

DATE IN 1/3/00	SUSPENSE 1/24/00	ENGINEER DC	LOGGED MW	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

2000

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]

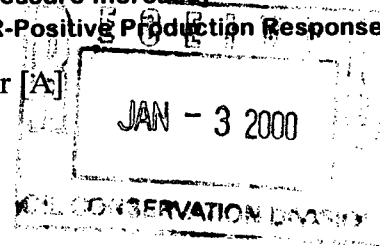
[A] Location - Spacing Unit - Directional Drilling
NSL NSP DD SD

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.

Peggy Cole

Peggy Cole

Regulatory/Compliance Administrator

Print or Type Name

Signature

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

Burlington Resources Oil and Gas

PO Box 4289, Farmington, NM 87499

Operator
Lester

1

Address
H-3-30N-11W

San Juan

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. **14538** Property Code **7259** API NO. **30-045-21065** 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	Aztec Pictured Cliffs-71280		Blanco Mesaverde- 72319
2. Top and Bottom of Pay Section (Perforations)	2282-2326		4573-4660
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) 235 psi (see attachment) b. (Original) 456 psi (see attachment)	a. b.	a. 411 psi (see attachment) b. 1188 psi (see attachment)
6. Oil Gravity (EAPI) or Gas BTU Content	BTU 1181		BTU 1201
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	Yes		Yes
* 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: 11/30/99 Rates: 123 mcf/d	Date: Rates:	Date: 11/30/99 Rates: 117 mcf/d
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Will be supplied upon completion.		Will be supplied upon completion.

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 J. Z. Dobson TITLE PRODUCTION ENGINEER DATE 12-29-99

TYPE OR PRINT NAME Jennifer Dobson TELEPHONE NO. (505) 326-9700

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACERAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section

Operator SOUTHERN UNION PRODUCTION COMPANY		Lease XXXXXX LESTER		Well No 1
Unit Letter H	Section 3	Township 30 NORTH	Range 11 WEST	County SAN JUAN

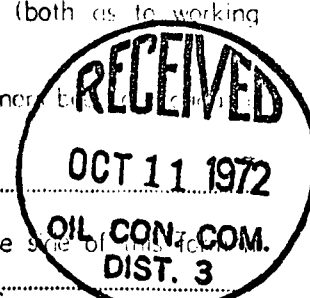
Actual Footage Location of Well:
1670 feet from the **NORTH** line and **1010** feet from the **EAST** line
 Ground Level Elev. **5749** **PICTURED CLIFFS** Pool **AZTEC PICTURED CLIFFS**
MESAVERDE **BLANCO MESAVERDE** Indicated Average **N/2 - 320.40 - M.V.**
NE/4 - 160.70 P.C.

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 consolidated by communization, unitization, force-pooling, etc?

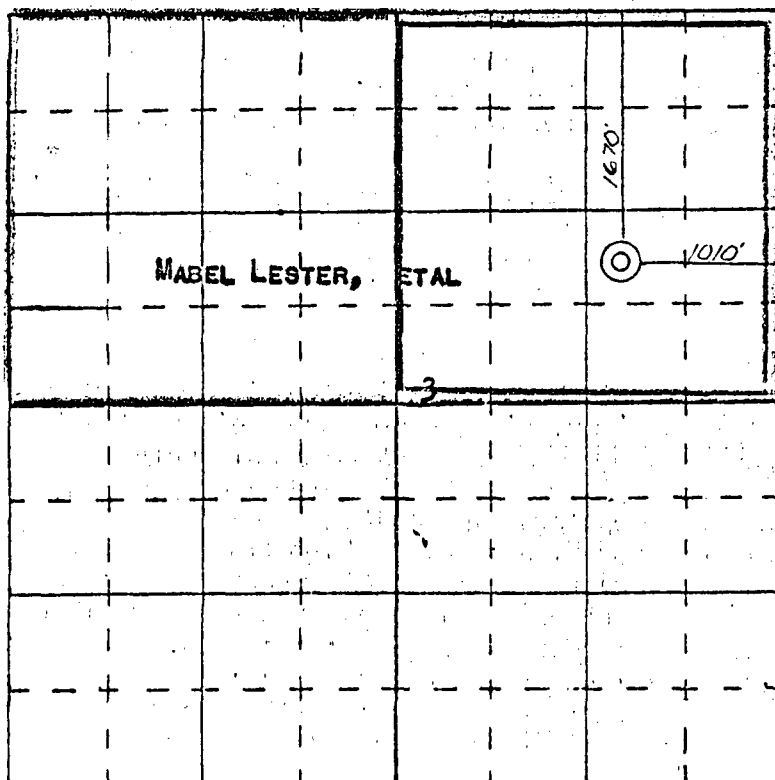
☒ Yes ☐ No If answer is "yes," type of consolidation **COMMUNITIZATION**

If answer is "no," list the owners and tract descriptions which have actually consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communization, unitization, forced-pooling, or otherwise) or until a non standard unit, eliminating such interests, has been approved by the Commission.



—— PICTURED CLIFFS DEDICATION
 —— MESAVERDE DEDICATION



SCALE—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

CERTIFICATION

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

ORIGINAL SIGNED BY
B. R. VANDERSLICE

Name
B. R. VANDERSLICE
 Position

AREA SUPERINTENDENT
 Company

SOUTHERN UNION PRODUCTION CO.

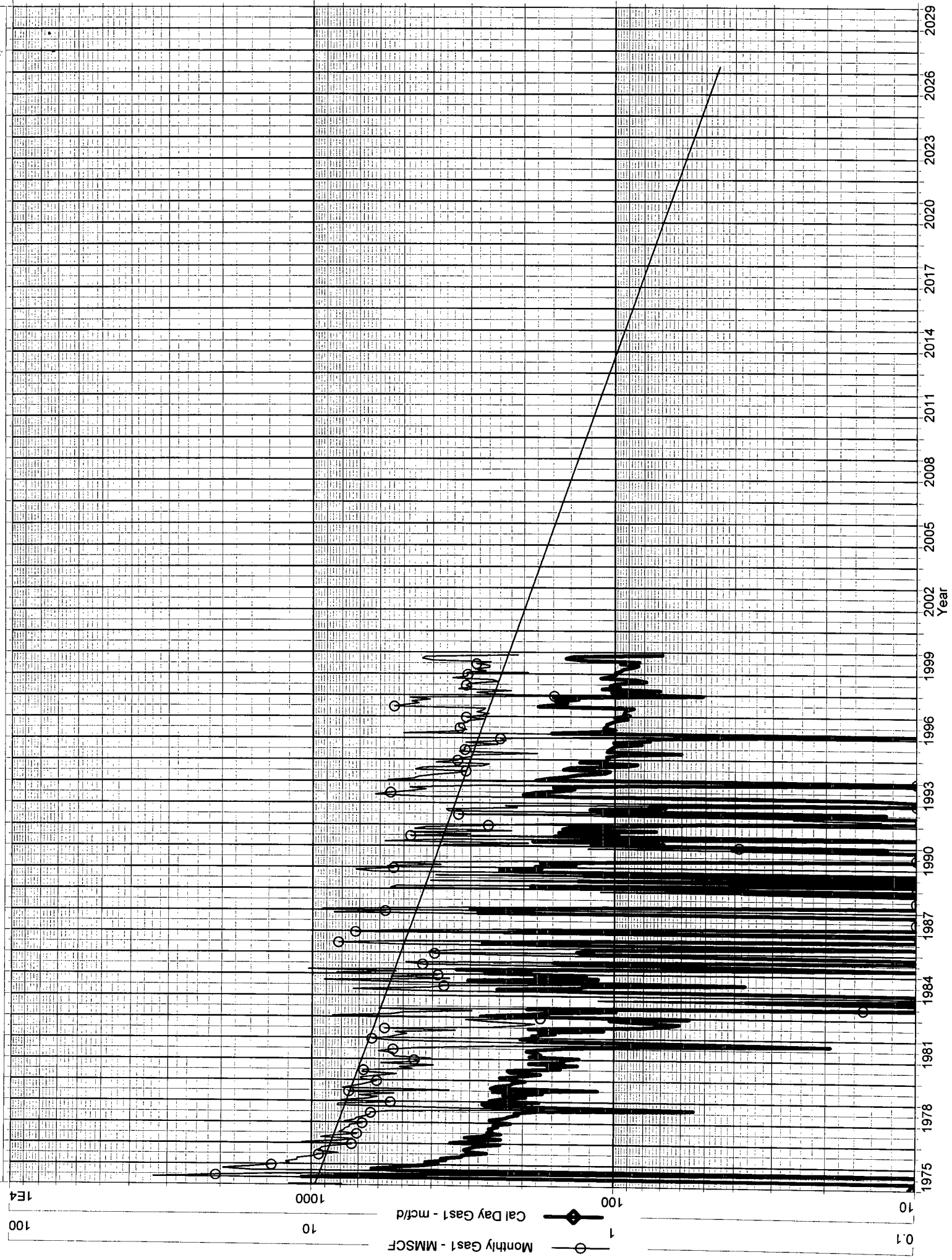
Date
OCTOBER 10, 1972

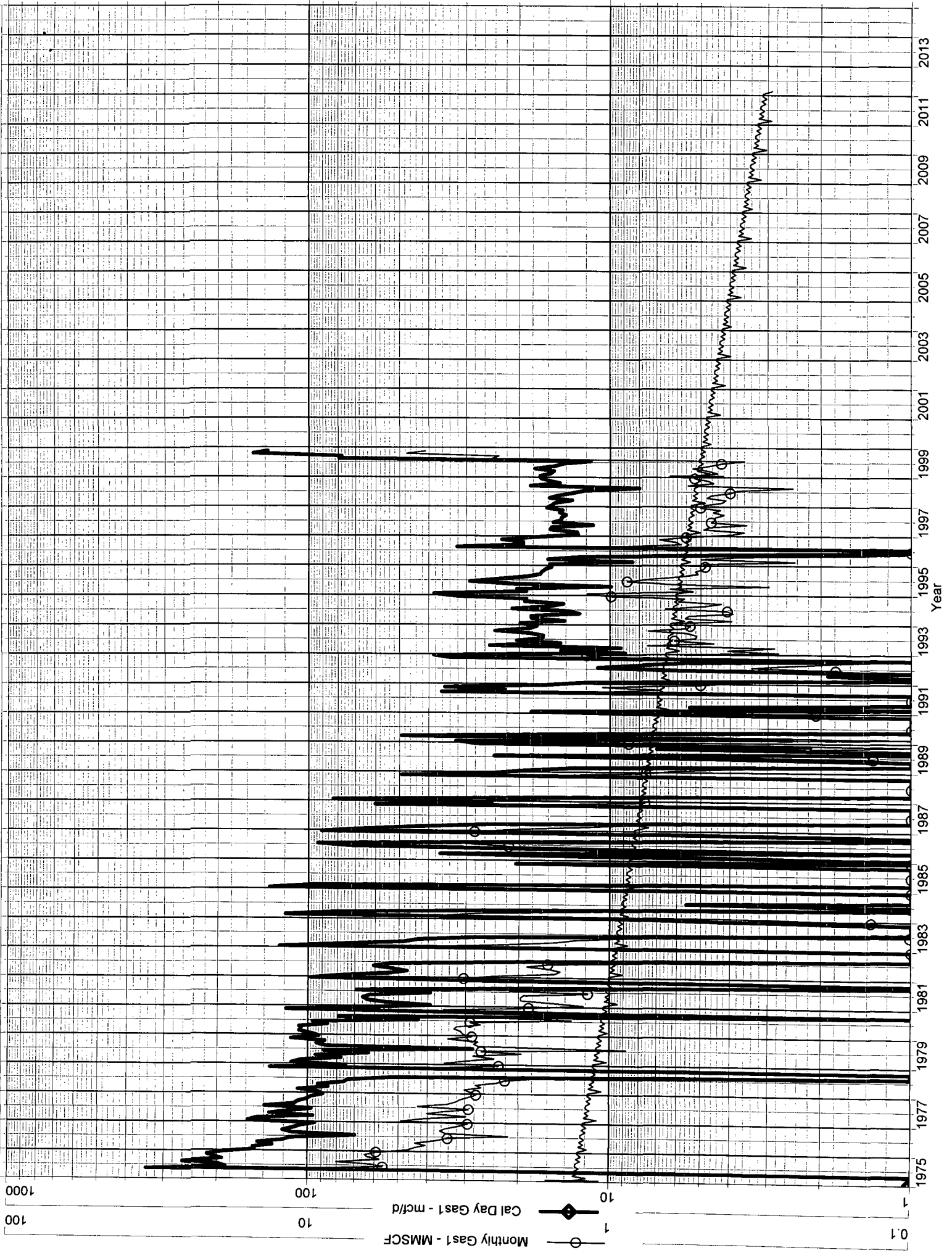
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date
October 1972

[Signature]
 Registered Professional Engineer
 and Land Surveyor **James P. Loese**

3463
 Certificate No.



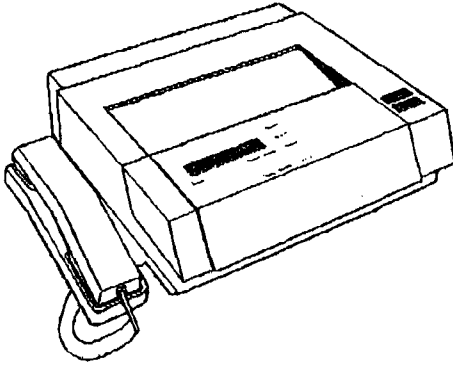


Lester #1
Bottom Hole Pressures
Flowing and Static BHP
Cullender and Smith Method
Version 1.0 1/14/98

Mesaverde		Pictured Cliffs	
<u>MV-Current</u>		<u>PC-Current</u>	
GAS GRAVITY	<u>0.688</u>	GAS GRAVITY	<u>0.67</u>
COND. OR MISC. (C/M)	<u>M</u>	COND. OR MISC. (C/M)	<u>M</u>
%N2	<u>0.17</u>	%N2	<u>0.26</u>
%CO2	<u>0.77</u>	%CO2	<u>0.37</u>
%H2S	<u>0</u>	%H2S	<u>0</u>
DIAMETER (IN)	<u>1.5</u>	DIAMETER (IN)	<u>5.5</u>
DEPTH (FT)	<u>4617</u>	DEPTH (FT)	<u>2304</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>	SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>147</u>	BOTTOMHOLE TEMPERATURE (DEG F)	<u>94</u>
FLOWRATE (MCFPD)	<u>0</u>	FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>367</u>	SURFACE PRESSURE (PSIA)	<u>222</u>
BOTTOMHOLE PRESSURE (PSIA)	<u>410.9</u>	BOTTOMHOLE PRESSURE (PSIA)	<u>234.8</u>
<u>MV-Original</u>		<u>PC-Original</u>	
GAS GRAVITY	<u>0.688</u>	GAS GRAVITY	<u>0.67</u>
COND. OR MISC. (C/M)	<u>M</u>	COND. OR MISC. (C/M)	<u>M</u>
%N2	<u>0.17</u>	%N2	<u>0.26</u>
%CO2	<u>0.77</u>	%CO2	<u>0.37</u>
%H2S	<u>0</u>	%H2S	<u>0</u>
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BOTTOMHOLE TEMPERATURE (DEG F)	<u>147</u>	BOTTOMHOLE TEMPERATURE (DEG F)	<u>94</u>
FLOWRATE (MCFPD)	<u>0</u>	FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>1046</u>	SURFACE PRESSURE (PSIA)	<u>430</u>
BOTTOMHOLE PRESSURE (PSIA)	<u>1188.0</u>	BOTTOMHOLE PRESSURE (PSIA)	<u>455.9</u>

AIN	WELLNAME	FRM	MONTH	PROD	3 MON AVG	Year	Month	Day	WH Pressure	Cum Prod
4300202	LESTER 1	PC	31-Jan-99	529		1975	1	20	418	original
34389	H,3T30N,R11W		28-Feb-99	441		1975	6	9	360	
			31-Mar-99	475		1976	7	17	279	
			30-Apr-99	533		1977	6	17	256	
			31-May-99	475		1979	7	31	315	
			30-Jun-99	428		1981	6	25	301	
			31-Jul-99	359		1983	5	25	272	
			31-Aug-99	2468					210	366 current estimate from P/Z data
			30-Sep-99	2341						
			31-Oct-99	4751						
			30-Nov-99	4114	123					
4300201	LESTER 1	MV	31-Jan-99	3093		1975	1	20	1,034.00	original
34388	H,3T30N,R11W		28-Feb-99	2674		1975	6	9	769	
			31-Mar-99	2908		1976	7	17	445	
			30-Apr-99	2606		1977	6	17	386	
			31-May-99	2595		1978	8	18	460	
			30-Jun-99	2872		1980	4	24	343	
			31-Jul-99	2574		1982	5	25	280	
			31-Aug-99	4021		1984	6	27	575	
			30-Sep-99	4358		1986	3	12	564	
			31-Oct-99	4248		1989	11	29	551	
			30-Nov-99	2094	117	1991	8	14	458	
						1991	9	10	523	
						1993	11	16	481	
									355	1224 current estimate from P/Z data

Burlington Resources Oil & Gas Company
San Juan Division IST/Telecom Department
3535 E. 30th Street
P. O. Box 4289
Farmington, NM 87499-4289



TO: *David Catanech* 827-8177 FAX: 505-599-4046
FROM: *Peggy* DATE:
RE: PAGES:
CC:

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

*Here is the interest runner
test of the Letter 1 DHC
app. Peggy*

*pt - love the draft of the new
DHC. Thanks for all your hard
work -*

1/27/00 - 1/27/00
1/27/00

ALICE SEXTON DUKE
ALTON K BROWN PERS REP
ANN DUNNING
ARTHUR LAWSON JR
BARBARA A GRIFFITH
BETTY FAVERINO
BOBBIE GAIL LEDFORD
BONNA JEAN CLARK
BOYD STEVEN HURST
BURLINGTON RESO O&G CO-SJBT
BURLINGTON RESOURCES O&G CO
CARL S SEXTON
CHIEFTAIN ROYALTY COMPANY
CLOTIEL ISABEL STONE
D L GREER &
DELBERT SEXTON
DELORES I PRICE TRUSTEE
DELORES PRICE
DEWEY SEXTON
DON KILLGORE
DOROTHY L FOSTER
EDDIE KILLGORE
EMMA LEONA KNICKERBOCKER
ENERGEN RESOURCES MAQ INC
EUGENE R HATELY & YVONNE HATELY
FLOREINE L WARREN
FRANCIS M MCCARTY AND
FRANK ABEL ADAMS
FRANK G LESTER DECD
GARY VANDEVER
GEORGE GREENLEE &
GERALD G & ALTA JANE WILLIAMS
HELEN I CAMPELL
JACK CHATTERSON SR
JACK DUNNING TRUSTEE
JAMES TATE
JANE SHORTER
JERRY CARL HURST
JULIA COFFEY
JUNE SALISBURY
JUNIAL B HURST
JUNIAL CLIFORD HURST
KAVANAGH-SHIERSHKE FAMILY TR
KAY CHERYL RIDDLE
KENNETH TITT
LEE B KNICKERBOCKER
LEW C KNICKERBOCKER
LONDA BEARDEN
LOUIS M CUMMINS PERSONAL REP
LOUISA L OSWELL
LUCILLE L GREER FAM TRUST
MARGARET T CHAVEZ
MARTHA OSBORN
MARVIN KILLGORE
MARY ALICE MCCARTY TOWNSEND
MARY JOE TORGERSON

MARY M C HAWES
MATTIE FOSTER
NOLA J BROWN
PATTY MCCARTY PEMBERTON
PAUL C CALLOWAY TRUSTEE
PAUL CALLOWAY
PEARL M COOR
RAY CARROLL BROOKS
RICHARD SHIERSHKE
ROBERT G LAWSON
ROBERT KILLGORE
ROBERT L TITT
ROSALIE L & EUGENE R CURRENT
ROY D KNICKERBOCKER
S G MCCARTY
SCOTT LANCER HURST
SONORA LOREN LUTE AND HUSBAND
STATE OF CA - STATE CONTROLLER
TEX JASPER HURST
UNION PACIFIC RAILROAD CO
VERAL KILLGORE
VON KILLGORE
W P CARR
WAYNE STEVE HURST
WILLIAM F HATELY
WPC OIL & GAS LP