				
2036	5,473				
2037	5,248				
2038	5,033				
2039	4,826				
2040	4,629				
2041	4,439				
2042	4,256				
2043	4,082				
2044	3,915				
2045	3,754				
	•				

Reames Com #3

API 30-039-23257 26N-6W-19

Lat:36°28'7.6" Long: 107°30'33.156"

Objective:

The Reames Com #3 was completed in the Fruitland Coal in 1996. Before being completed in the Fruitland Coal, this well was a dual completion from the Chacra and Mesaverde formations. A 7" Baker Model D packer was left in the hole at 3400' above the MV formation w/ a "DR" plug in it. 3 sx of sand were spotted on top of the packer. A Baker Retrievable Bridge Plug was set above the Chacra formation at 2400'. This procedure is to remove the Retrievable Bridge Plug, CO above the packer and remove "DR" plug, remove packer w/ packer plucker, and tri-mingle this well as a Chacra/MV/FC producer.

Well Information:

See Wellview

Procedure:

- 1. Hold pre-job safety meeting and review work procedures and assignments with all employees and visitors on location.
 - Ensure all personnel have proper personal protective equipment.
 - Emergency procedures and evacuation plans noted.
 - Review all MSDS and chemical safety information.
 - Lockout/tagout
- 2. Prepare location for work. Test deadmen anchors.
- 3. Move in and rig up pulling unit.
- 4. Kill well with minimum 2% KCL water.
- 5. ND wellhead and NU and pressure test BOPE.
- 6. Release lockdown lugs and PU on tubing.
- 7. RIH and tag sand on RPB at 2500'.. CO sand from top of RPB.
- 8. Retrieve RPB.
- 9. RIH and clean out sand on top of packer at 3400'.
- 10. Retrieve "DR" plug.
- 11. RIH w/ packer plucker, and remove.
- 12. RIH and clean out to PBTD at 4995' ...
- 13. Land tubing at mid perf in MV w/ seating nipple on EOT.
- 14. Rabbit EACH joint of tubing AFTER making up to ensure tubing is not crimped by tongs and to ensure plunger will trip properly. This can be done by tying a rope the length of a joint w/ rabbit to some place on floor and running in after each makeup.
- 15. Run drift when finished to ensure plunger will run properly.
- 16.ND BOPE, NU wellhead.
- 17. RDMO.
- 18. Contact necessary people to set well up for plunger lift.

Prepared by: Tim Tomberlin

February 27, 2003

District I 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources Department Form C-102 Revised August 15, 2000

District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Conies

State Lease - 4 Copies Fee Lease - 3 Copies

District IV					Santa F	e, N	M 87505			ree	Lease - 3 Copies
040 South Pachec	o, Santa Fe, N	NM 87505							Г	AME	ENDED REPORT
		7	WELL LO	DCAT!	ON AND	AC]	REAGE DEDI	CATION PL	AT _		
1	API Numbe			² Pool C				³ Pool Na			
30-039-232	.57		72319	9		BL	ANCO MESAVE	RDE			
4 Property	Code		•		5 Pr	operty	Name			6 V	Vell Number
		REAME	S COM	_						3	
7 OGRID	No.			_	8 Op	erator	Name				Elevation
217817		CONOC	OPHILLI	PS CO.						6176 (GL
					10 Sur	face	Location				
UL or lot no.	Section	Township	Range	Lot I	dn Feet fr	om the		Feet from the	Eas	t/West line	County
ζ.	19	26N	6W		2120		SOUTH	2060	WEST		RIO ARRIBA
			11 B	ottom I	Hole Locati	ion I	Different From	Surface			
L or lot no.	Section	Township	Range	Lot I	dn Feet fr	om the	North/South line	Feet from the	Eas	t/West line	County
2 Dedicated Acre	s 13 Joint o	or Infill 14 (Consolidation	Code 15	Order No.						
322.68		İ			NSL - 1696						
					1452 - 1070						
								I hereby centrue and contrue a	AH MAR	e informati he best of n BERRY	
	206	0′		R.				I hereby cer was plotted	rtify that the from field r my superv to the best	e well loca notes of ac vision, and of my beli	
								Certificate Num	ber		

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State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

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OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Submit to Appropriate District Office State Lease - 4 Copies

State Lease - 4 Copies Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

1,	API Number	r		² Pool Code	:		³ Pool Na	me			
30-039-2325	57		82329)	OT	ERA CHACRA					
4 Property	Code				5 Property	Name		6 7	Well Number		
		REAMES	COM					3	3		
7 OGRID I	No.	8 Operator Name 9 Elevation									
217817		CONOCOPHILLIPS CO. 6176 GL									
	¹⁰ Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
K	19	26N	6W		2120	SOUTH	2060	WEST	RIO ARRIBA		
		'	¹¹ B	ottom Ho	le Location I	Different From	Surface		<u> </u>		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
12 Dedicated Acre	s 13 Joint of	Infill 14 C	onsolidation (Code 15 Or	der No.						
161.61				NS NS	SL - 1696						

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

	11011 5111	NDARD UNIT HAS B	EEN THI I RO VED DI	
16				¹⁷ OPERATOR CERTIFICATION
				I hereby certify that the information contained herein
				true and complete to the best of my knowledge and
				belief: Signature DEBORAH MARBERRY Printed Name REGULATORY ANALYST Title 06/12/2003 Date
	30601			18SURVEYOR CERTIFICATION I hereby certify that the well location shown on this pl
	puou			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.
				and correct to the dear of my dency.
				Date of Survey
				Signature and Seal of Professional Surveyor:
	2120			, , , , , , , , , , , , , , , , , , , ,
	ا لو			
]			Certificate Number

District I 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

District II 811 South First, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410

2040 South Pacheco, Santa Fe, NM 87505

District IV

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

WELL LOCAT	TION AND A	CREAGE DE	DICATION PLAT

2040 South Pacheco	o, Santa Fe, N	M 87505							AME	ENDED REPORT
			WELL LO	OCATIO	N AND AC	REAGE DEDI	CATION PL	AT _	-	
1	API Number	r		² Pool Code			³ Pool Na	me		
30-039-232	57		71629)	BA	SIN FRUITLAND	COAL			
4 Property	Code	5 Property Name 6 W								Well Number
		REAM	REAMES COM 3							
7 OGRID 1	No.	Operator Name Plevation								• Elevation
217817		CONO	COPHILLIE	PS CO.					6176	GL
	•				¹⁰ Surface	Location		•		
UL or lot no.	Section	Township	p Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line		County
K	19	26N	6W		2120	SOUTH	2060	WEST		RIO ARRIBA
			¹¹ B	ottom Ho	le Location I	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
12 Dedicated Acre	s 13 Joint of	Infill	14 Consolidation	Code 15 Or	der No.					
320 W/2				N:	SL - 1696					
				<u> </u>						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A

NON-STA	NDARD UNIT HAS BEEN APPROVED BY THE DIVISION
16	¹⁷ OPERATOR CERTIFICATION
	I hereby certify that the information contained herein
	true and complete to the best of my knowledge and
	belief leboral Marber
	DEBORAH MARBERRY
	Printed Name
	REGULATORY ANALYST
	Title
	06/12/2003
	Date
	18SURVEYOR CERTIFICATION
20601	I hereby certify that the well location shown on this pl
3000	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
Q.	Signature and Seal of Professional Surveyor:
lacksquare	
0	
	Certificate Number

1000167900

BHCH MINERAL JOINT VENTURE

PO BOX 1817

SAN ANTONIO, TX 78296-1817

1000180400 MARIE MCKINNON

10502 MORNING STAR DR NE ALBUQUERQUE, NM 87111-7540

1001450000 BP AMERICA PROD CO

PO BOX 277897

ATLANTA, GA 30384-7897

1009383450
MESA ROYALTY TR
ATTN NEW MEXICO PROPERTIES

PO BOX 1267

PONCA CITY, OK 74602-1267

1009383470 SHIRLEY K BERNSTEIN TR ATTN: NEW MEXICO PROPERTIES

PO BOX 1267

PONCA CITY, OK 74602-1267

1009383540 ATWELL & CO C/O CHASE MANHATTAN BANK N A

PO BOX 456 WALL STREET STATION NEW YORK, NY 10005

1009383670 KATHLEEN B LIPKINS ATTN: JOINT INTEREST

PO BOX 1267

PONCA CITY, OK 74602-1267

1000167900

BHCH MINERAL JOINT VENTURE

PO BOX 1817

SAN ANTONIO, TX 78296-1817

1000180400 MARIE MCKINNON

10502 MORNING STAR

DR NE

ALBUQUERQUE, NM 87111-7540

1001450000

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WALL STREET STATION NEW YORK, NY 10005

1009383670

KATHLEEN B LIPKINS ATTN: JOINT INTEREST

PO BOX 1267

PONCA CITY, OK 74602-1267

1011262500 SAN JUAN BASIN PROPERTIES LLC 1011262500 SAN JUAN BASIN PROPERTIES LLC

1499 BLAKE ST #7K

DENVER, CO 80203

1011928000

BUTTRAM ENERGIES INC

501 OIL CTR W 2601 NW EXPWY OKLAHOMA CITY, OK 73112-7208

1019219500 PROFESSIONAL TITLE AGENCY INC

620 ROMA NW

ALBUQUERQUE, NM 87102-2037

1022107200 THE JLH MINROY TRUST JOHN L HANCOCK &

3600 DARTMOUTH

DALLAS, TX 75205-3239

1023727800 FLORENCIA EX

FLORENCIA EXPLORATION

INC

PO BOX 6170

SAN ANTONIO, TX 78209-0170

1025237500

MYRA LOUDENE JONES

3915 S ALDON RD

TUCSON, AZ 85735-1107

1039404200

JANICE E ROBERTSON

PO BOX 497

PERALTA, NM 87042-0497

1499 BLAKE ST #7K

DENVER, CO 80203

1011928000

BUTTRAM ENERGIES INC

501 OIL CTR W 2601 NW EXPWY OKLAHOMA CITY, OK 73112-7208

1019219500 PROFESSIONAL TITLE AGENCY INC

620 ROMA NW

ALBUQUERQUE, NM 87102-2037

1022107200 THE JLH MINROY TRUST JOHN L HANCOCK &

3600 DARTMOUTH

DALLAS, TX 75205-3239

1023727800

FLORENCIA EXPLORATION

INC

PO BOX 6170

SAN ANTONIO, TX 78209-0170

1025237500

MYRA LOUDENE JONES

3915 S ALDON RD

TUCSON, AZ 85735-1107

1039404200

JANICE E ROBERTSON

PO BOX 497

PERALTA, NM 87042-0497

1048559100 BILLIE SCHRODER 1048559100 BILLIE SCHRODER

PO BOX 11863

ALBUQUERQUE, NM 87192-0863

1049091100 JOE DAN BEACH

PO BOX 11863

ALBUQUERQUE, NM 87192-0863

1057463300 BRUCE H C HILL

PO BOX 1817

SAN ANTONIO, TX 78296-1817

1060079900

EDGAR ALFRED BORING SR & D EVELYN BORING TRSTE

2205 RIDGECREST DR

FARMINTON, NM 87401

1068997500

HANCOCK-DORIE TRUST JOHN J DORIE TRUSTEE

PO BOX 670231

DALLAS, TX 75367-0231

1073781300

LINDA MURIEL ADKINS

2916 S MORAIN PL

KENNEWICK, WA 99337-2505

1083887500

BURLINGTON RESOURCES OIL & GAS COMPANY

PO BOX 840656

DALLAS, TX 75284-0656

PO BOX 11863

ALBUQUERQUE, NM 87192-0863

1049091100 JOE DAN BEACH

PO BOX 11863

ALBUQUERQUE, NM 87192-0863

1057463300 BRUCE H C HILL

PO BOX 1817

SAN ANTONIO, TX 78296-1817

1060079900

EDGAR ALFRED BORING SR & D EVELYN BORING TRSTE

2205 RIDGECREST DR

FARMINTON, NM 87401

1068997500

HANCOCK-DORIE TRUST JOHN J DORIE TRUSTEE

PO BOX 670231

DALLAS, TX 75367-0231

1073781300

LINDA MURIEL ADKINS

2916 S MORAIN PL

KENNEWICK, WA 99337-2505

1083887500

BURLINGTON RESOURCES OIL & GAS COMPANY

PO BOX 840656

DALLAS, TX 75284-0656

1096937800 HOWARD BEACH 1096937800 HOWARD BEACH

PO BOX 2198

COTTONWOOD, AZ 86326-2198

1099997900 MINERALS MGT SERVICE ONSHORE FEDERAL #17555

P O BOX 5810

DENVER, CO 80217-5810

1099999900 CONOCOPHILLIPS CO

PO BOX 1267

PONCA CITY, OK 74602-1267

PO BOX 2198

COTTONWOOD, AZ 86326-2198

1099997900

MINERALS MGT SERVICE ONSHORE FEDERAL #17555

P O BOX 5810

DENVER, CO 80217-5810

1099999900

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PO BOX 1267

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