



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

November 10, 1999

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

Attention: Ms. Deborah Moore

Re: DHC Application  
San Juan 28-7 Unit No. 249  
Unit H, Section 30, T-28N, R-7W

Dear Ms. Moore:

Upon review of the above-described downhole commingling application, it was discovered that the attachments to the application pertain to the San Juan 28-7 Unit Well No. 52. I am therefore, returning this application unprocessed. Please submit a complete and accurate application for this well at which time the Division will review and process.

If you should have any questions, please contact me at (505) 827-8184.

Sincerely,

David Catanach  
Engineer

Xc: OCD-Aztec

I am resubmitting this with the  
correct C107-A. Sorry for the inconvenience. <sup>cc</sup> ✓  
Debbie Moore  
281 293-1005

DATE IN	SUSPENSE	ENGINEER	LOGGED BY	TYPE
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2514

### 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

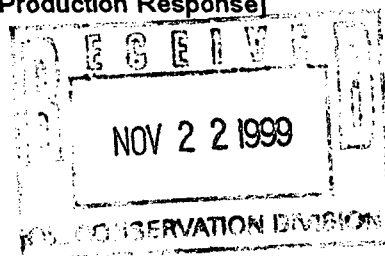
Check One Only for [B] and [C]

[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

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

\_\_\_ YES \_\_\_ NO

**APPLICATION FOR DOWNHOLE COMMINGLING**

Operator Conoco Inc. P.O. Box 2197 DU 3066 Houston, TX 77252-2197  
Address  
Lease SAN JUAN 28-7 UNIT 249 H, SEC 30, T-28N, R-7W RIO ARRIBA  
Well No. Unit Ltr. - Sec - Twp - Rge County  
OGRID NO. 005073 Property Code 016608 API NO. 30-039-21636 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	BASIN FRUITLAND COAL 71629		OTERA CHACRA 82329
2. Top and Bottom of Pay Section (Perforations)	2317-2506		
3. Type of production (Oil or Gas)	GAS		GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING		TO FLOW
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 432 b. (Original) 1,167	a. b.	a. 1,000 b. 1,251
6. Oil Gravity (EAPI) or Gas BTU Content	1,159		1,148
7. Producing or Shut-In?	PRODUCING		TO BE COMPLETED
Production Marginal? (yes or no)	NO		
* 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, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates: Date: APPROX. CURRENT Rates: RATE: 114 MCFD	Date: Rates: Date: Rates:	Date: Rates: Date: EST. IP: 245 MCFC Rates:
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 ☒ No ☒  
If not, have all working, overriding, and royalty interests been notified by certified mail? ☒ 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 other? ☒ 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 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 9/20/99

TYPE OR PRINT NAME Deborah Moore TELEPHONE NO. ( 281 ) 293-1005

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

District II  
811 South First, Artesia, NM 88210

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe. NM 87505

Form C-102  
Revised March 17, 1999

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-039-21636		<sup>2</sup> Pool Code 82329		<sup>3</sup> Pool Name Otero Chacara	
<sup>4</sup> Property Code 016608		<sup>5</sup> Property Name San Juan 28-7 Unit			<sup>6</sup> Well Number 249
<sup>7</sup> OGRID No. 005073		<sup>8</sup> Operator Name Conoco Inc.			<sup>9</sup> Elevation 5939

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	30	28N	7W		1610'	North	830'	East	Rio Arriba

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code U	<sup>15</sup> Order No.
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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

<sup>16</sup> 	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature <u>Deborah Moore</u> Printed Name Deborah Moore  Title Regulatory Analyst  Date 09/20/99	
	<sup>18</sup> 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 Surveyer:	
	Certificate Number	

MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-55

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

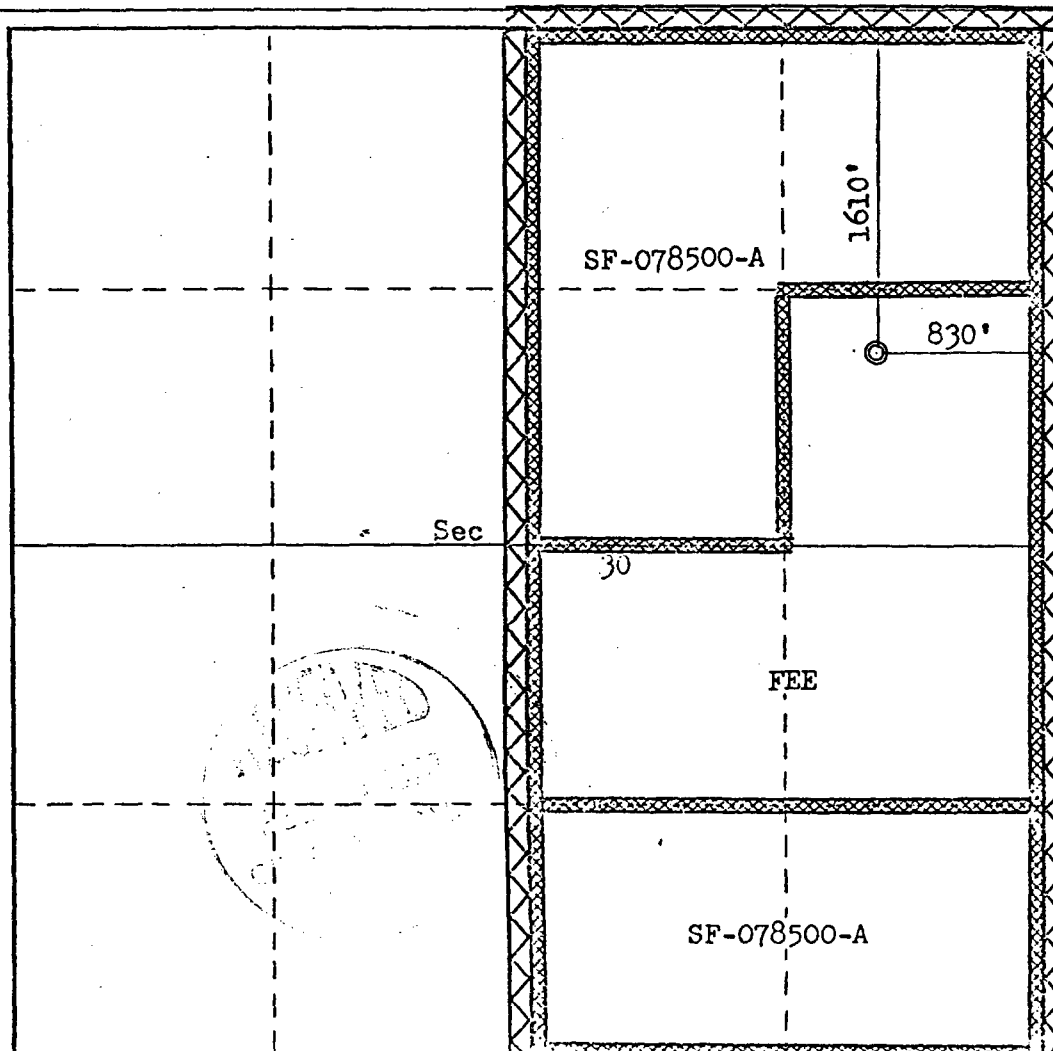
Operator <b>El Paso Natural Gas Company</b>			Lease <b>San Juan 28-7 Unit (FEE)</b>		Well No. <b>249</b>
Unit Letter <b>H</b>	Section <b>30</b>	Township <b>28N</b>	Range <b>7W</b>	County <b>Rio Arriba</b>	
Actual Footage Location of Well: <b>1610</b> feet from the <b>North</b> line and <b>830</b> feet from the <b>East</b> line					
Ground Level Elev. <b>5953</b>	Producing Formation <b>Dakota</b>		Pool <b>Basin Dakota</b>		Dedicated Acreage: <b>320.00</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 Unitization

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.

*D. G. Guice*  
Name  
Drilling Clerk  
Position  
El Paso Natural Gas Co.  
Company  
January 31, 1978  
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  
November 26, 1977  
Registered Professional Engineer  
and/or Land Surveyor  
*Fred B. Kerr Jr.*  
Fred B. Kerr Jr.

Certificate No.  
3950

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 87240  
District II  
811 South First, Artesia, NM 87210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised March 25, 1999

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

<b>WELL API NO.</b> 30-039-21636
<b>5. Indicate Type of Lease</b> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
<b>6. State Oil &amp; Gas Lease No.</b>

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		<b>7. Lease Name or Unit Agreement Name:</b> San Juan 28-7
<b>1. Type of Well:</b> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		<b>8. Well No.</b> 249
<b>2. Name of Operator</b> Conoco, Inc.		<b>9. Pool name or Wildcat</b> Basin FC, Otero Cl
<b>3. Address of Operator</b> PO Box 2197 DU 3066 Houston, TX 77252-2197		
<b>4. Well Location</b> Unit Letter <u>H</u> : <u>1610</u> feet from the <u>North</u> line and <u>830</u> feet from the <u>East</u> line Section <u>30</u> Township <u>28N</u> Range <u>7W</u> NMPM <u>Rio Arriba</u> County		
<b>10. Elevation (Show whether DR, RKB, RT, GR, etc.)</b> 5939'		

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐  
OTHER: DHC ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

This well will be recompleted to the Otera Chacra using the attached procedure.

The Basin Fruitland Coal and Otera Chacra will be downhole commingled.

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 11/17/99

Type or print name Deborah Moore Telephone No. 281 293-1005  
(This space for State use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Conditions of approval, if any:

**San Juan 28-7 Unit, Well #249  
Recomplete to Chacra  
DHC with Fruitland Coal Formation  
July 21, 1999**

**Well Data**

Surface casing: 9.625", 32.3#, H-40, 6 jts. set @ 205', cmt circ to surface.

Intermediate Casing: 7.0" OD, 6.46" ID, 20#, K-55, 90 jts., set @ 2794', TOC @ 1325' by TS.

Production Casing: 4.5" OD, 4.05" ID, 10.5#, K-55, 132 jts., from 2630' set @ 7021', TOC @ 2400' by TS.

Tubing size: 1.9016" OD, 1.50" ID, 81 joints landed at @ 2717'.

Perforations : FC perms from 2317' – 2506'. Proposed Chacra Perfs from 3476' – 3496', & 3606' – 3620'.

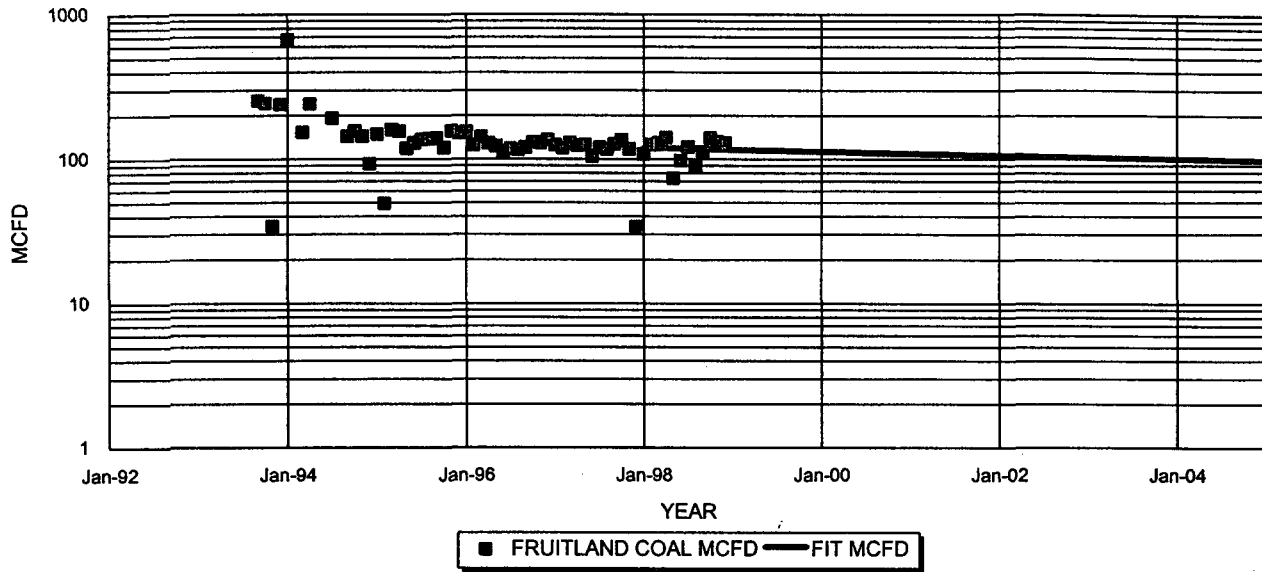
Plug & fish (3' piece of perf gun bull plug) currently over proposed CH interval.

Completion details and well history contained in Wellview files and schematics

**Procedure**

- 1) Move in workover rig, hold safety meeting, note prevailing wind direction at location, designate muster point, review procedure, identify potential hazards, isolate lines and facilities, blow down lines, lock out tag out, spot equipment, rig up, WORK SAFELY!
- 2) Kill tubing, tag for fill, clean out to fish (2622' – 2625',) with air or foam and pull out of hole laying down, tubing is 1.9016" OD, 3.64#, 81 joints landed @ 2517'.
- 3) Rig up slickline and RIH with lead impression block to determine orientation of fish in 4.5" casing (listed as perf gun bull plug 3' long).
- 4) Fish with slick line or work string and POOH.
- 5) RIH with 3.875" bit and six 2.875" drill collars, on 2.375" work string and drill out cement retainer @ 2625' and cement plug 2630' – 3112'. Circulate mud out of hole that is below cement plug and clean out to top of next cement plug @ 4050'.
- 6) POOH work string laying down.
- 7) Rig up wireline and perforate Chacra with casing gun, 1 SPF, 3620' – 3606', and 3496' – 3476'. POOH wireline and rig down.
- 8) Pick up and RIH with treating packer and 2.875" frac string. Spot acid across perforation and set packer @ 3400'. Rig up BJ and balloff breakdown as per BJ's procedure. Unseat packer and knock balls off perfs.
- 9) Set packer and rig up BJ to frac down 2.875 frac string as per BJ's procedure.
- 10) Flow back, clean up, and test Chacra. Get stabilized 4 hr test and submit to Regulatory & Marc Shannon for developing DHC application/allocations (REFER TO DHC PERMIT STIPULATIONS!!!).
- 11) POOH 2.875" frac string laying down.
- 12) Pick up and RIH with 2.375" OD, 4.7#, production tubing with SN and mule shoe on bottom, tag for fill and clean out to 4050'. Blow well dry, land tubing at top Chacra perf @ 3476'. Drop rabbit in singles to check for tight spots, be careful not to over torque, run drift with sand line before rigging down, swab in if necessary.
- 13) RD BOP's, RU tree, Rig down move off, connect lines, notify operator to put on plunger lift production.

**SJ 28-7 #249 FRUITLAND COAL PRODUCTION  
SECTION 30H-28N-07W, RIO ARRIBA COUNTY, NEW MEXICO**



<b>FRUITLAND COAL PRODUCTION</b>		<b>1ST PROD: 05/93</b>
OIL CUM:	0.02	MBO
GAS CUM:	257.9	MMCF
OIL YIELD:	0.0001	BBL/MCF

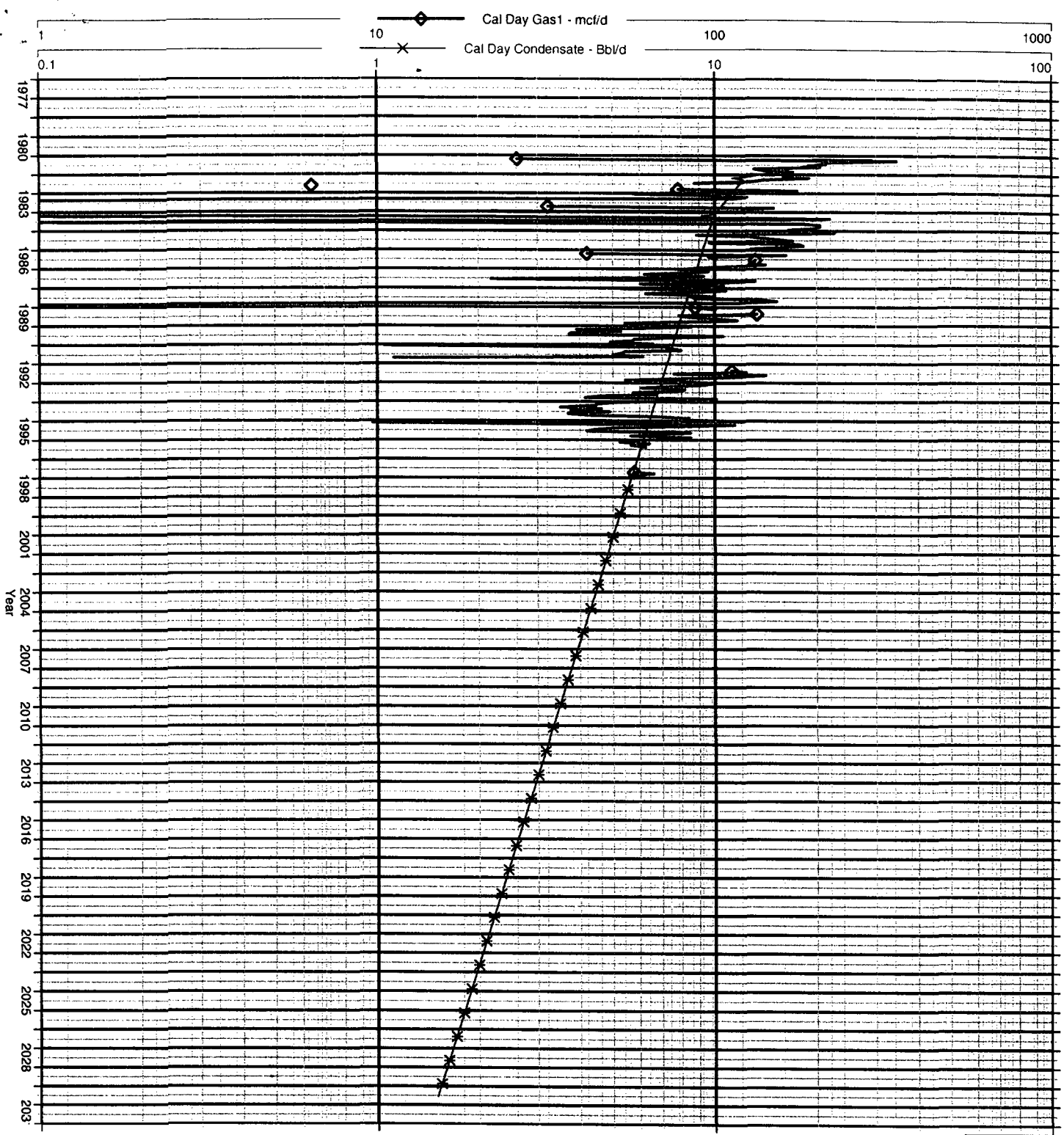
<b>FRUITLAND COAL</b>	<b>PROJECTED DATA</b>	
Oct.99 Q1:	114	MCFD
DECLINE RATE:	3.0%	(EXPONENTIAL)

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
2000	111	0
2001	108	0
2002	105	0
2003	101	0
2004	98	0
2005	95	0
2006	93	0
2007	90	0
2008	87	0
2009	85	0
2010	82	0
2011	80	0
2012	77	0
2013	75	0
2014	73	0
2015	70	0
2016	68	0
2017	66	0
2018	64	0
2019	62	0
2020	60	0
2021	59	0
2022	57	0
2023	55	0
2024	54	0
2025	52	0
2026	50	0
2027	49	0



HUSSELL LS - 1Z (201-043-28NUWV24THUUN) Data: Feb. 1991 - Dec. 1997  
Operator: AMOCO PRODUCTION CO  
Field: WILDCAT (CHACRA)  
Zone: CHACRA  
Type: Gas  
Group: Russell  
Cal Day Gas FC 1 (Rate-Time)  
qi: 245,985 mcf/d, Mar. 1981  
di(Exp): 50 CTD: 478,297 MMSCF  
RR: 372,644 MMSCF Tot: 850,941 MMSCF  
Production Cums  
Oil: 0 MSTB  
Gas: 478,297 MMSCF  
Water: 0 MSTB  
Cond: 0 MSTB

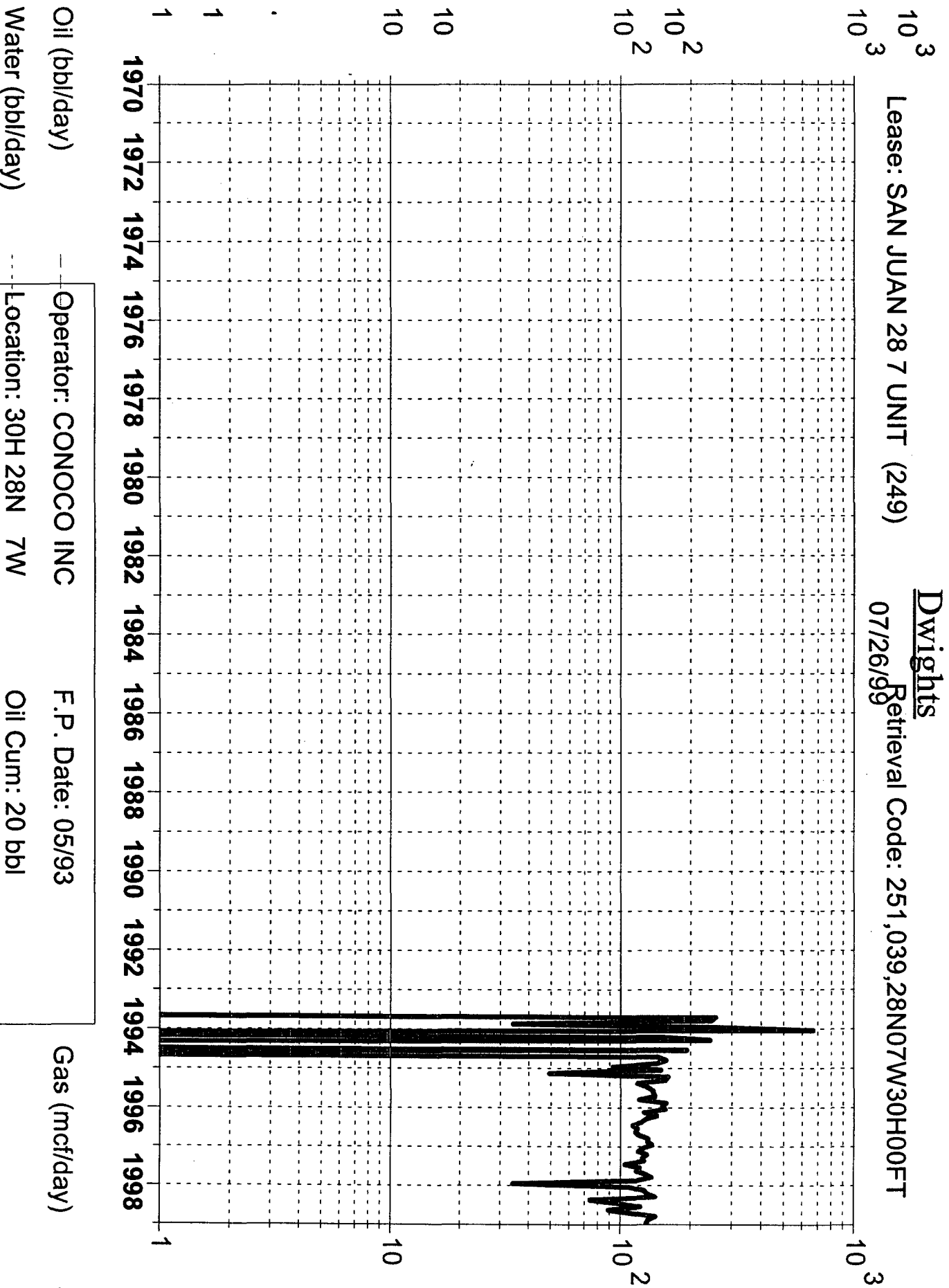


Cal Day Gas1 - mcf/d  
Cal Day Condensate - Bbl/d  
Cum: 478,297 MMSCF  
Oil: 0 MSTB  
Gas: 478,297 MMSCF  
Water: 0 MSTB  
Cond: 0 MSTB  
RR: 372,644 MMSCF  
EUR: 850,941 MMSCF  
di(Exponential): 50  
qi: 245,985 mcf/d, Mar. 1981  
Ct: 15 mcf/d, Jul. 2030  
Cal Day Gas FC 1 - mcf/d  
Cal Day Condensate - Bbl/d  
Cum: 0 MSTB

Lease: SAN JUAN 28 7 UNIT (249)

Dwights  
07/26/99

Retrieval Code: 251,039,28N07W30H00FT



Oil (bbl/day)

Water (bbl/day)

Operator: CONOCO INC

Location: 30H 28N 7W

F.P. Date: 05/93

Oil Cum: 20 bbl

Gas (mcf/day)

Field: BASIN (FRUITLAND COA Gas Cum: 265.1 mmmcf

Upper Perf: 2317 ft

L.P. Date: 02/99

DATE IN	SUSPENSE	ENGINEER	LOGGED BY	TYPE
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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[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

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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,

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[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

Date

11/16/99

Resubmitted

DATE IN <u>10/12/99</u>	SUSPENSE <u>11/1/99</u>	ENGINEER <u>DC</u>	LOGGED BY <u>KW</u>	TYPE <u>DHC</u>
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- Engineering Bureau -

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[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

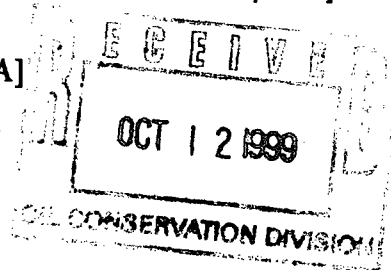
Check One Only for [B] and [C]

[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

Deborah Moore  
 Signature

Regulatory Analyst  
 Title

9/20/99  
 Date

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240  
DISTRICT II  
8111 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

\_\_\_ YES \_\_\_ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Conoco Inc.

P.O. Box 2197 Houston, TX 77252-2197

Operator Address

San Juan 28-7

#52

H, Sec. 27, T-28N, R-7W

Rio Arriba

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

OGRID NO. 005073 Property Code API NO. Federal State (and/or) Fee

The following facts are submitted in support of downhole commingling: 1. Pool Name and Pool Code	Upper Zone Blanco Pictured Cliff S. 72439	Intermediate Zone	Lower Zone Blanco Mesaverde 72319
2. Top and Bottom of Pay Section (Perforations)	2826' - 2856'		4442' - 5155'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 381 b. (Original) 1227	a. b.	a. 562 b. 1305
6. Oil Gravity (EAPI) or Gas BTU Content	1190		1254
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no) * 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, give date and oil/gas/ water rates of recent test (within 60 days)	No Date: Rates: NA Date: Rates: Approx. current Rate = 30 MCFD	No Date: Rates: Date: Rates:	No Date: Rates: NA Date: Rates: Approx. current Rate = 150 MCFD
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: % Gas: 13 %	Oil: % Gas: %	Oil: % Gas: 87 %

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 \_\_\_ 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). R10476-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 TITLE Regulatory Analyst DATE 09/07/99

TYPE OR PRINT NAME Deborah Moore TELEPHONE NO. (281) 293-1005

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

District II  
811 South First, Artesia, NM 88210

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe. NM 87505

Form C-102  
Revised March 17, 1999

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-039-07315		<sup>2</sup> Pool Code 72439/72319		<sup>3</sup> Pool Name Blanco Pictured Cliff S. / Blanco Mesaverde	
<sup>4</sup> Property Code 016608		<sup>5</sup> Property Name San Juan 28-7 Unit			<sup>6</sup> Well Number #52
<sup>7</sup> OGRID No. 005073		<sup>8</sup> Operator Name Conoco Inc.			<sup>9</sup> Elevation 6168'

<sup>10</sup> Surface Location

UL or lot no. H	Section 27	Township 28N	Range 7W	Lot Idn	Feet from the 1840	North/South line North	Feet from the 990	East/West line East	County Rio Arriba
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. NA	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres 160/320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

<sup>16</sup>					<sup>17</sup> 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/281-293-1005	
					Title Regulatory Analyst	
				Date 09/08/99		
				<sup>18</sup> 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 Surveyer:		
				Certificate Number		

## Well Location and Acreage Dedication Plat

Section A.

Date **JUNE 7, 1956**

Operator **EL PASO NATURAL GAS COMPANY** Lease **SAN JUAN 28-7 UNIT** SF **078496**  
 Well No. **52(PM)** Unit Letter **H** Section **27** Township **28-N** Range **7-W** NMPM  
 Located **1840** Feet From **NORTH** Line, **990** Feet From **EAST** Line  
 County **RIO ARriba** G. L. Elevation **6168** Dedicated Acreage **320 & 160** Acres  
 Name of Producing Formation **MESA VERDE & PICTURED CLIFF** Pool **BLANCO MV, WILCOAT PC**

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?  
 Yes ☒ No ☐ *S. Blanco*
2. If the answer to question one is "no", have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes ☐ No ☐ If answer is "yes", Type of Consolidation.
3. If the answer to question two is "no", list all the owners and their respective interests below:

Owner	Land Description

Section B.

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

**El Paso Natural Gas Company****ORIGINAL SIGNED E. S. OBERLY**

(Representative)

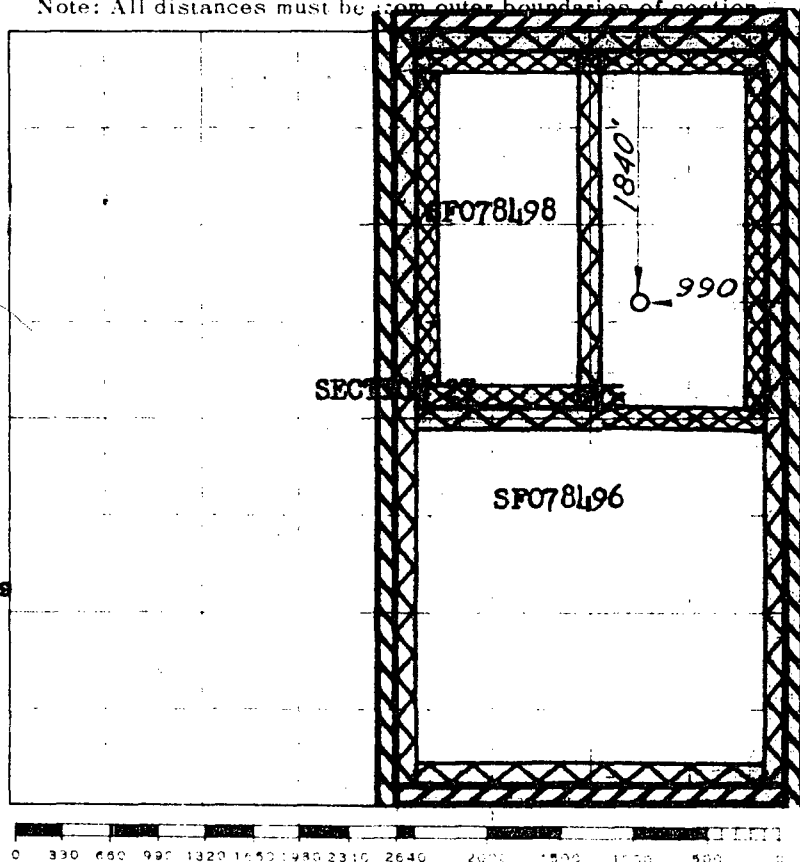
**P. O. Box 997**

(Address)

**Farmington, New Mexico**

**NOTE: THIS PLAT IS RE-ISSUED TO SHOW PICTURED CLIFF DEDICATION. 7 23 55**

Note: All distances must be from outer boundaries of section.



This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

(Seal)

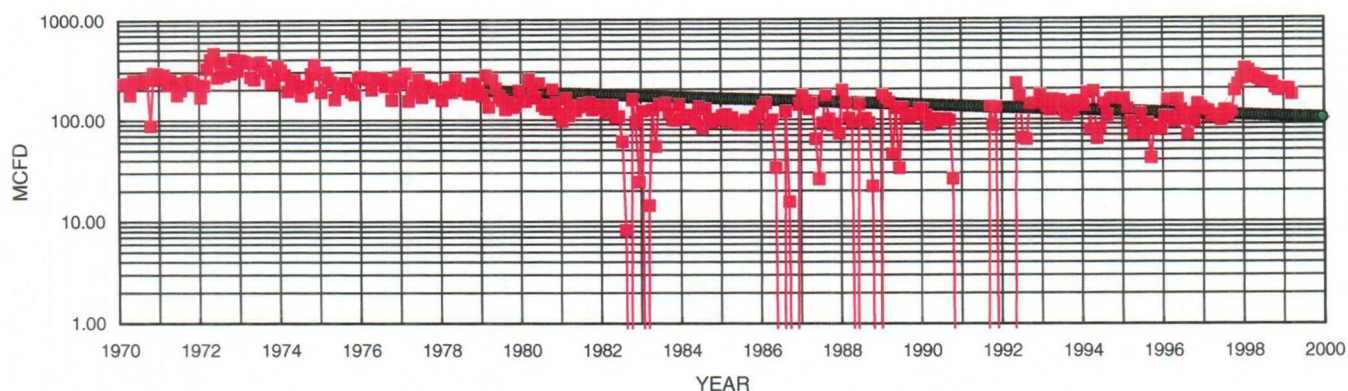
Date Surveyed **MAY 28, 1956**

Farmington, New Mexico

*David C. Kilmer*  
 Registered Professional Engineer and/or Land Surveyor



**SAN JUAN 28-7 #52 MESAVERDE PRODUCTION  
SECTION 27H-28N-07W**



—●— FIT MCFD    —■— MCFD

**MESAVERDE HISTORICAL DATA:**

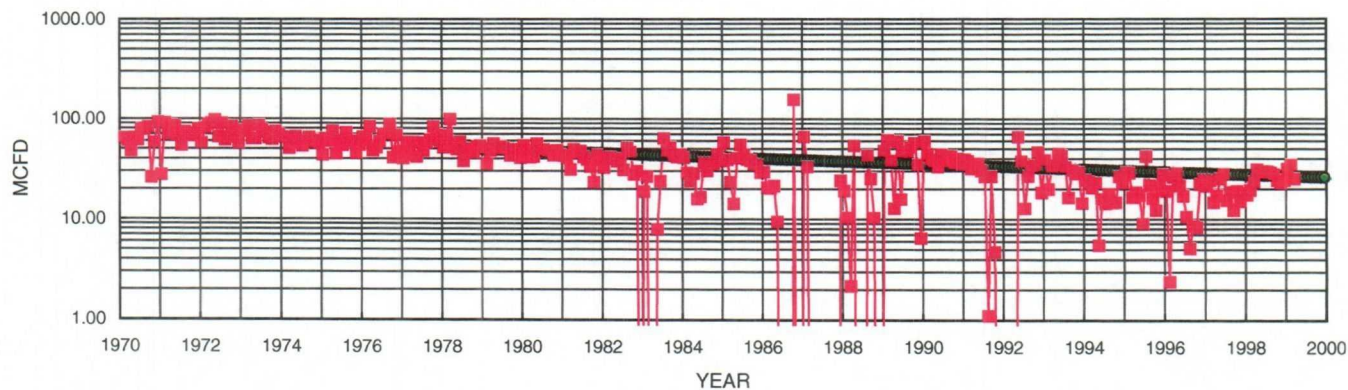
1ST PROD: 02/57

**MESAVERDE PROJECTED DATA:**

OIL CUM: 16.44 MBO  
GAS CUM: 3044.1 MMCF  
OIL YIELD: 0.0054 BBL/MCF

09/01/99 Qi: 105 MCFD  
DECLINE RATE: 3.0% (EXPONENTIAL)

**SAN JUAN 28-7 #52 PICTURED CLIFFS PRODUCTION  
SECTION 27H-28N-07W**



—●— FIT MCFD    —■— MCFD

**PICTURED CLIFFS HISTORICAL DATA:**

1ST PROD: 11/59

**PICTURED CLIFFS PROJECTED DATA:**

OIL CUM: 0.0 MBO  
GAS CUM: 701.5 MMCF  
OIL YIELD: 0.0000 BBL/MCF

09/01/99 Qi: 27 MCFD  
DECLINE RATE: 3.0% (EXPONENTIAL)

**FIXED COMMINGLE ALLOCATION FACTORS:**

API # 30-039-07315

	GAS	OIL
MESAVERDE	80%	100%
PICTURED CLIFFS	20%	0%

GAS ALLOCATION BASED ON PROJECTED 1999 RATES  
OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS

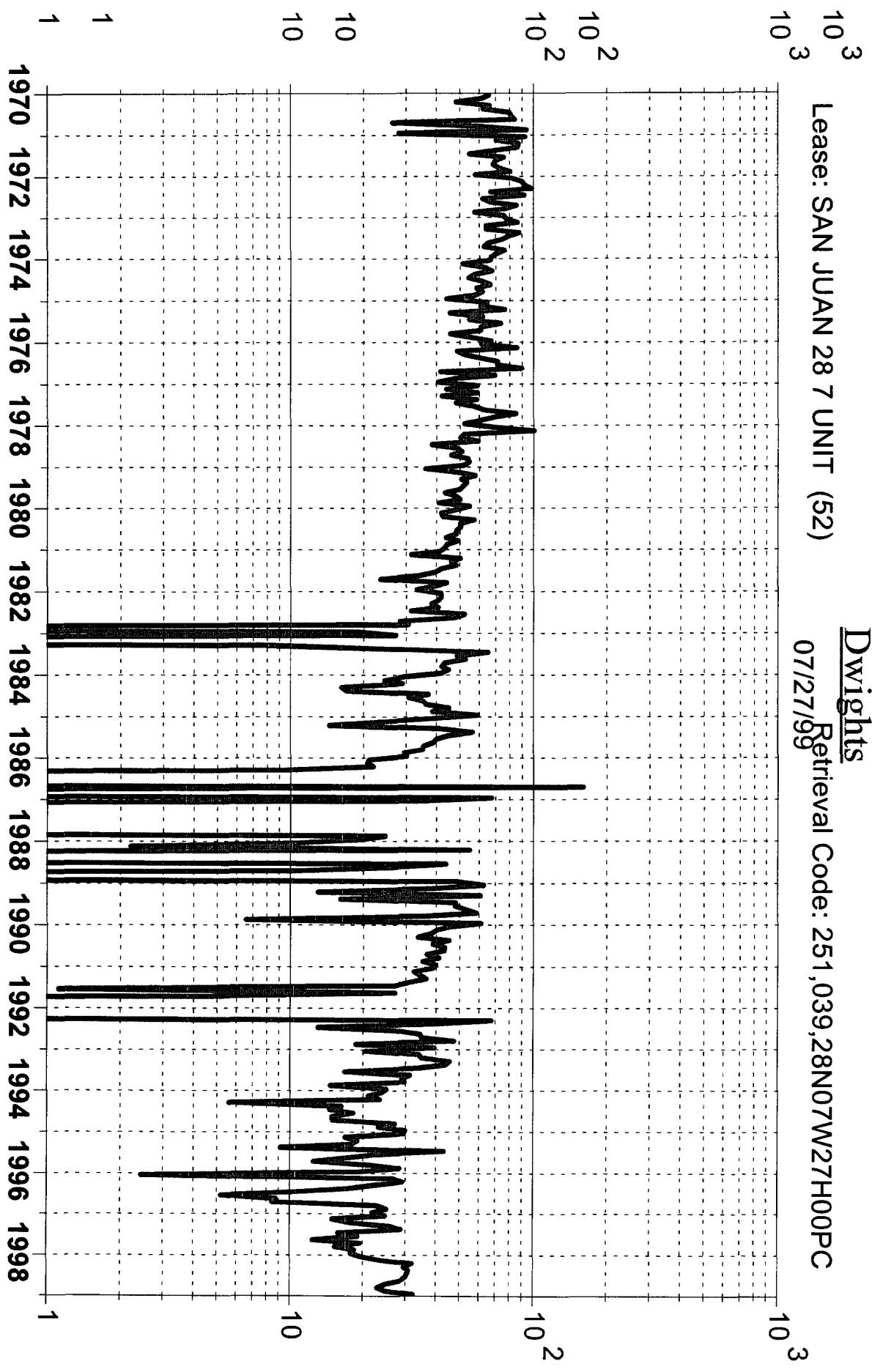
NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGYDATA



Lease: SAN JUAN 28 7 UNIT (52)

Dwights  
07/27/99

Retrieval Code: 251,039,28N07W27H00PC



Oil (bbl/day)

Water (bbl/day)

Operator: CONOCO INC

Location: 27H 28N 7W

F.P. Date: 11/59

Oil Cum: 0 bbl

Gas (mcf/day)

Cume thru 12/69 : 275,746 mcf

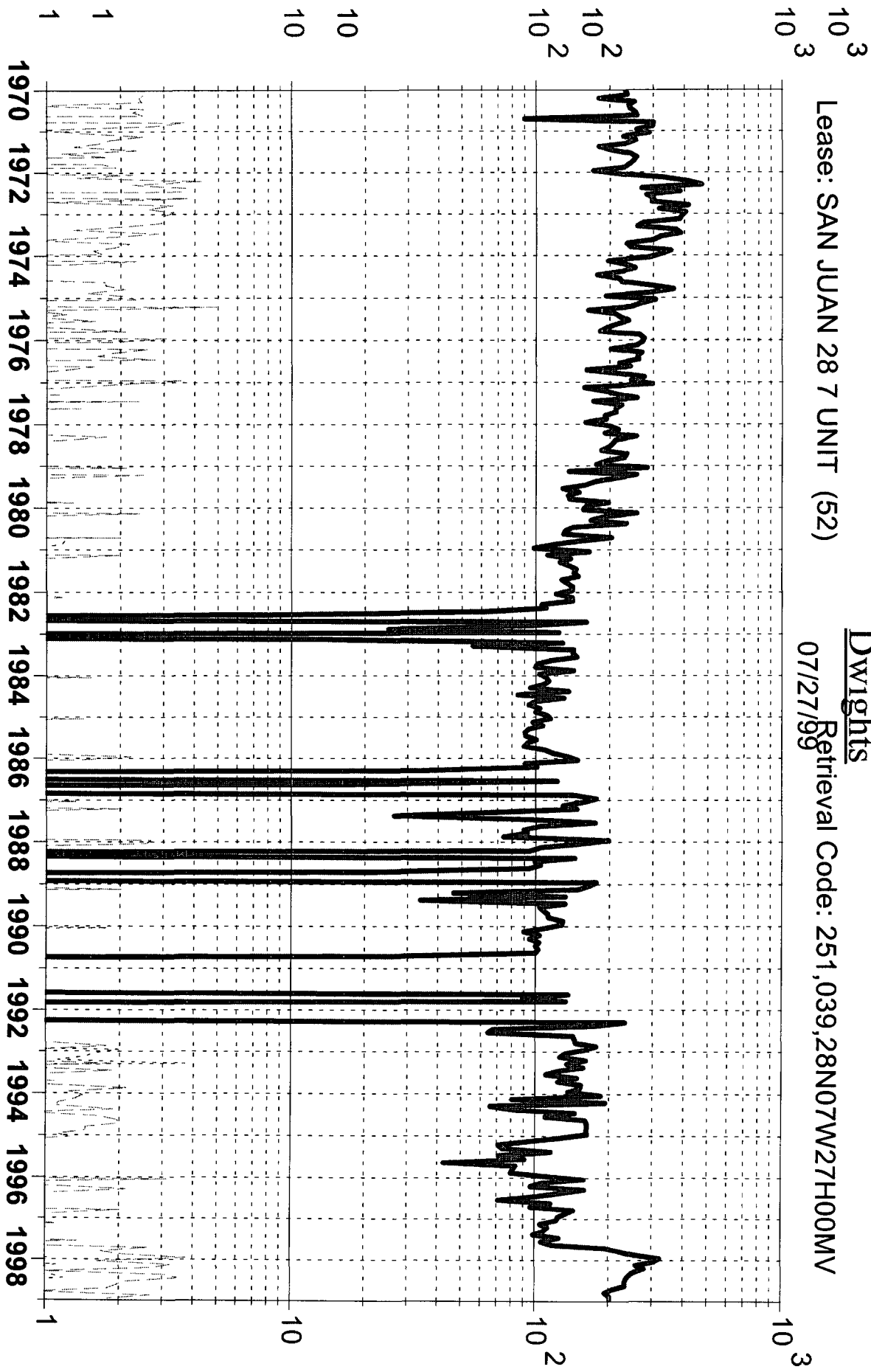
Lower Perf: 2856 ft  
Blanco P.C. South  
Upper Perf: 2826 ft

Gas Cum: 701.5 mmcf  
L.P. Date: 02/99

Dwights

Lease: SAN JUAN 28 7 UNIT (52)

07/27/99 Retrieval Code: 251,039,28N07W27H00MV



Oil (bbl/day)

Water (bbl/day)

Operator: CONOCO INC

Location: 27H 28N 7W

F.P. Date: 02/57

Oil Cum: 16.44 mbbl

Gas (mcf/day)

Lower Perf: 5155 ft

BLANCO MESA VERDE

Upper Perf: 4442 ft

Gas Cum: 3044 mmcf

L.P. Date: 02/99

Cume thru 12/69 : 1,357,817 mcf  
6660 Bbls.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.  
SF078496

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8910004590

8. Well Name and No.

SAN JUAN 28-7 #52

9. API Well No.

30-039-07315

10. Field and Pool, or Exploratory Area

72439/72319

11. County or Parish, State

RIO ARRIBA, NM

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Conoco Inc

3. Address and Telephone No.

P.O. Box 2197 DU-3066 Houston, TX 77252-2197 (281) 293-1005

4. Location of Well (Footage, Sec., T. R. M. or Survey Description)

H, 5-27, T-28N, R-7W  
1840' FNL & 990" FEL

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☐ Other Downhole Commingle  
☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

CONOCO, INC. PROPOSES TO DOWNHOLE COMMINGLE THIS WELL IN THE BLANCO PICTURED CLIFFS AND BLANCO MESAVERDE

14. I hereby certify that the foregoing is true and correct

Signed Deborah Moor

Title Regulatory Analyst

(281) 293-1005

Date 09/17/99

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_  
Conditions of approval if any: \_\_\_\_\_

BLM(6), NMOCD(1), SHEAR, PONCA, COST ASST, FILE ROOM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side