

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

Conoco Inc.

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

Operator

Address

STATE COM G

3

P, SEC 32, T-29N, R8W

SAN JUAN

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 005073 Property Code 003267 API NO. 30-045-29785 Federal State X, (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 Mesa Verde 72319		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	4132' top 5138' base		6814' top 7074' base
3. Type of production (Oil or Gas)	GAS		GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING INITIALLY		FLOWING INITIALLY
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) est. 410 psi b. (Original) est. 1215 psi	a. b.	a. est. 920 psi b. est. 2900 psi
6. Oil Gravity (EAPI) or Gas BTU Content	1214		1200
7. Producing or Shut-In?			
Production Marginal? (yes or no)	Yes		Yes
* 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			
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates: est. 600-700 mcf/d	Date: Rates:	Date: Rates: est. 400 mcf/d
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 12/7/99

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

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

WELL API NO. 30-045-29781
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: STATE
8. Well No. 4E
9. Pool name or Wildcat Mesa Verde/Dakota

SUNDRY NOTICES AND REPORTS ON WELLS (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.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Conoco Inc.	
3. Address of Operator P.O. Box 2197 DU 3066 Houston, TX 77252-2197	
4. Well Location Unit <u>D</u> : <u>790</u> feet from the <u>NORTH</u> line and <u>890</u> feet from the <u>WEST</u> line Section <u>32</u> Township <u>29N</u> Range <u>8W</u> NMPM County <u>SAN JUAN</u>	
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5924' GR	

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 recompilation.

CONOCO, INC. PROPOSES TO DOWNHOLE COMMINGLE THIS WELL USING THE ATTACHED PROCEDURE.

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 12/7/99

Type or print name Deborah Moore

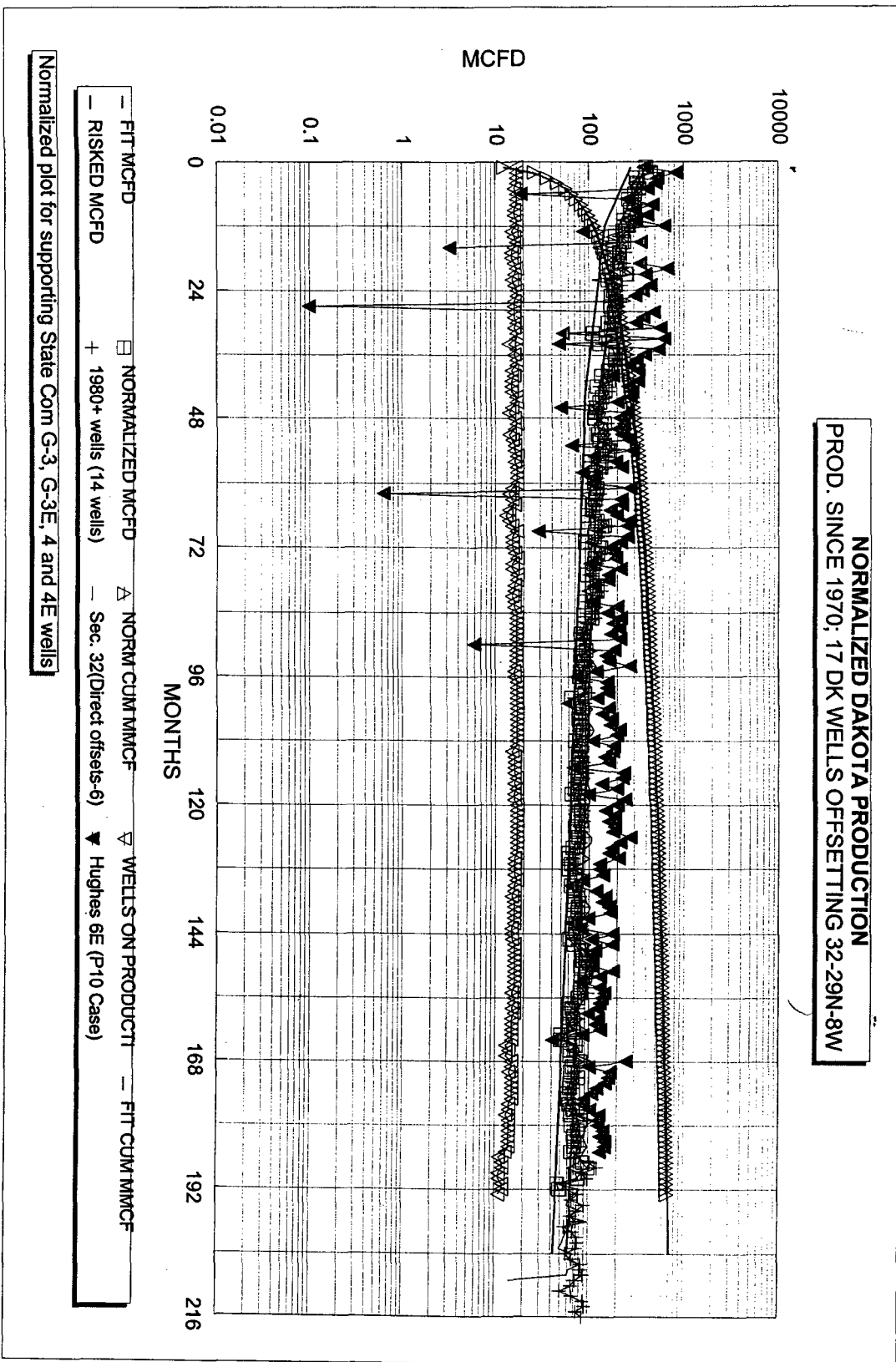
Telephone No. (281) 293-1005

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

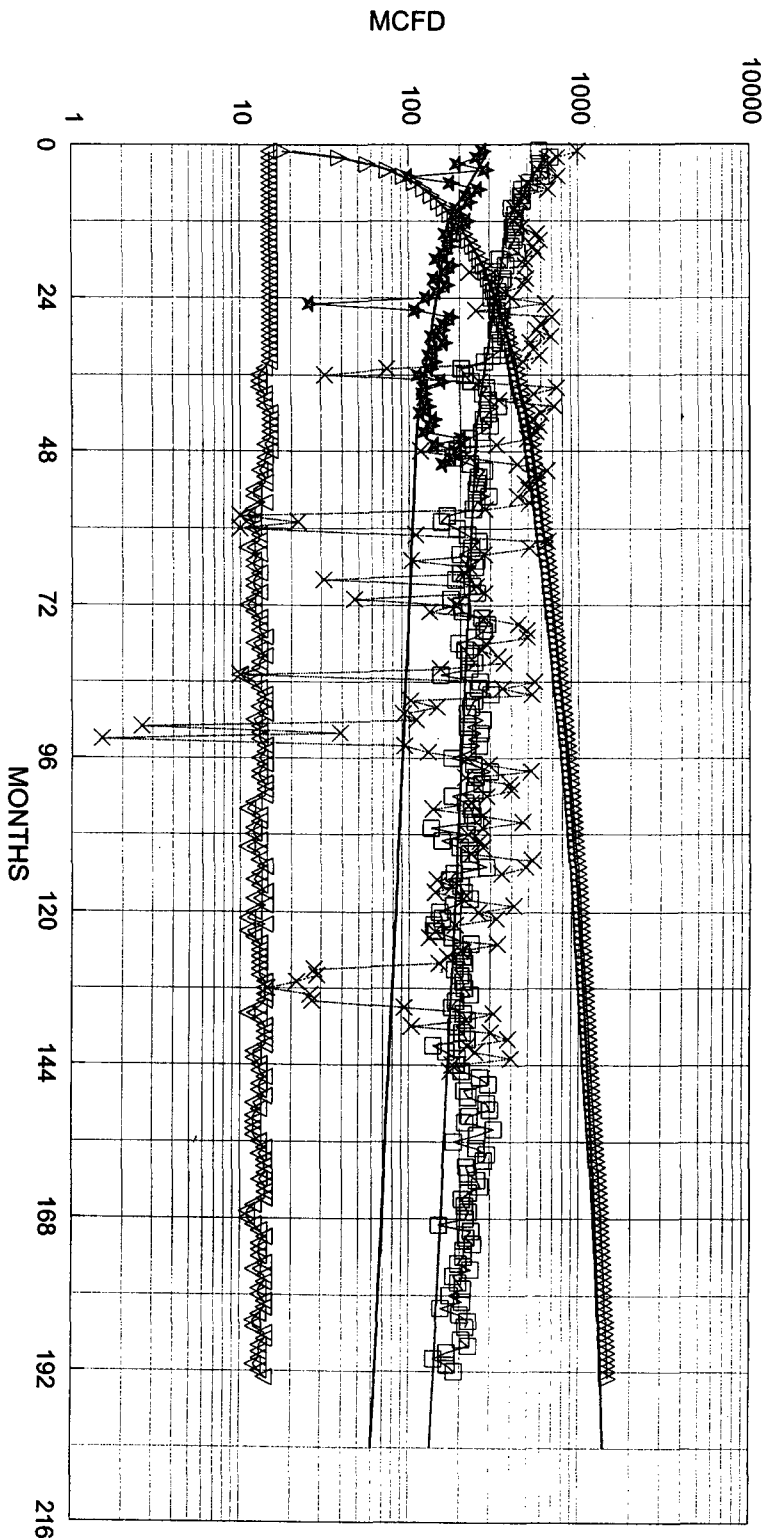
NORMALIZED DAKOTA PRODUCTION
PROD. SINCE 1970: 17 DK WELLS OFFSETTING 32-29N-8W



NORMALIZED AVG: (P50 Case)	
948 MMCF EUR	425 MCFD IP
945 MMCF/32YRS	50% DECLINE, 1ST 12 MONTHS
25 MCFD E.L.	17% DECLINE, NEXT 36 MONTHS
0.005723 bbl/mcf oil yield	5.5% FINAL DECLINE

RISKED AVG: 30% RISK (P90 Case)	
615 MMCF EUR	298 MCFD IP
612 MMCF/26 YRS	50% DECLINE, 1ST 12 MONTHS
25 MCFD E.L.	17% DECLINE, NEXT 36 MONTHS
0.005723 bbl/mcf oil yield	6% FINAL DECLINE

NORMALIZED MESAVERDE PRODUCTION
PROD. SINCE 1978; 15 MV WELLS OFFSETTING 32-29N-8W



— FIT MCFD	□ NORMALIZED MCFD	△ NORM CUM MMCF	▽ WELLS ON PRODUCTION
— FIT CUM MMCF	— RISKED MCFD	× Sec. 32 Infill Wells (2)	★ Hughes LS 99 (9/94 Completion)

Normalized plot for supporting State 4, 4E, G3, G3E

NORMALIZED AVG:		RISKED AVG: 55% RISK	
2277 MMCF EUR	700 MCFD IP	907 MMCF EUR	315 MCFD IP
2104 MMCF/ 40YRS	45% DECLINE, 1ST 12 MONTHS	903 MMCF/ 36 YRS	45% DECLINE, 1ST 12 MONTHS
25 MCFD E.L.	15% DECLINE, NEXT 36 MONTHS	25 MCFD E.L.	15% DECLINE, NEXT 36 MONTHS
0.004840 bbl/mcf oil yield	4.5% FINAL DECLINE	0.004840 bbl/mcf oil yield	4.5% FINAL DECLINE

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

Submit to Appropriate District Office

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

PO Box 2088

State Lease - 4 Copies

Santa Fe, NM 87504-2088

Fee Lease - 3 Copies

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-29785		*Pool Code 71599	*Pool Name BASIN DAKOTA
*Property Code 003267	*Property Name STATE COM G		*Well Number 3
*GRID No. 005073	*Operator Name CONOCO, INC.		*Elevation 6019'

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
P	32	29N	8W		940	SOUTH	1015	EAST	SAN JUAN

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 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

¹⁶ 5171.10' 5291.88' 32 2602.38' 2598.42'	 RECEIVED JAN 15 1999 OIL CON. DIV.	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Mike L. Mankin</i> Printed Name: MIKE L. MANKIN Title: RIGHT-OF-WAY AGENT Date: 12-15-98
		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. NOVEMBER 17, 1998 Date of Survey Signature and Seal of Neale O. Edwards Certificate Number: 6857