

DATE IN 1/11/00	SUSPENSE 1/31/00	ENGINEER DC	LOGGED BY KW	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

2613

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

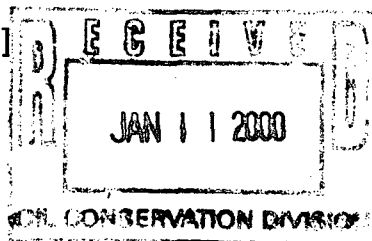
Check One Only for [B] and [C]

[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

1/7/00

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

San Juan 28-7 129 G, Sec. 2, T27N, R7W Rio Arriba

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

OGRID NO. 005073 Property Code E-290-3 API NO. 30-039-20432 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	Blanco Mesaverde 72319		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	4885 – 5563 proposed		7460 – 7670
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Expected to flow		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 4-10 b. (Original) 1,250	a. b.	a. 790 b. 3,150
6. Oil Gravity (EAPI) or Gas BTU Content	1,250		1,120
7. Producing or Shut-In?	To be completed		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)	Yes Date: Rates:	 Date: Rates:	Yes Date: 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). R-10476-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 Deborah Moore TITLE Regulatory Analyst DATE 1/5/00

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

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

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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 30-039-20432	² Pool Code 72319 / 71599	³ Pool Name Blanco Mesaverde / Basin Dakota
⁴ Property Code E-290-3	⁵ Property Name San Juan 28-7	⁶ Well Number 129
⁷ OGRID No. 005073	⁸ Operator Name Conoco Inc.	⁹ Elevation

¹⁰ Surface Location

UL or lot no. G	Section 2	Township 27N	Range 7W	Lot Idn	Feet from the 1678	North/South line North	Feet from the 1670	East/West line East	County Rio Arriba
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¹¹ Bottom Hole Location If Different From Surface

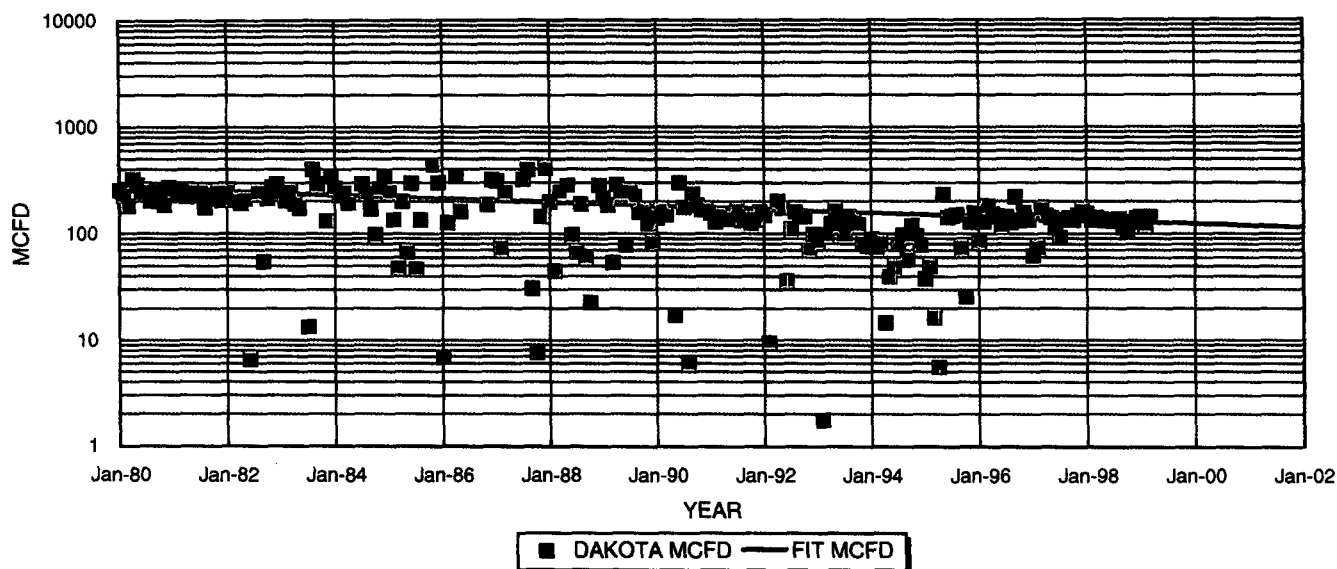
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 160 / 80	¹³ Joint or Infill I	¹⁴ Consolidation Code U	¹⁵ Order No.
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NO 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 hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
		Signature
		Printed Name Deborah Moore
		Title Regulatory Analyst
		Date 1/5/00
		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.
		Date of Survey
		Signature and Seal of Professional Surveyer:
		Certificate Number

**SJ 28-7 #129 DAKOTA PRODUCTION
SECTION 2G-27N-07W, RIO ARriba COUNTY, NEW MEXICO**



DAKOTA PRODUCTION

OIL CUM: 14.69
GAS CUM: 2097.3
OIL YIELD: 0.0070

1ST PROD: 01/72

MBO
MMCF
BBL/MCF

DAKOTA PROJECTED DATA

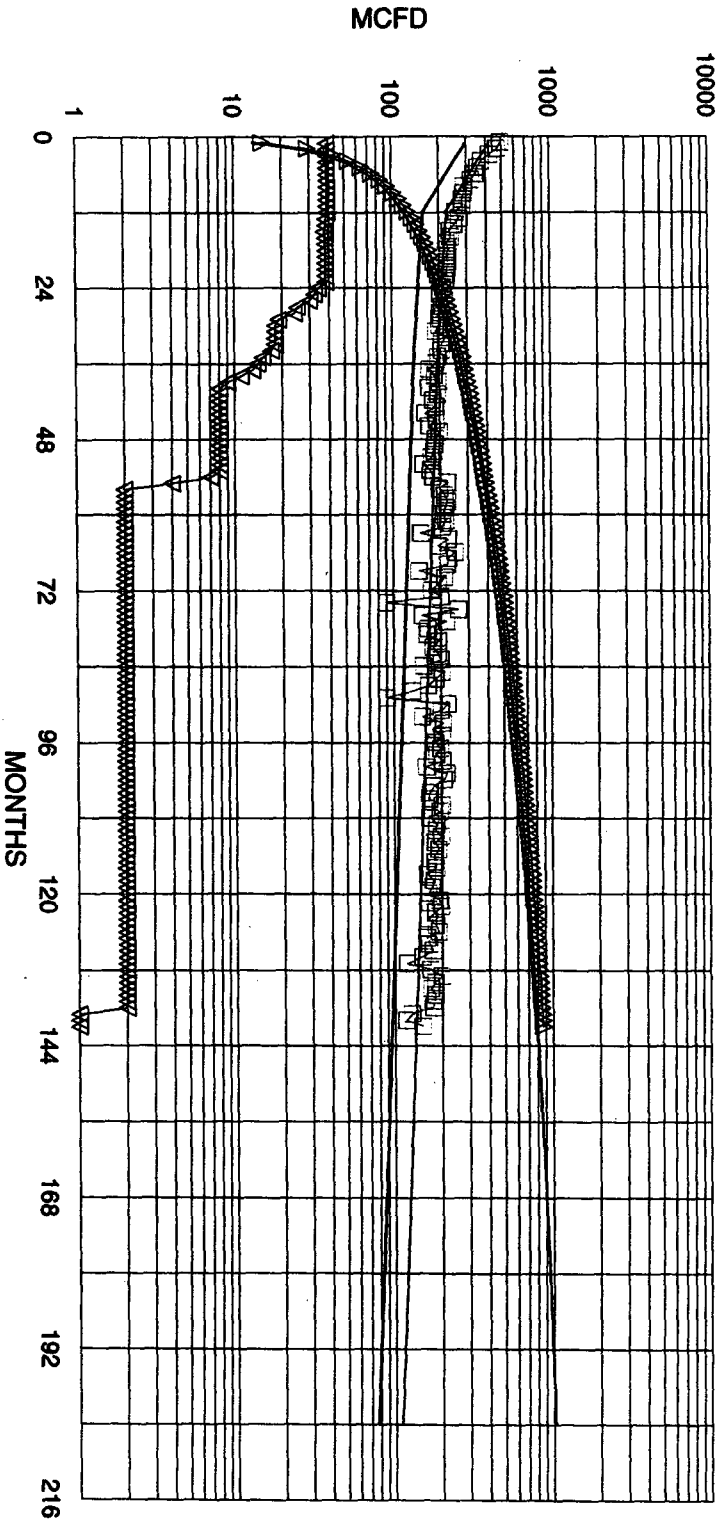
Jan.00 Qi: 126 MCFD
DECLINE RATE: 3.8% (EXPONENTIAL)

API #30-039-20432

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
2000	123	1
2001	119	0
2002	114	0
2003	110	0
2004	106	0
2005	102	0
2006	98	0
2007	94	0
2008	91	0
2009	87	0
2010	84	0
2011	81	0
2012	78	0
2013	75	0
2014	72	0
2015	69	0
2016	67	0
2017	64	0
2018	62	0
2019	60	0
2020	57	0
2021	55	0
2022	53	0
2023	51	0
2024	49	0
2025	47	0
2026	46	0
2027	44	0

NORMALIZED MESAVEVERDE PRODUCTION
 PROD. SINCE 1985; 39 MV WELLS LOCATED IN 28N-7W (37 wells are 1990's completions)



Expected Mesaverde Production - 325 MCFD for Yr. 1

NORMALIZED AVG:		RISKED AVG: 30% RISK	
1788 MMCF EUR	450 MCFD IP	1184 MMCF EUR	315 MCFD IP
1145 MMCF IN 20 YRS	50% DECLINE, 1ST 12 MONTHS	802 MMCF IN 20 YRS	50.0% DECLINE, 1ST 12 MONTHS
25 MCFD E.L.	7% DECLINE, NEXT 24 MONTHS	25 MCFD E.L.	7.0% DECLINE, NEXT 24 MONTHS
0.0139 bbl/mcf oil yield	4% FINAL DECLINE	0.0139 bbl/mcf oil yield	4.0% FINAL DECLINE

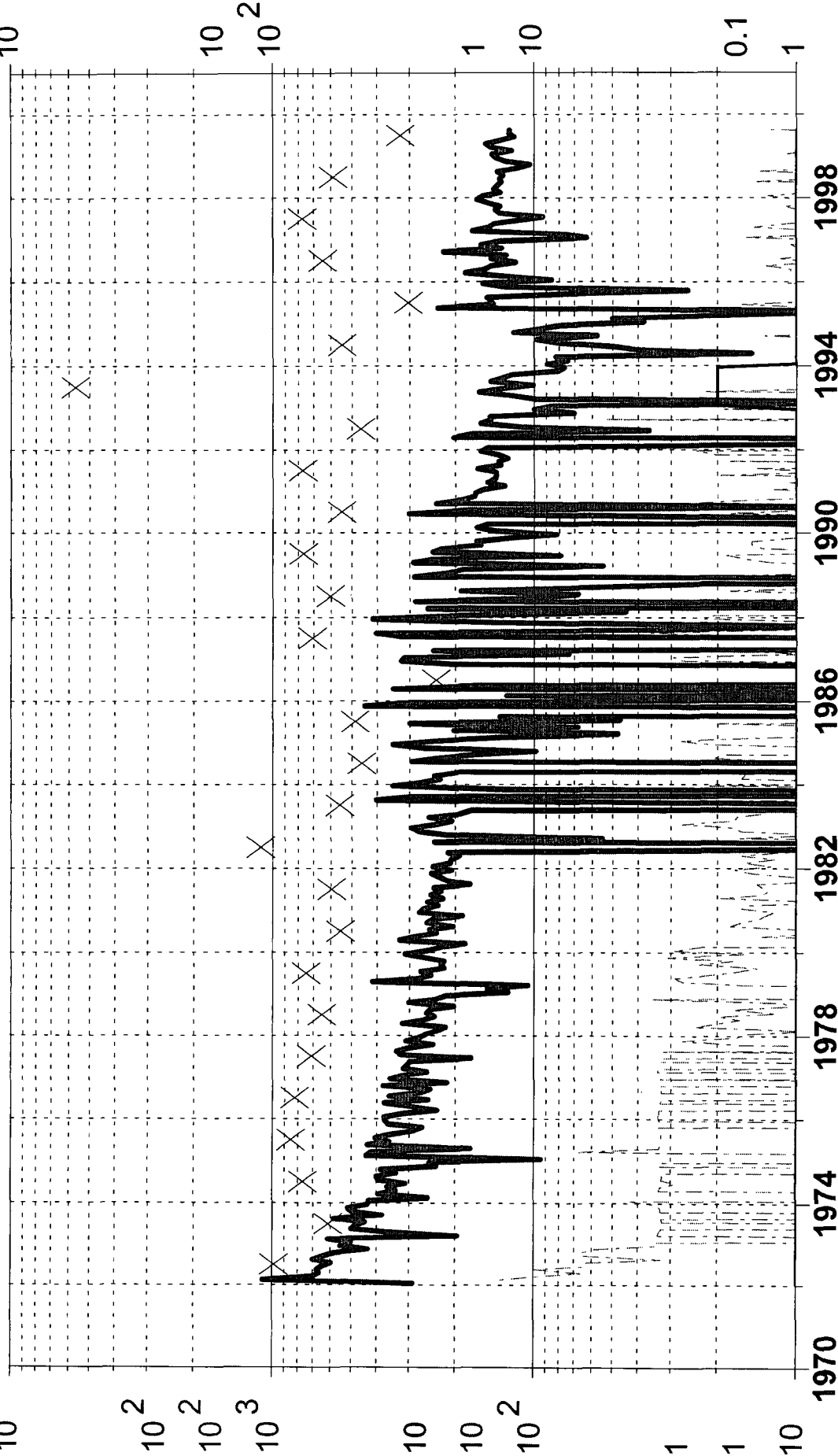
10³
10⁴
10³

Lease: SAN JUAN 28 7 UNIT (129)

Dwights

Retrieval Code: 251,039,27N07W02G00DK
12/14/99

10²
10³
10²



Gas (mcf/day)

Oil (bbl/day)

Well Count

Operator: CONOCO INC

Location: 2G 27N 7W

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

F.P. Date: 01/72

Oil Cum: 14.78 mbbl

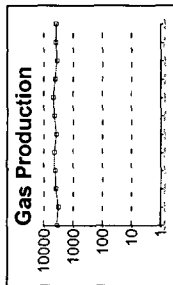
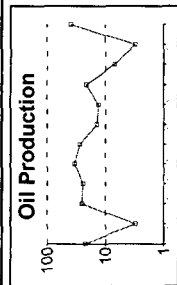
Gas Cum: 2097 mmcf

L.P. Date: 08/99

Water (bbl/day)

Yield (bbl/mmcf) Av x

Lease:	SAN JUAN 28 7 UNIT	Well #:	129	FP Date:	72-01
Field:	BASIN (DAKOTA) DK	Location:	2G 27N 7W	LP Date:	99-08
Operator:	CONOCO INC	Liquid Cum:	14,777 bbls	Liq Since:	FPDATE
RCI #:	251,039,27N07W02G00DK	Gas Cum:	2,097,314 mcf	Gas Since:	FPDATE
API #:	30-039-20432-00	Status:	ACT GAS		



DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
09/1998	22	3,502	0	1
10/1998	3	3,153	0	1
11/1998	25	3,895	0	1
12/1998	24	4,245	0	1
01/1999	33	4,384	0	1
02/1999	27	3,697	0	1
03/1999	14	4,429	0	1
04/1999	13	4,646	0	1
05/1999	21	4,084	0	1
06/1999	7	3,619	0	1
07/1999	3	3,777	0	1
08/1999	39	3,771	0	1
Total	231	47,202	0	