

DATE IN <u>10/12/99</u>	SUSPENSE <u>11/1/99</u>	ENGINEER <u>DC</u>	LOGGED BY <u>MV</u>	TYPE <u>DHC</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

2504

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

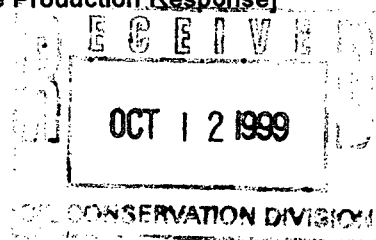
Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ 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.

Deborah Moore (281) 293-1005
Print or Type Name

Signature

Regulatory Analyst
Title

10/8/99
Date

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410
DISTRICT IV
2040 S. Pacheco, Santa Fe, NM 87505

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
Revised August 1999

APPROVAL PROCESS:

___ Administrative ___ Hearing

EXISTING WELLBORE

X YES ___ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Conoco Inc. P.O. Box 2197, DU 3066 Houston, TX 77252-2197

Operator Address

San Juan 28-7 Unit 102 Sec. 2, T-27N, R-7W Rio Arriba

Lease Well No. Unit Ltr. - Sec - Twp - Rge County

005073 016608 30-039-07162 X
OGRID NO. Property Code API NO. 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 Picture Cliff South 72439		Blanco Mesaverde 72319
2. Top and Bottom of Pay Section (Perforations)	Cliffhouse 4848-4924 Print Lookout 5394-5518		Picture Cliffs 3170-2308
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure	a. (Current 381	a.	a. 562*
Oil Zones - Artificial Lift: Gas & Oil - Flowing: Estimated Current All Gas Zones: Measured Current Estimated Or Measured Original	b. (Original) 1227	b.	b. 1305
6. Oil Gravity (EAPI) or Gas BTU Content	1190		1254
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	No		No
* 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	Date: Estimated Menefee Rates: Uplift = 250 MCFD	Date: Rates:	Date: Rates: current avg + 33 mcf/d
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)			
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	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 X No
If not, have all working, overriding, and royalty interests been notified by certified mail? ___ 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 other? 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. ___ Yes ___ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). R-10476-B

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 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 Deborah Moore TITLE Regulatory Analyst DATE 10/06/99

Deborah Moore

TYPE OR PRINT NAME Deborah Moore TELEPHONE NO. (281) 291-1005

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, Artesia, NM 88210

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1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural ResourcesOIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe. NM 87505Form C-102
Revised March 17, 1999Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-07162		² Pool Code 72319/72439	³ Pool Name Blanco Picture Cliff South / Blanco Mesaverde
⁴ Property Code 016608	⁵ Property Name San Juan 28-7 Unit		⁶ Well Number 102
⁷ OGRID No. 005073	⁸ Operator Name Conoco Inc.		⁹ Elevation 6562

¹⁰ Surface Location

UL or lot no. N	Section 2	Township 27N	Range 7W	Lot Idn	Feet from the 990'	North/South line South	Feet from the 1790	East/West line West	County Rio Arriba
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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
¹² Dedicated Acres 160/320	¹³ Joint or Infill Y	¹⁴ Consolidation Code U	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

⁶	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief			
	Signature			
	Printed Name Deborah Moore			
	Title Regulatory Analyst			
Date 10/06/99				
¹⁸ SURVEYOR CERTIFICATION 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			

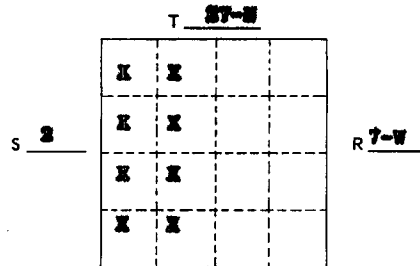
EL PASO NATURAL GAS COMPANY

AUTHORITY FOR DEVELOPMENT

To: Drilling and Petroleum Engineering Departments

The following drilling site, which is on a ☒ producing☐ non-producing lease, having been setup on our 1959 drilling program, has been processed by the Land Department

and is hereby approved for drilling.

Dedication: T-27-N, R-7-W, N.E.P.M.Section 2: W/2Location: T-27-N, R-7-WSection 2: SW/4Formation: Pictured Cliffs - MesaverdeContaining 318.00 acres, more or lessEl Paso Natural Gas Tr. #22 - Full gas to base of NV
Company's Interest: Tr. #21 - FullOutside Interest (s): None

Lease or Leases and Lands Committed:

Lease Number	Lessor	Expires	Lease Acreage Dedicated	Working Interest Owner	
Tr. #22 B-200-23	State of N.M.	0	Lots 3, 4, SW/4	EPNG Co.	MM 4302
Tr. #21 B-200-23	State of N.M.	0	2/3 NW/4	EPNG Co.	MM 4700

Well must be (commenced) (completed) (tied in) by N/A

Remarks: (Time limitations, special contractual provisions, etc.)

Held by production. Both leases fully committed to San Juan 22-7 Unit. Tract #22 -Subject to LSA of 7-6-53 between El Paso and Johnston Oil and Gas Company and LSA of7-6-53 between El Paso and R. H. Hansen.Date: 4-4-59ORIGINAL SIGNED BY
W. DYER MOORE, JR.
AttorneysTitle Approved for Drilling ☒
Title conditionally approved ☐
(Subject to Remarks on Reverse Side.)Date: APR 8 1959ORIGINAL SIGNED BY
SAM SMITH

Land Department

WELL AUTHORIZED FOR DRILLING:

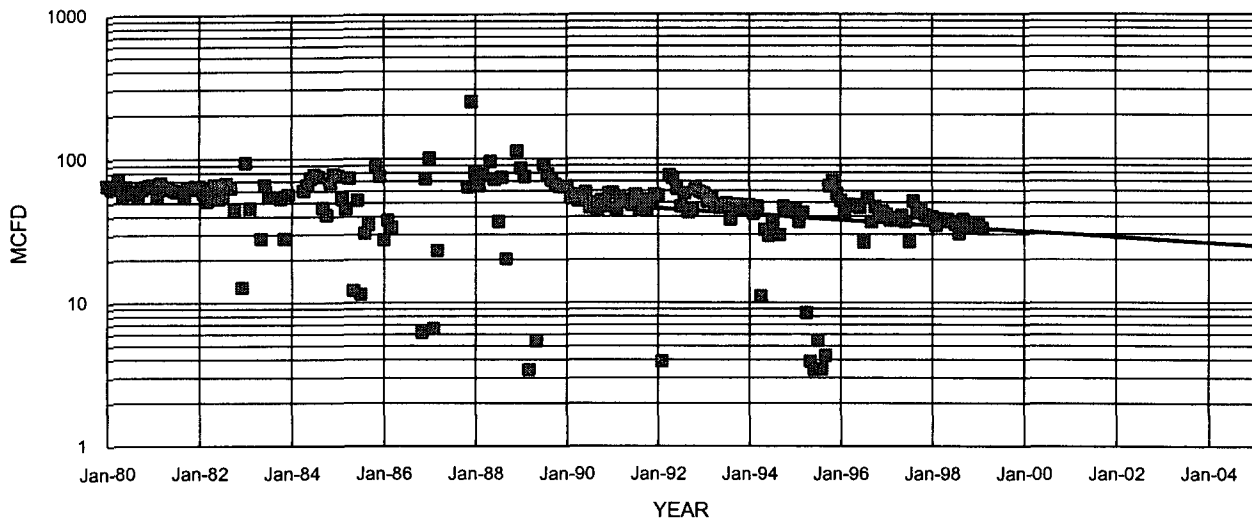
Date: 4-8-59

Original Signed H. F. STEEN

Management

Well Name and Number San Juan 22-7 Unit #202 (NW)Work Order
Number 55757Rig Name and/or Number
(JUN)

**SJ 28-7 #102 PICTURED CLIFFS PRODUCTION
SECTION 2N-27N-07W, RIO ARriba COUNTY, NEW MEXICO**



PICTURED CLIFFS PRODUCTION 1ST PROD: 12/59

OIL CUM: 0.00 MBO

GAS CUM: 833.8 MMCF

OIL YIELD: 0.0000 BBL/MCF

PICTURED CLIFFS PROJECTED DATA

Jan.00 Qi: 32 MCFD

DECLINE RATE: 4.5% (EXPONENTIAL)

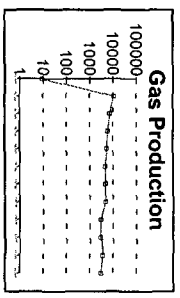
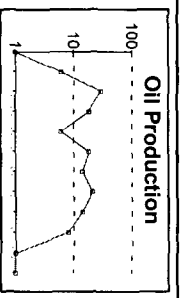
API #30-039-07162

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
2000	31	0
2001	29	0
2002	28	0
2003	27	0
2004	26	0
2005	24	0
2006	23	0
2007	22	0
2008	21	0
2009	20	0
2010	19	0
2011	19	0
2012	18	0
2013	17	0
2014	16	0
2015	15	0
2016	15	0
2017	14	0
2018	13	0
2019	13	0
2020	12	0
2021	12	0
2022	11	0
2023	11	0
2024	10	0
2025	10	0
2026	9	0
2027	9	0

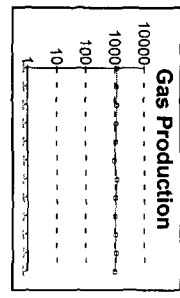
Lease:	SAN JUAN 28 7 UNIT	Well #:	102	FP Date:	59-11
Field:	BLANCO (MESASVERDE) MV	Location:	2N 27N 7W	LP Date:	99-02
Operator:	CONOCO INC	Liquid Cum:	6,919 bbls	Liq Since:	FPDATE
RCI #:	251.039,27N07W02N00MV	Gas Cum:	2,538,076 mcf	Gas Since:	FPDATE
API #:	30-039-07162-00	Status:	ACT GAS		

DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
03/1998	1	9	0	1
04/1998	6	11,153	0	1
05/1998	29	7,229	0	1
06/1998	18	5,967	0	1
07/1998	6	5,350	0	1
08/1998	18	4,422	0	1
09/1998	14	4,700	0	1
10/1998	21	4,626	0	1
11/1998	14	2,939	0	1
12/1998	8	2,949	0	1
01/1999	0	3,544	0	1
02/1999	1	3,090	0	1
Total	136	55,978	0	



Lease:	SAN JUAN 28 7 UNIT	Well #:	102	FP Date:	59-12
Field:	BLANCO SOUTH (PICTURE CLIFFS) PC	Location:	2N 27N 7W	LP Date:	99-02
Operator:	CONOCO INC	Liquid Cum:		Liq Since:	FPDATE
RCI #:	251.039,27N07W02N00PC	Gas Cum:	833,791 mcf	Gas Since:	FPDATE
API #:	30-039-07162-00	Status:	ACT GAS		

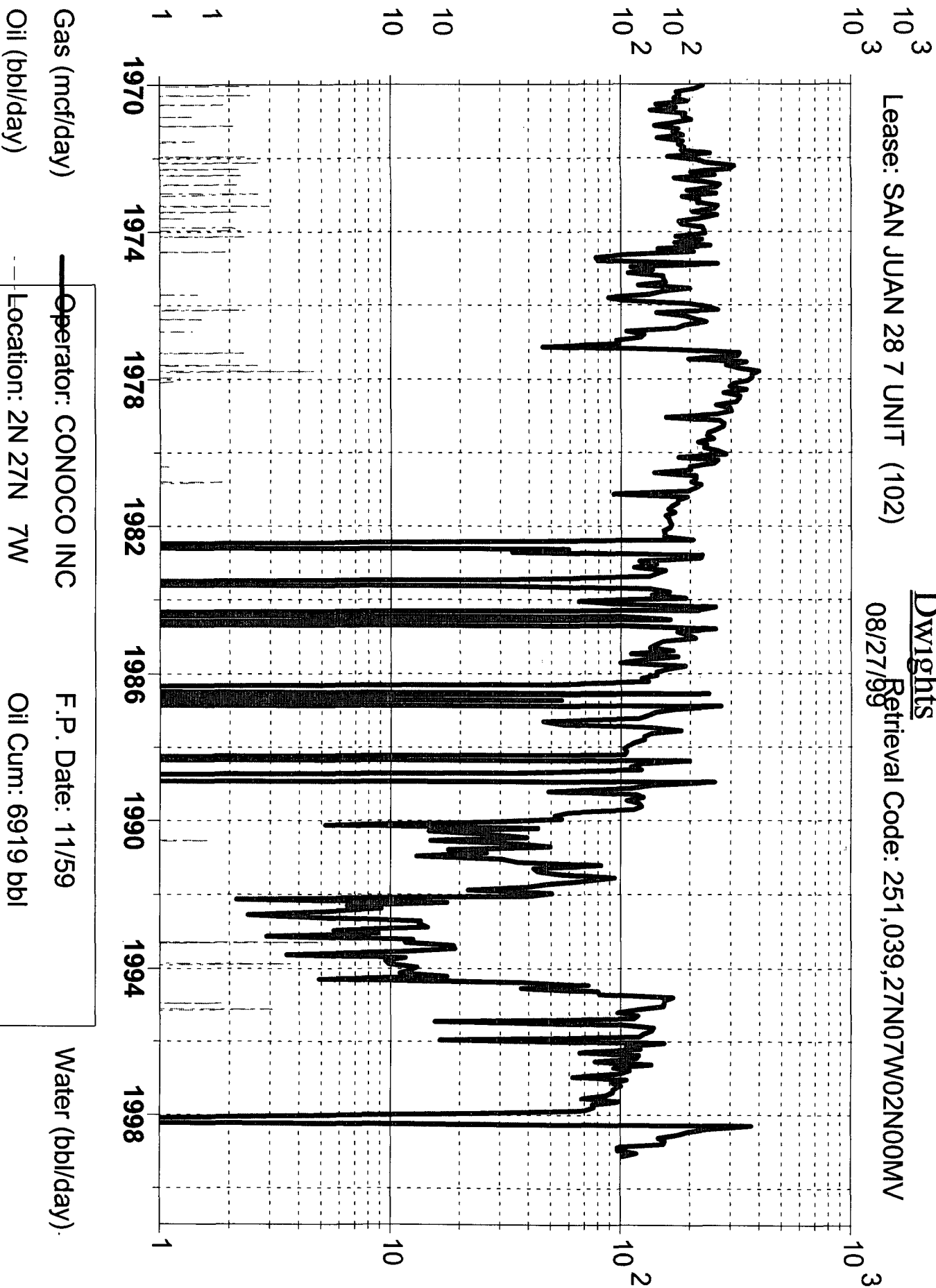
DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
03/1998	0	1,166	0	1
04/1998	0	1,132	0	1
05/1998	0	1,159	0	1
06/1998	0	1,113	0	1
07/1998	0	1,069	0	1
08/1998	0	917	0	1
09/1998	0	1,158	0	1
10/1998	0	1,048	0	1
11/1998	0	1,009	0	1
12/1998	0	1,069	0	1
01/1999	0	1,069	0	1
02/1999	0	1,000	0	1
Total	0	12,909	0	



Dwights

Lease: SAN JUAN 28 7 UNIT (102)

Retrieval Code: 251,039,27N07W02N00MV
08/27/99



Operator: CONOCO INC

F.P. Date: 11/59

Location: 2N 27N 7W

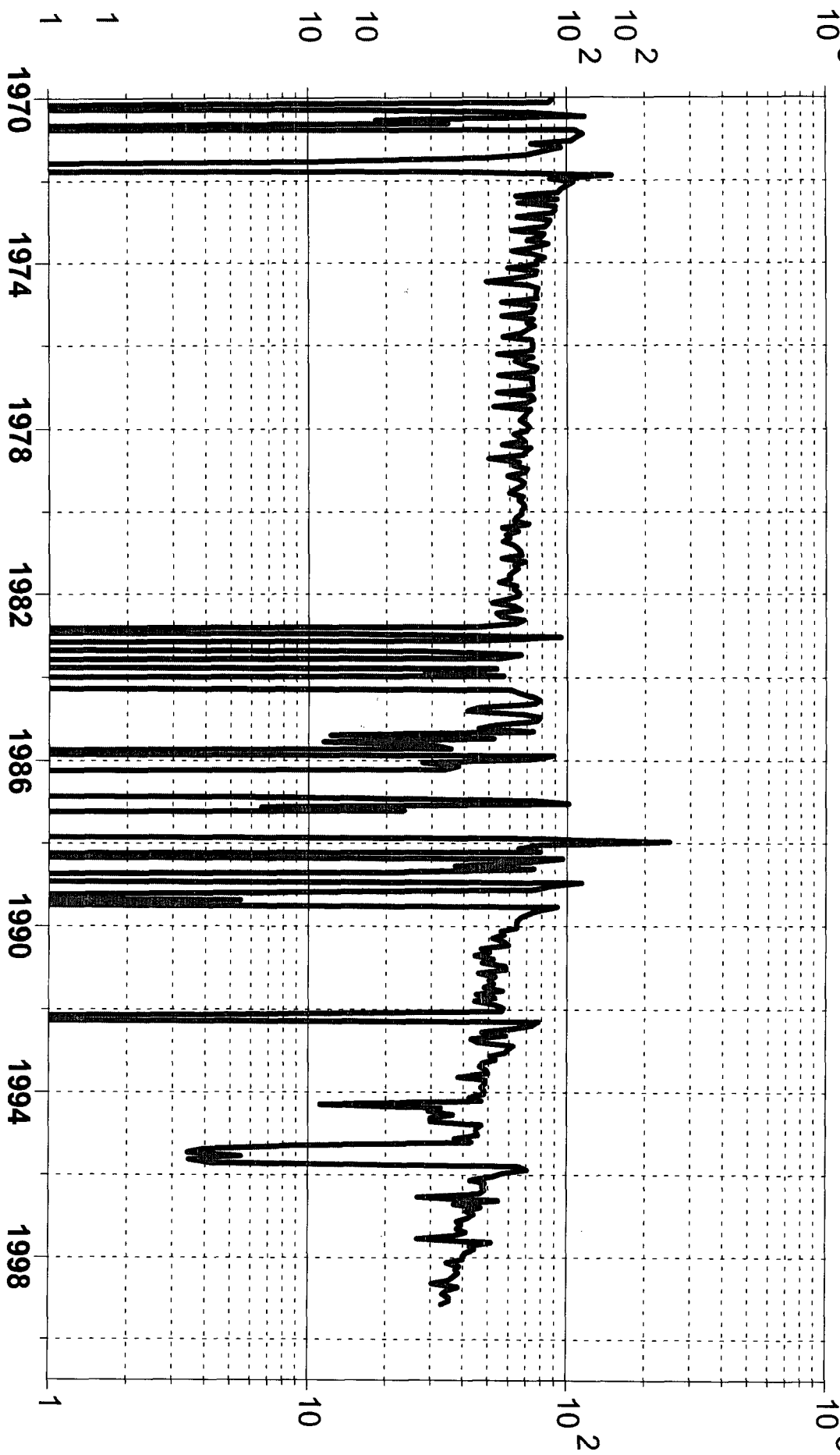
Oil Cum: 6919 bbl

Field: BLANCO (MESAVERDE)

Gas Cum: 2538 mmcf

Reservoir: MESAVERDE

L.P. Date: 02/99



Gas (mcf/day)

Oil (bbl/day)

Operator: CONOCO INC

Location: 2N 27N 7W

Field: BLANCO SOUTH (PICTU

Reservoir: PICTURE CLIFFS

F.P. Date: 12/59

Oil Cum: 0 bbl

Gas Cum: 833.8 mmcf

L.P. Date: 02/99

Water (bbl/day)