

DATE IN 11/3/99	SUSPENSE 11/23/99	ENGINEER DC	LOGGED BY JW	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

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 ☐ 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

11/1/99
 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
Storey C LS 8 K Sec.33 T28N R 9W San Juan
Lease Well No. Unit Ltr. - Sec - Twp - Rge County

005073 22423 30-045-06974 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)	3128' - 3176'		5416' - 5496'
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) 339 b. (Original) 761	a. b.	a. 517 b. 1221
6. Oil Gravity (EAPI) or Gas BTU Content	1149		1352
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 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: Rates:	Date: Rates:
	Date: Rates: Approx. 20 MCFD	Date: Rates:	Date: Rates: Approx. 90 MCFD
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: % Gas: 23%	Oil: % Gas: %	Oil: 100 % Gas: 77 %

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? X Yes ___ 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). _____

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 10/27/99

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

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

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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

¹ API Number 30-045-06974	² Pool Code 72319/72439	³ Pool Name Blanco S. Pictured Cliffs / Blanco Mesaverde
⁴ Property Code 22423	⁵ Property Name Storey C LS	⁶ Well Number 8
⁷ OGRID No. 005073	⁸ Operator Name Conoco Inc.	⁹ Elevation 7036 GR

¹⁰ Surface Location

UL or lot no. K	Section 33	Township 28N	Range 9W	Lot Idn	Feet from the 1450	North/South line SOUTH	Feet from the 1850	East/West line WEST	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

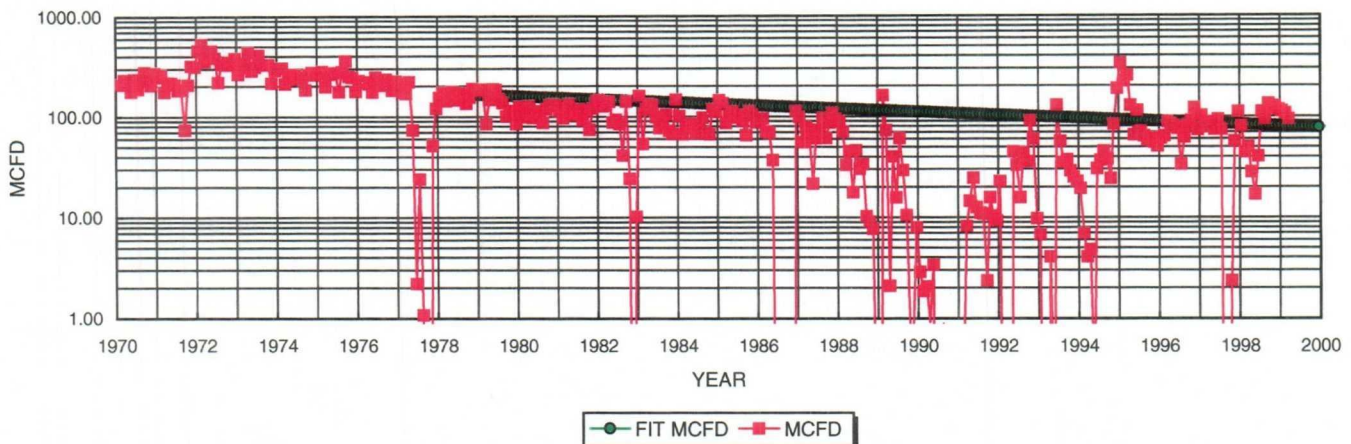
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 160/320	¹³ Joint or Infill Y	¹⁴ Consolidation Code U	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i> Signature <i>Deborah Moore</i> Printed Name Deborah Moore Title Regulatory Analyst Date 10/27/99
				¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyer: Certificate Number

**STOREY CLS #8 MESAVERDE PRODUCTION
SECTION 33K-28N-09W**



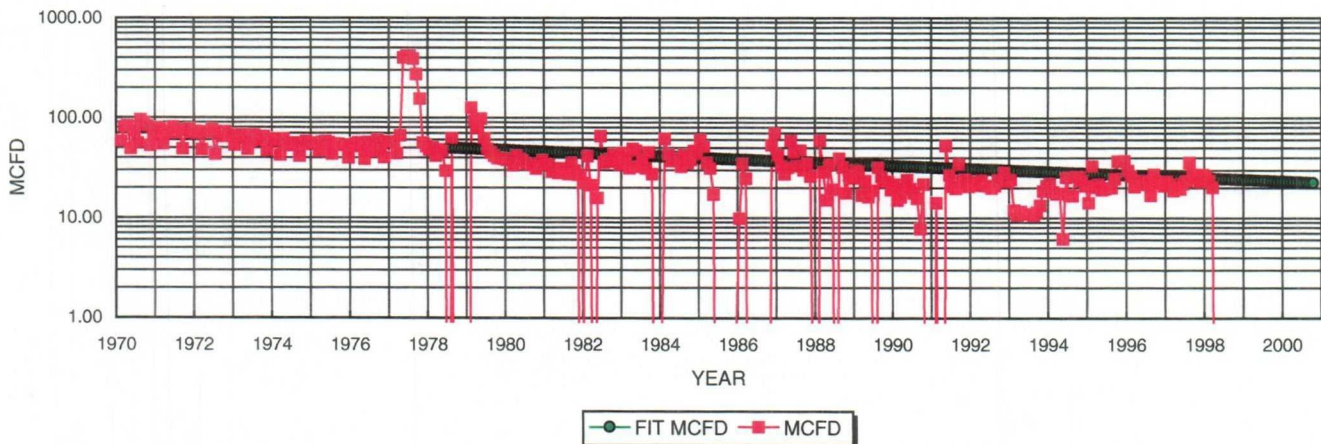
MESAVERDE HISTORICAL DATA:

1ST PROD: 07/57
OIL CUM: 14.72 MBO
GAS CUM: 2601.1 MMCF
OIL YIELD: 0.0057 BBL/MCF

MESAVERDE PROJECTED DATA:

09/01/99 Qi: 80 MCFD
DECLINE RATE: 3.5% (EXPONENTIAL)

**STOREY CLS #8 PICTURED CLIFFS PRODUCTION
SECTION 33K-28N-09W**



PICTURED CLIFFS HISTORICAL DATA:

1ST PROD: 07/57
OIL CUM: 0.0 MBO
GAS CUM: 836.6 MMCF
OIL YIELD: 0.0000 BBL/MCF

PICTURED CLIFFS PROJECTED DATA:

09/01/99 Qi: 24 MCFD
DECLINE RATE: 3.5% (EXPONENTIAL)

FIXED COMMINGLE ALLOCATION FACTORS:

	GAS	OIL
MESAVERDE	77%	100%
PICTURED CLIFFS	23%	0%

API # 30-045-06974

GAS ALLOCATION BASED ON PROJECTED 1999 RATES

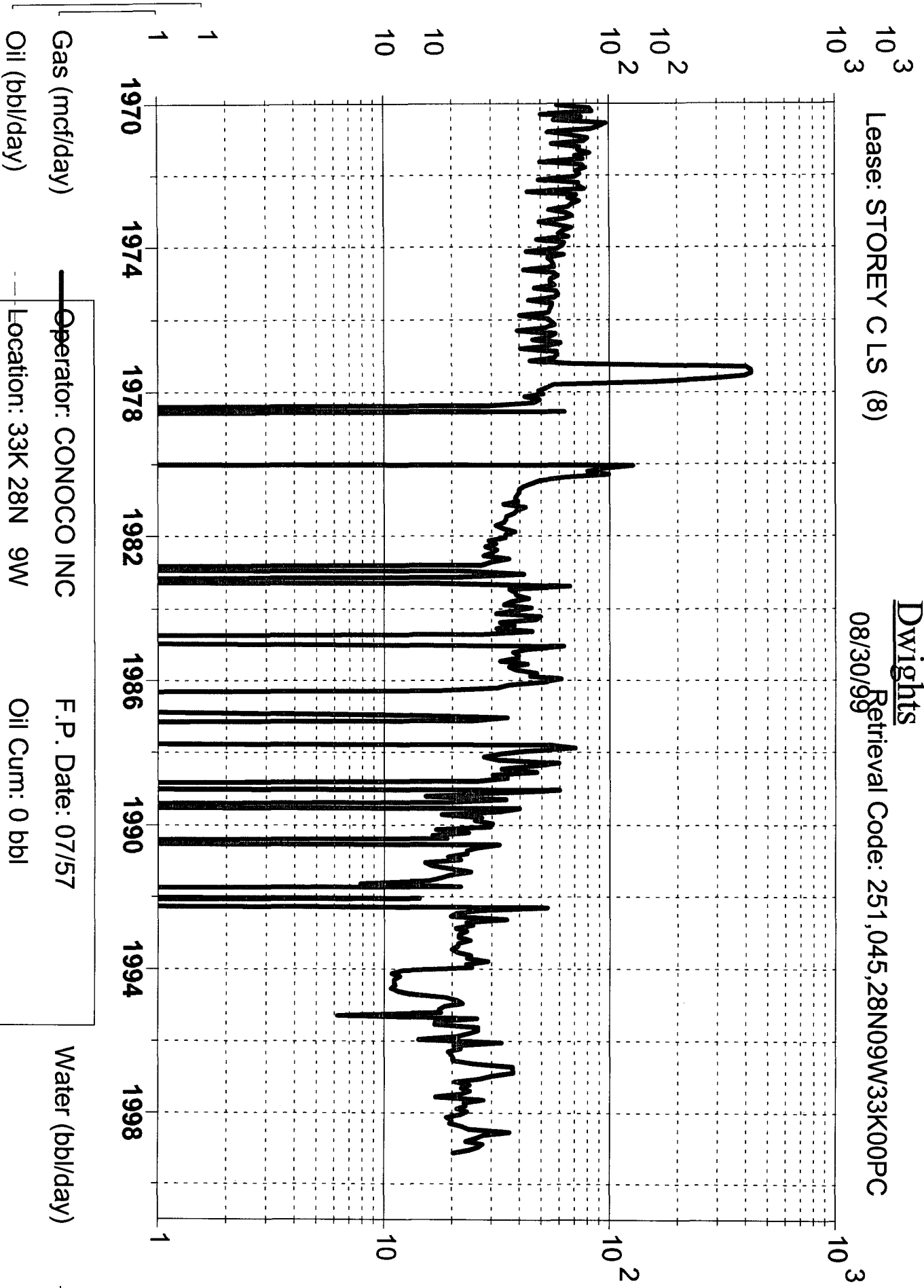
OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGYDATA

Lease: STOREY C L S (8)

Dwights
08/30/99

Retrieval Code: 251,045,28N09W33K00PC



Gas (mcf/day)

Oil (bbl/day)

Water (bbl/day)

Operator: CONOCO INC

F.P. Date: 07/57

Location: 33K 28N 9W

Oil Cum: 0 bbl

Field: BLANCO SOUTH (PICTU Gas Cum: 836.6 mmcf

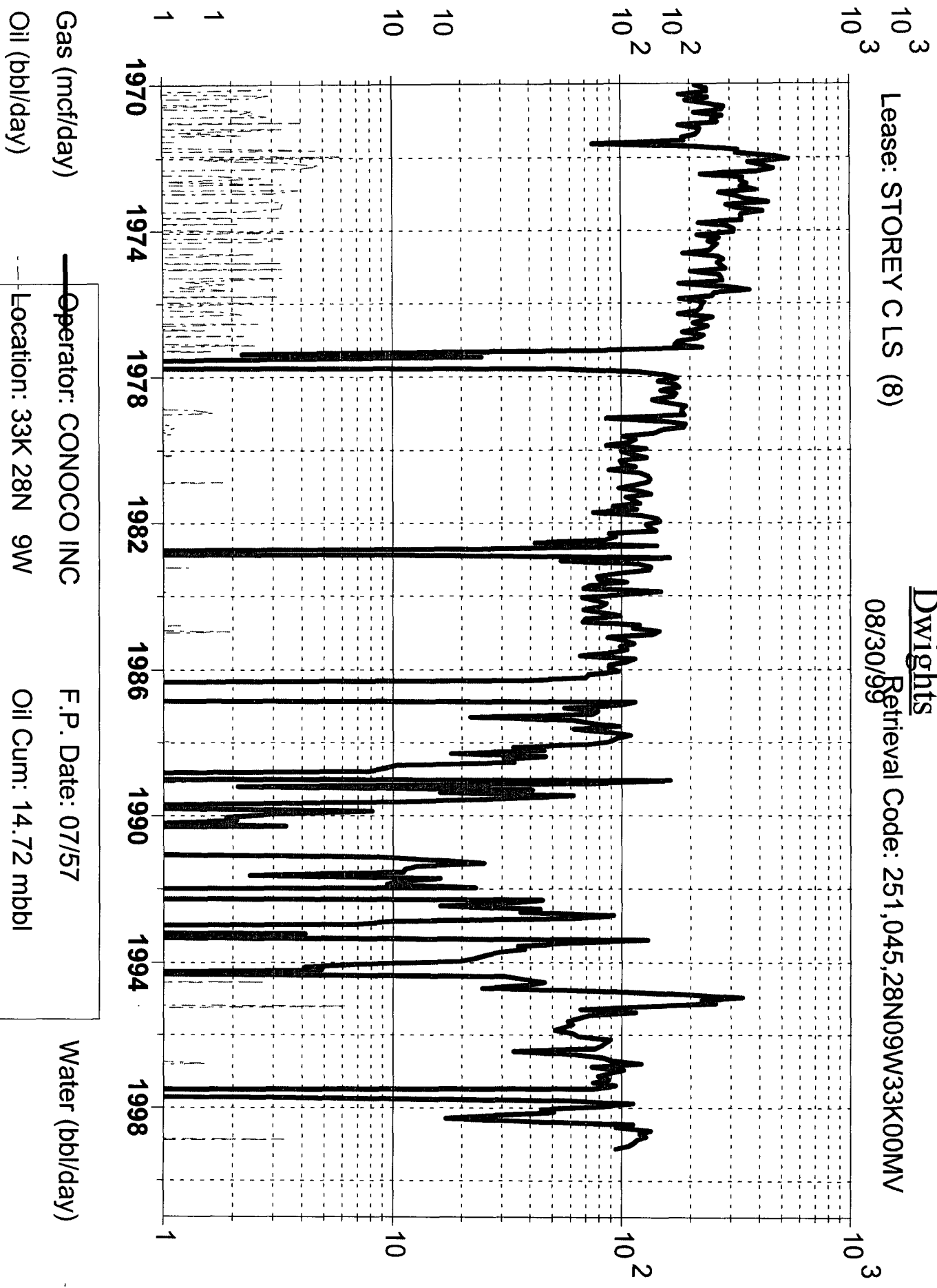
Reservoir: PICTURE CLIFFS

L.P. Date: 02/99

Dwights

Lease: STOREY C LS (8)

Retrieval Code: 251,045,28N09W33K00MV
08/30/99



Gas (mcf/day)

Oil (bbl/day)

Water (bbl/day)

Operator: CONOCO INC

F.P. Date: 07/57

Location: 33K 28N 9W

Oil Cum: 14.72 mbbl

Field: BLANCO (MESAVERDE)

Gas Cum: 2603 mmcf

Reservoir: MESAVERDE

L.P. Date: 02/99

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

5. Lease Designation and Serial No.
SF 077111

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Storey C LS #8

9. API Well No.
30-045-06974

10. Field and Pool, or Exploratory Area

Blanco P.C./Blanco MV
11. County or Parish, State

San Juan, NM

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

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)

K, Sec. 33, T-28N, R-9W
1450' FSL & 1850' FWL

2a. 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 DHC this well in the Blanco S. Pictured Cliff and Blanco Mesaverde.

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

Signed

Title

Regulatory Analyst

281 293-1005

Date

11/1/98

(This space for Federal or State office use)

Approved by

Title

Date

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