DATE IN 12/30/99	SUSPENSE 1/19/00	ENGINEER DC	LOGGED MN	TYPE DHC

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2594

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

DEC 30 1999

Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

X 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] X 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.

Peggy Cole	Peggy Cole	Regulatory/Compliance Administrator	
Print or Type Name	Signature	Title	Date

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980
DISTRICT II
811 South First St., Artesia, NM 88210-2835
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410-1693

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107-A

APPROVAL PROCESS :
_X_ Administrative __Hearing

EXISTING WELLBORE
_X_ YES ___ NO

BURLINGTON RESOURCES OIL & GAS COMPANY (Operator) PO Box 4289, Farmington, NM 87499 (Address)

La Jara Canyon (Lease) 1A (Well No.) D, Sec. 10, T29N, R05W (Unit Ltr. - Sec -Twp - Rge) Rio Arriba (County)

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 14538 Property Code 18566 API NO. 30-039-22044 Federal X, 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	GOB PIC.CLIFFS-77440		BLANCO MESAVERDE-72319
2. Top and Bottom of Pay Section (Perforations)	3556'-3734'		5706'-5957'
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: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured	(Current) a. 476 psia @ 3645'	a.	a. 212.5 psia @ 5832'
	(Original) b. 1216.7 psia @ 3645'	b.	b. 1148 psia @ 5832'
6. Oil Gravity (°API) or Gas BTU Content	1099 BTU		1054 BTU
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no)	YES		YES
* If Shut-In 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	Date: Rates:	Date: Rates:	Date: Rates:
* If Producing, give data and oil/gas/water water of recent test (within 60 days)	Date: 12/14/99 Rates: 58MCF/D, 1-BO/MO, 0-BWD	Date: Rates:	Date: 12/14/99 Rates: 53MCF/D, 0-BOP, 0-BWD
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: Gas: Will supply after commingling	Oil: Gas:	Oil: Gas: Will supply after commingling

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 X Yes ___ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions ORDER NO(S). _____

16. ATTACHMENTS:
* C-102 for each zone tobe 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 requed to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mike Haddenham TITLE Operations Engineer DATE 12-29-99

TYPE OR PRINT NAME MIKE HADDENHAM TELEPHONE NO. (505) 326-9577

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

Operator	Lease	Well No.
SOUTHLAND ROYALTY COMPANY	LA JARA CANYON	1A

Unit Letter	Section	Township	Range	County
D	10	29N	5W	RIO ARRIBA

Actual Footage Location of Well:
980 feet from the North line and 955 feet from the West line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
6719	MESA VERDE-Pictured Cliffs	Blanco-Gobernador	320/160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

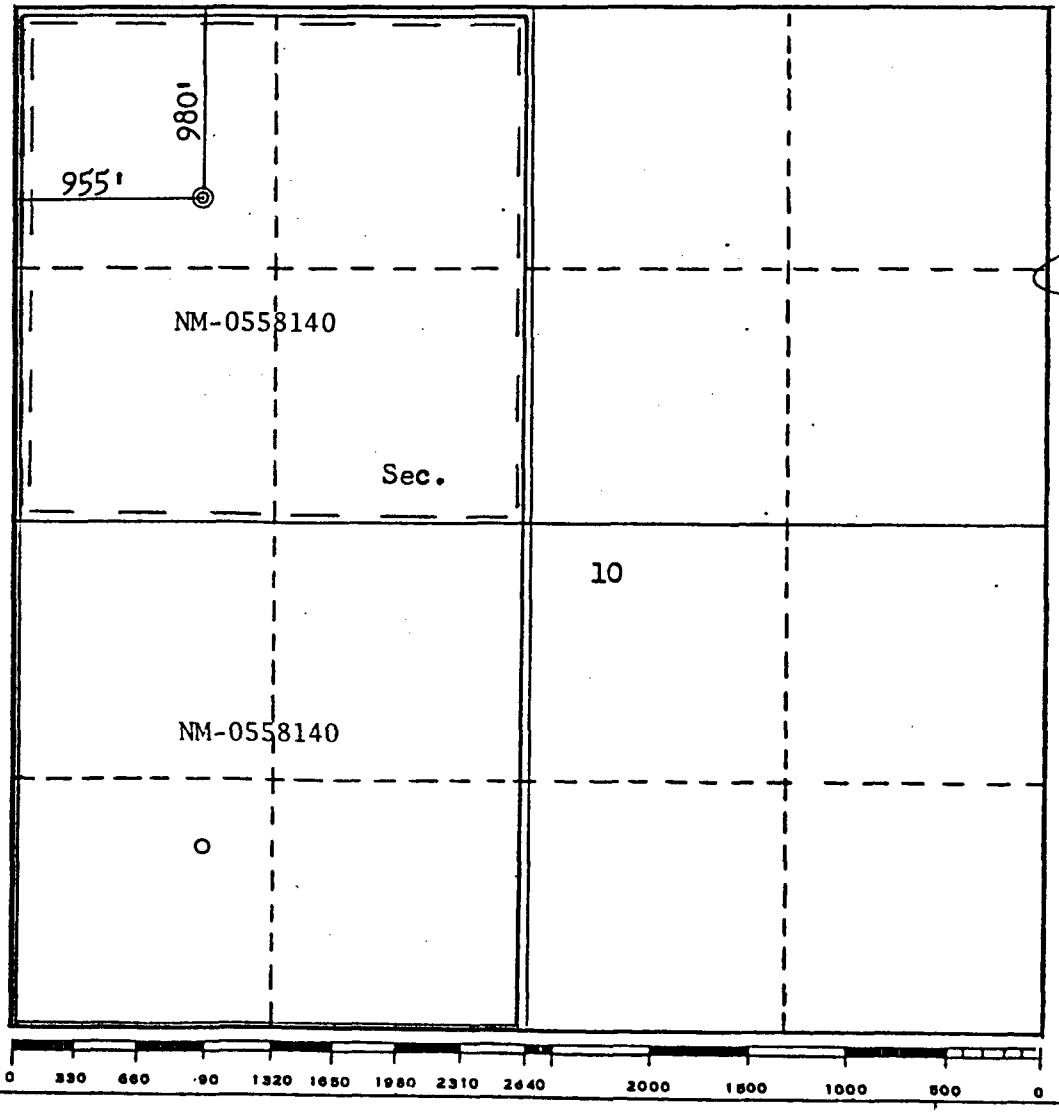
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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 _____

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.

Name: Van Ryan

Position: District Production Manager

Company: Southland Royalty Company

Date: April 30, 1979 MAY 1 1 1979

FARMINGTON DISTRICT

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: February 26, 1979

Registered Professional Engineer and/or Land Surveyor

Fred B. Kerr, Jr.

REGISTERED LAND SURVEYOR FRED B. KERR, JR. 3950

Certificate No. 3950

LA HARA CANYON#1A
Bottom Hole Pressures
Flowing and Static BHP
Cullender and Smith Method

Version 1.0 3/13/94

Mesaverde

MV-Current

GAS GRAVITY	0.611
COND. OR MISC. (C/M)	M
%N2	0.1
%CO2	1.1
%H2S	0
DIAMETER (IN)	4.052
DEPTH (FT)	5832
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	140
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	188
BOTTOMHOLE PRESSURE (PSIA)	212.5

MV-Original

GAS GRAVITY	0.611
COND. OR MISC. (C/M)	M
%N2	0.1
%CO2	1.1
%H2S	0
DIAMETER (IN)	4.052
DEPTH (FT)	5832
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	140
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	1001
BOTTOMHOLE PRESSURE (PSIA)	1148.0

Pictured Cliffs

PC-Current

GAS GRAVITY	0.625
COND. OR MISC. (C/M)	M
%N2	0.11
%CO2	0.93
%H2S	0
DIAMETER (IN)	6.366
DEPTH (FT)	3645
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	120
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	438
BOTTOMHOLE PRESSURE (PSIA)	476.0

PC-Original

GAS GRAVITY	0.625
COND. OR MISC. (C/M)	M
%N2	0.11
%CO2	0.93
%H2S	0
DIAMETER (IN)	6.366
DEPTH (FT)	3645
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	120
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	1110
BOTTOMHOLE PRESSURE (PSIA)	1216.7

LA JARA CANYON 1A (PC) AI Number: 4204102 Meter Number: 85436

Sample Date: 19971201

Hydrocarbon Fractions	
Mol % C1:	92.49
Mol % C2:	3.18
Mol % C3:	1.76
Mol % iC4:	0.33
Mol % nC4:	0.51
Mol % iC5:	0.18
Mol % nC5:	0.14
Mol % C6:	0
Mol % C6+:	0.37
Mol % C7:	0

Impurities	
Mol % H2:	0
Mol % He:	0
Mol % N2:	0.11
Mol % O2:	0
Mol % H2S:	0
Mol % CO2:	0.93

Test Pressure:	14.73
Test Temperature:	60
Wet BTU Factor (BTU/CF at 14.73):	1079.892
Dry BTU Factor (BTU/CF at 14.73):	1099
Measured Specific Gravity:	0
Calculated Specific Gravity:	0.625

Sample Date: 19930713

Hydrocarbon Fractions	
Mol % C1:	92.65
Mol % C2:	3.11
Mol % C3:	1.77
Mol % iC4:	0.35
Mol % nC4:	0.56
Mol % iC5:	0.19
Mol % nC5:	0.16
Mol % C6:	0
Mol % C6+:	0.31
Mol % C7:	0

Impurities	
Mol % H2:	0
Mol % He:	0
Mol % N2:	0.12
Mol % O2:	0
Mol % H2S:	0
Mol % CO2:	0.78

Test Pressure:	14.73
Test Temperature:	60
Wet BTU Factor (BTU/CF at 14.73):	1079.892
Dry BTU Factor (BTU/CF at 14.73):	1099
Measured Specific Gravity:	0
Calculated Specific Gravity:	0.623

LA JARA CANYON 1A (MV) AI Number: 4204101 Meter Number: 85435

Sample Date: 19971201

Hydrocarbon Fractions	
Mol % C1:	93.29
Mol % C2:	3.26
Mol % C3:	1.35
Mol % iC4:	0.26
Mol % nC4:	0.33
Mol % iC5:	0.1
Mol % nC5:	0.06
Mol % C6:	0
Mol % C6+:	0.15
Mol % C7:	0

Impurities	
Mol % H2:	0
Mol % He:	0
Mol % N2:	0.1
Mol % O2:	0
Mol % H2S:	0
Mol % CO2:	1.1

Test Pressure:	14.73
Test Temperature:	60
Wet BTU Factor (BTU/CF at 14.73):	1053.362
Dry BTU Factor (BTU/CF at 14.73):	1072
Measured Specific Gravity:	0
Calculated Specific Gravity:	0.611

Sample Date: 19940901

Hydrocarbon Fractions	
Mol % C1:	93.93
Mol % C2:	3.39
Mol % C3:	0.78
Mol % iC4:	0.18
Mol % nC4:	0.16
Mol % iC5:	0.06
Mol % nC5:	0.03
Mol % C6:	0
Mol % C6+:	0.12
Mol % C7:	0

Impurities	
Mol % H2:	0
Mol % He:	0
Mol % N2:	0.09
Mol % O2:	0
Mol % H2S:	0
Mol % CO2:	1.26

Test Pressure:	14.73
Test Temperature:	60
Wet BTU Factor (BTU/CF at 14.73):	1035.675
Dry BTU Factor (BTU/CF at 14.73):	1054
Measured Specific Gravity:	0
Calculated Specific Gravity:	0.602

API # 30-039-22044

STATE OF NEW MEXICO
ENERGY and MINERALS
DEPARTMENT

This form is not to be used for reporting packer leakage tests in Southeast New Mexico

OIL CONSERVATION DIVISION

Revised 10/01/78

NORTHWEST NEW MEXICO PACKER-LEAKAGE TEST

Operator BURLINGTON RESOURCES OIL & GAS CO. Lease LA JARA CANYON Well No. 1A

Location of Well: Unit D Sect 10 Twp. 029N Rge. 010W County RIO ARRIBA

	NAME OF RESERVOIR OR POOL	TYPE OF PROD. (Oil or Gas)	METHOD OF PROD. (Flow or Art. Lift)	PROD. MEDIUM (Tbg. or Csg.)
Upper Completion	PICTURED CLIFFS	Gas	Flow	Tubing
Lower Completion	MESAVERDE	Gas	Flow	Tubing

PRE-FLOW SHUT-IN PRESSURE DATA

	Hour, date shut-in	Length of time shut-in	SI press. psig	Stabilized? (Yes or No)
Upper Completion	05/28/1999	72 Hours	438	
Lower Completion	05/28/1999	120 Hours	188	

FLOW TEST NO. 1

Commenced at (hour,date)* 05/31/1999 Zone producing (Upper or Lower) UPPER

TIME (hour,date)	LAPSED TIME SINCE*	PRESSURE Upper Completion	PRESSURE Lower Completion	PROD. ZONE TEMP	REMARKS
6/01/199	96 Hours	312	204		Turned PC on.
6/02/199	120 Hours	127	212		PC flowed 145 MCF.
					PC flowed 142. Turned on MV.

Production rate during test

Oil: _____ BOPD based on _____ Bbls. in _____ Hours. _____ Grav. _____ GOR _____

Gas: _____ MCFPD; Tested thru (Orifice or Meter): _____

MID-TEST SHUT-IN PRESSURE DATA

	Hour, date shut-in	Length of time shut-in	SI press. psig	Stabilized? (Yes or No)
Upper Completion				
Lower Completion	Hour, date shut-in	Length of time shut-in	SI press. psig	Stabilized? (Yes or No)

(Continue on reverse side)

La Jara Canyon #1A

Sec. 10, T29N R05W

Rio Arriba County, New Mexico

Production Allocation Based On Cumulative Production Through 12/99

	Cumulative Production		% Allocation	
	MCF/Mo.	Bbl Oil/Mo.	% Gas	% Oil
Pictured Cliffs	1,807	1	52.67%	100.00%
Mesaverde	1,624	0	47.33%	0.00%
Total	3,431	1	100.00%	100.00%

Gas Allocation:

Pictured Cliffs (Total Pictured Cliffs Production) 1,807 MCF / (Total Combined Production) 3,431 MCF = **52.67%**

Mesaverde (Total Mesaverde Production) 1624 MCF / (Total Combined Production) 3431 MCF = **47.33%**

Oil Allocation:

Pictured Cliffs (Total Pictured Cliffs Production) 1 Bbl Oil / (Total Combined Production) 1 Bbl Oil = **100.00%**

Mesaverde (Total Mesaverde Production) 0 Bbl Oil / (Total Combined Production) 1 Bbl Oil = **0.00%**

Cumulative Monthly Well Report

December 1997 -- December 1999

PC

58 mcf/D

Select By : Completions
Sort By :

Page No : 1
Report Number : R_290
Last Update :
Print Date : 12/14/99, 3:36:12 PM

Completion	Date	Cur Oil	Cum Oil	Cur Gas	Cum Gas	Cur Wat	Cum Wat
LA JARA CANYON 1A	11/30/1998	1.16	1.16	2,246.72	2,246.72	0.00	0.00
	12/31/1998	2.90	4.05	1,921.30	4,168.02	0.00	0.00
	01/31/1999	0.87	4.92	1,831.11	5,999.13	0.00	0.00
	02/28/1999	3.47	8.40	1,685.66	7,684.79	0.00	0.00
	03/31/1999	4.34	12.74	1,887.97	9,572.76	0.00	0.00
	04/30/1999	4.63	17.37	1,766.29	11,339.05	0.00	0.00
	05/31/1999	1.45	18.82	1,788.53	13,127.58	0.00	0.00
	06/30/1999	14.14	32.96	2,579.01	15,706.59	31.42	31.42
	07/31/1999	0.87	33.83	1,841.90	17,548.49	0.00	31.42
	08/31/1999	1.75	35.58	1,871.31	19,419.80	0.00	31.42
	09/30/1999	1.45	37.03	1,831.97	21,251.77	0.00	31.42
	10/31/1999	0.58	37.61	1,806.60	23,058.37	0.00	31.42
	11/30/1999	0.00	37.61	0.00	23,058.37	0.00	31.42
	12/31/1999	0.00	37.61	0.00	23,058.37	0.00	31.42

Cumulative Monthly Well Report

December 1997 -- December 1999

mV

53 mcF/D

Select By : Completions
Sort By :

Page No : 1
Report Number : R_290
Last Update :
Print Date : 12/14/99, 3:35:38 PM

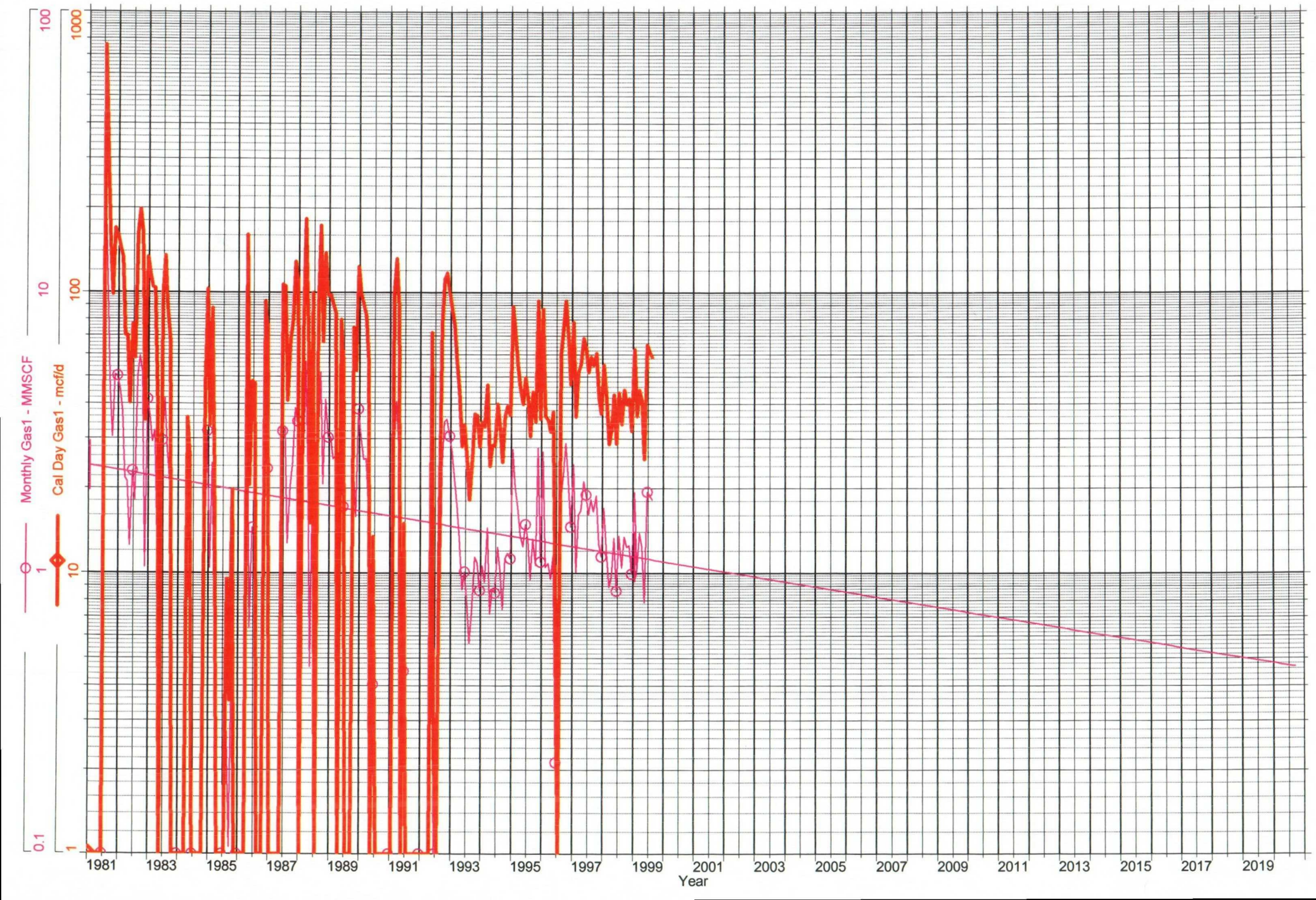
Completion	Date	Cur Oil	Cum Oil	Cur Gas	Cum Gas	Cur Wat	Cum Wat
LA JARA CANYON 1A	11/30/1998	0.00	0.00	1,250.93	1,250.93	0.00	0.00
	12/31/1998	0.00	0.00	992.13	2,243.06	0.00	0.00
	01/31/1999	0.00	0.00	1,935.24	4,178.30	0.00	0.00
	02/28/1999	0.00	0.00	1,012.72	5,191.02	0.00	0.00
	03/31/1999	0.00	0.00	1,386.24	6,577.26	0.00	0.00
	04/30/1999	0.00	0.00	1,241.14	7,818.40	0.00	0.00
	05/31/1999	0.00	0.00	787.23	8,605.63	0.00	0.00
	06/30/1999	0.00	0.00	1,942.11	10,547.74	0.00	0.00
	07/31/1999	0.00	0.00	1,889.17	12,436.91	0.00	0.00
	08/31/1999	0.00	0.00	1,821.52	14,258.43	0.00	0.00
	09/30/1999	0.00	0.00	1,498.00	15,756.43	0.00	0.00
	10/31/1999	0.00	0.00	1,624.47	17,380.90	0.00	0.00
	11/30/1999	0.00	0.00	0.00	17,380.90	0.00	0.00
	12/31/1999	0.00	0.00	0.00	17,380.90	0.00	0.00

LA JARA CANYON 1A 4204101 (269859964058.008) Data: Jan.1981-Aug.1999

Operator: BURLINGTON RESOURCES OG
Field: BLANCO MESAVERDE (PRORATED GAS
Zone:
Type: Gas
Group: None

00PDP Gas1 (Rate-Time)
qi: 1.14467 MMSCF, Jan, 1999
qf: 0.467336 MMSCF, Sep, 2020
di(Exp): 4.048 CTD: 354.045 MMSCF
RR: 187.667 MMSCF Tot: 541.712 MMSCF

Production Cums
Oil: 0 MSTB
Gas: 354.045 MMSCF
Water: 0.424 MSTB
Cond: 0.514 MSTB



LA JARA CANYON 1A 4204102 (286287818064.563) Data: Jun.1980-Sep.1999

Operator: BURLINGTON RESOURCES OG
Field: GOBERNADOR P.C. (GAS)
Zone:
Type: Gas
Group: None

00PDP Gas1 (Rate-Time)
qi: 2.15022 MMSCF, Jan, 1999
qf: 0.29503 MMSCF, Jul, 2041
di(Exp): 4.563 CTD: 598.602 MMSCF
RR: 459.767 MMSCF Tot: 1058.37 MMSCF

Production Cums
Oil: 0 MSTB
Gas: 598.602 MMSCF
Water: 0.246421 MSTB
Cond: 0.769031 MSTB