

DATE IN <b>3/9/00</b>	SUSPENSE <b>3/29/00</b>	ENGINEER <b>DC</b>	LOGGED <b>NV</b>	TYPE <b>DHC</b>
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -

2697

**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]

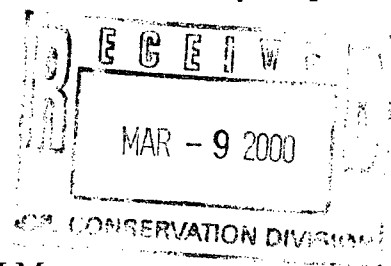
Check One Only for [B] and [C]

☐ [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.

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

Conoco Inc.

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

Operator

Address

San Juan 28-7

34

H, Sec.1, T27N, R7W

Rio Arriba

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

OGRID NO. 005073

Property Code

016608

API NO.

30-039-07192

Federal

Spacing Unit Lease Types: (check 1 or more)

☒

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	Fruitland Coal 71629	Blanco Mesaverde 72319	Blanco P.C. South 72439
2. Top and Bottom of Pay Section (Perforations)	Proposed Perfs: 2657' - 2780'	4460' - 5054'	Proposed Perfs: 2795' - 2956'
3. Type of production (Oil or Gas)	Gas Expected	Gas	Gas Expected
4. Method of Production (Flowing or Artificial Lift)	Expected to flow	Flowing	Expected to flow
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 432psi b. (Original) 1,167psi	a. 540 psi b. 1,241psi	a. 360 psi b. 1,119psi
6. Oil Gravity (EAPI) or Gas BTU Content	1,045	1,250	1,189
7. Producing or Shut-In?	To be completed	Producing	To be completed
Production Marginal? (yes or no)	Yes	Yes	yes
* If Shut-In, give date and oil/gas/water rates of last production	Date: Rates: est. 150 MCFD	Date: Rates:	Date: Rates: est. 150 MCFD
Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: Rates:	Date: Rates: current rate: 45 MCFD	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)			
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: Allocate FC/PC by production test Gas:	Oil: Subtraction method allocate to MV Gas:	Oil: Allocate FC/PC by production test 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*

Regulatory Analyst

DATE 2/25/00

TYPE OR PRINT NAME

Deborah Moore

TELEPHONE NO. (281) 293-1005

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

**District II**  
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 Department

Form C-102  
Revised March 17, 1999

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-039-07192		<sup>2</sup> Pool Code 71629/72319/72439		<sup>3</sup> Pool Name Fruitland Coal, Blanco Mesaverde, Pictured Cliff S.	
<sup>4</sup> Property Code 016608		<sup>5</sup> Property Name San Juan 28-7			<sup>6</sup> Well Number 34
<sup>7</sup> OGRID No. 005073		<sup>8</sup> Operator Name Conoco Inc.			<sup>9</sup> Elevation 6135

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	1	27N	7W		1650	north	990	east	Rio Arriba

<sup>11</sup> Bottom Hole Location If Different From Surface

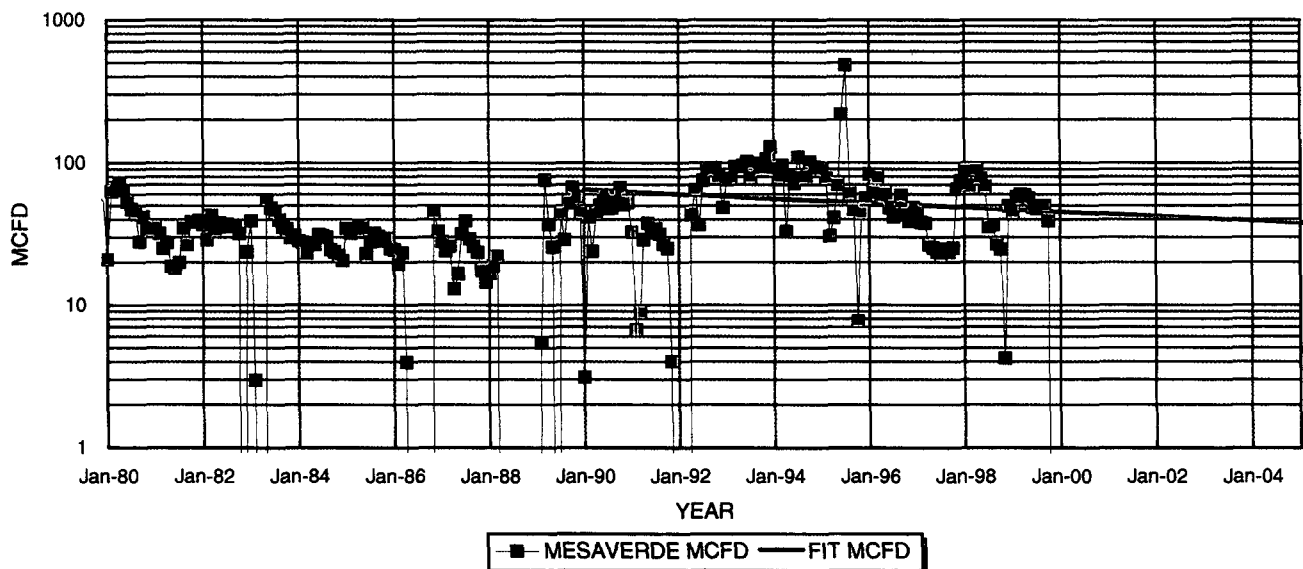
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 320/160/80	<sup>13</sup> Joint or Infill I	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<div data-bbox="92 987 1071 1489"> <p><sup>16</sup></p> </div>	<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature <u>Deborah Moore</u></p> <p>Regulatory Analyst</p> <p>Title</p> <p>Date 02/25/00</p>	
	<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>	
	<p>Certificate Number</p>	

**SJ 28-7 #34 MESAVERDE PRODUCTION  
SECTION 1H-27N-07W, RIO ARriba COUNTY, NEW MEXICO**

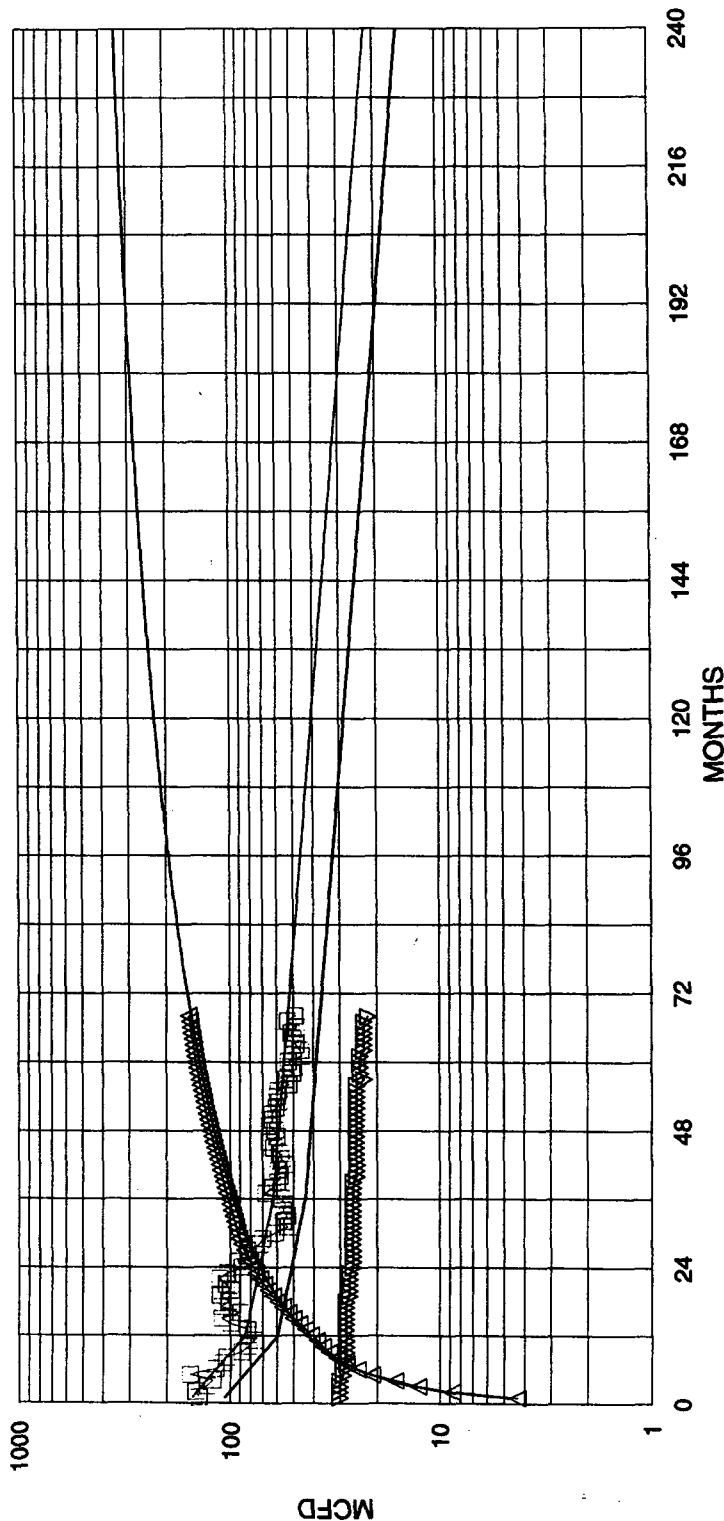


<b>MESAVERDE PRODUCTION</b>		<b>1ST PROD: 12/55</b>	<b>MESAVERDE PROJECTED DATA</b>	
OIL CUM:	2.84	MBO	Jan.00 Qi:	46 MCFD
GAS CUM:	1228.7	MMCF	DECLINE RATE:	3.5% (EXPONENTIAL)
OIL YIELD:	0.0023	BBL/MCF	API #30-039-07192	

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
2000	45	0
2001	43	0
2002	42	0
2003	40	0
2004	39	0
2005	37	0
2006	36	0
2007	35	0
2008	34	0
2009	32	0
2010	31	0
2011	30	0
2012	29	0
2013	28	0
2014	27	0
2015	26	0
2016	25	0
2017	24	0
2018	24	0
2019	23	0
2020	22	0
2021	21	0
2022	20	0
2023	20	0
2024	19	0
2025	18	0
2026	18	0
2027	17	0

**NORMALIZED FRUITLAND COAL PRODUCTION**  
30 WELLS SINCE 1990; 28N-7W & 27N-7W



— FIT MCFD    □ NORMALIZED MCFD    △ NORM CUM MMCF  
▽ WELLS ON PRODUCTION    — FIT CUM MMCF    — RISKED MCFD

Normalized plot for supporting SJ 28-7 FC recompletions

**NORMALIZED AVG:**

408 MMCF EUR  
337 MMCF IN 20 YRS  
10 MCFD E.L.  
0.0000 bbl/mcf oil yield

**RISKED AVG:**

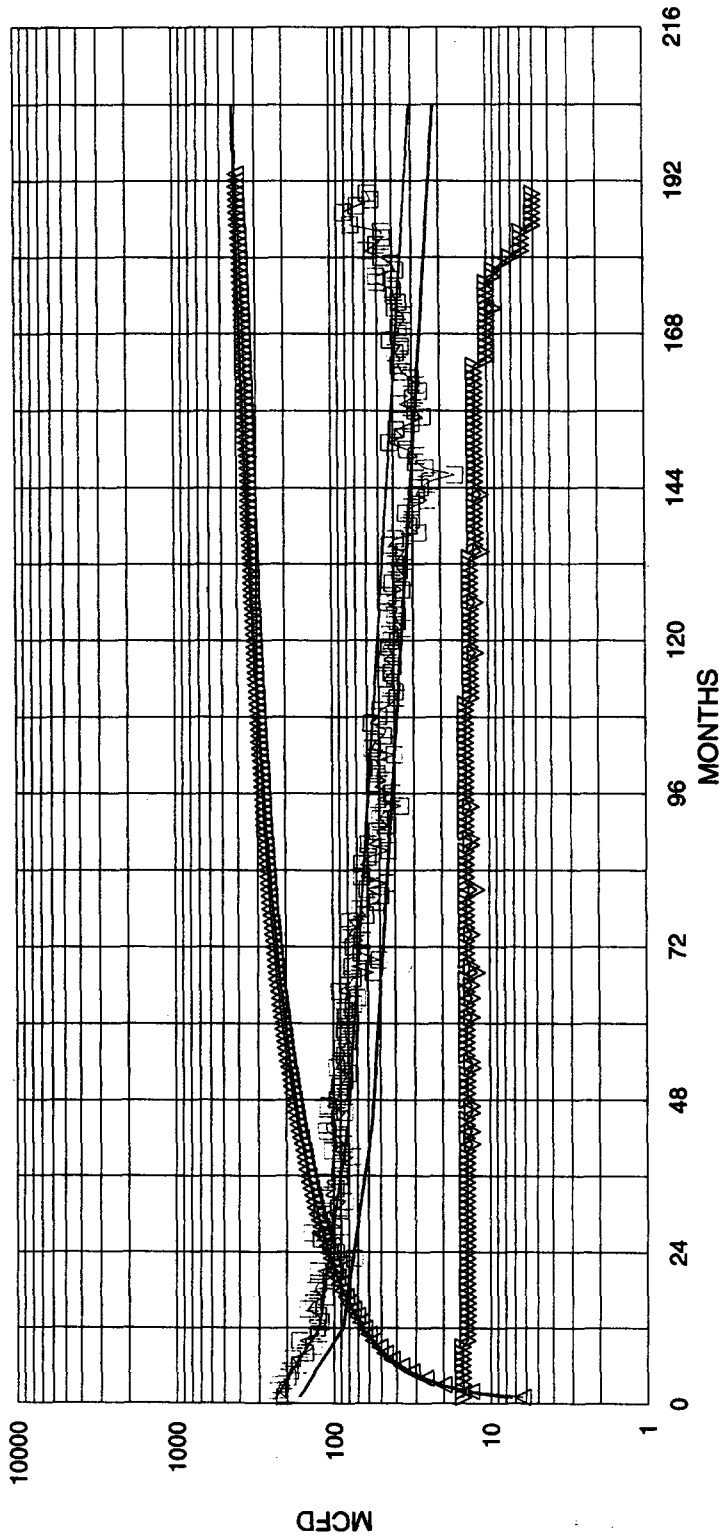
268 MMCF EUR  
237 MMCF IN 20 YRS  
10 MCFD E.L.  
0.0000 bbl/mcf oil yield

**30% RISK**

112 MCFD IP  
47% DECLINE, 1ST 12 MONTHS  
14% DECLINE, NEXT 24 MONTHS  
6% FINAL DECLINE

**NORMALIZED PICTURED CLIFFS PRODUCTION**

PROD. SINCE 1980; 15 PC WELLS LOCATED IN 28N-7W AND 27N-7W (Secs. 1:12)



— FIT MCFD    □ NORMALIZED MCFD    ▲ NORM CUM MMCF  
 ▽ WELLS ON PRODUCTION    — FIT CUM MMCF    — RISKED MCFD

Normalized plot for supporting SJ 28-7 PC recompletions

**NORMALIZED AVG:**

522 MMCF EUR  
 524 MMCF/33.5YRS  
 10 MCFD E.L.  
 0.000158 bbl/mcf oil yield

250 MCFD IP  
 50% DECLINE, 1ST 12 MONTHS  
 15% DECLINE, NEXT 36 MONTHS  
 7% FINAL DECLINE

**RISKED AVG:**

350 MMCF EUR  
 349 MMCF/27.8 YRS  
 10 MCFD E.L.  
 0.000158 bbl/mcf oil yield

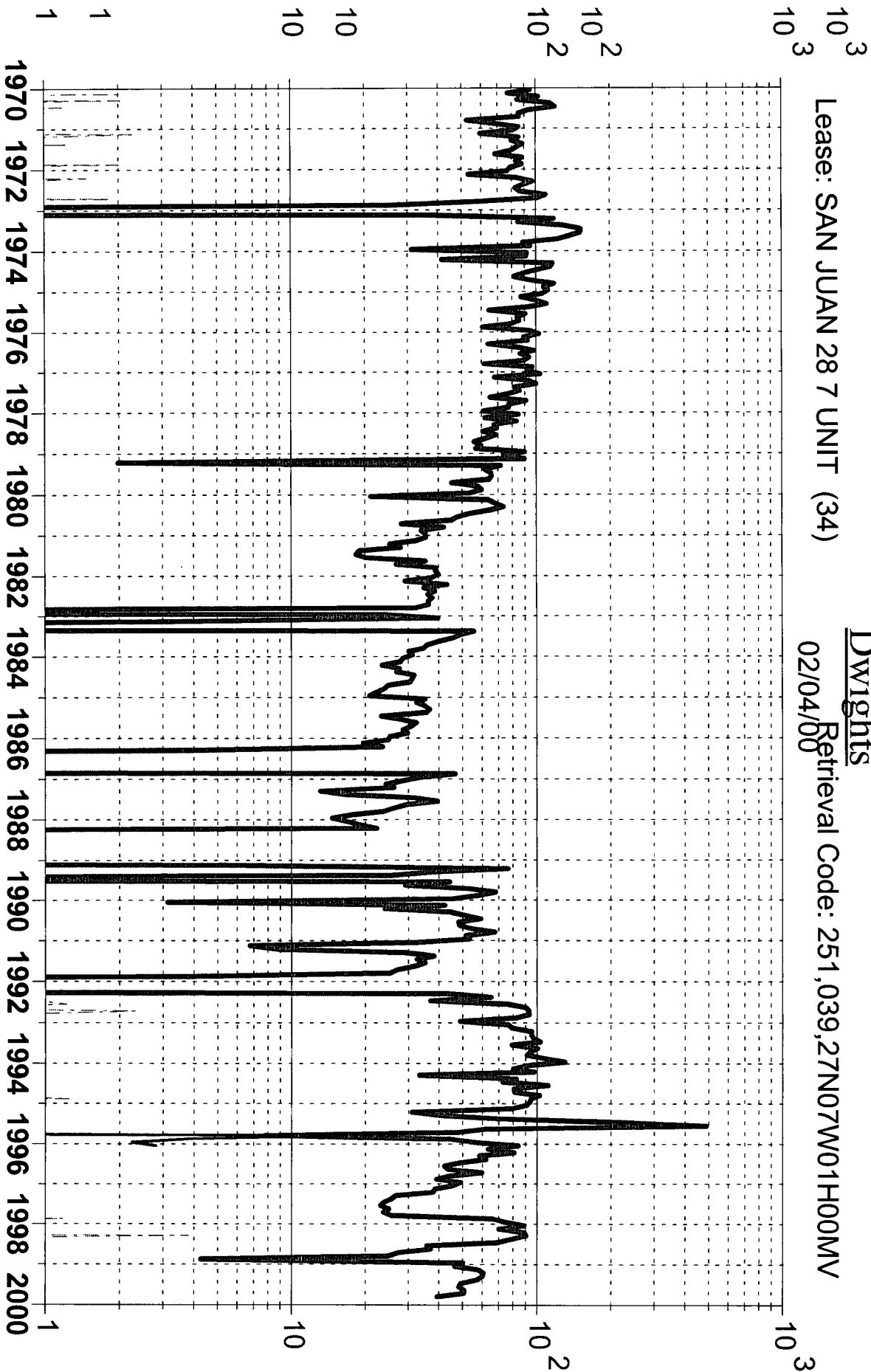
**30% RISK**

175 MCFD IP  
 50% DECLINE, 1ST 12 MONTHS  
 15% DECLINE, NEXT 36 MONTHS  
 7% FINAL DECLINE

Dwights

Lease: SAN JUAN 28 7 UNIT (34)

Retrieval Code: 251,039,27N07W01H00MV  
02/04/00



Gas (mcf/day)

Operator: CONOCO INC

F.P. Date: 12/55

Water (bbl/day)

Oil (bbl/day)

Location: 1H 27N 7W

Oil Cum: 2838 bbl

Upper Perf: 4460 ft

Gas Cum: 1229 mmcf

Lower Perf: 5054 ft

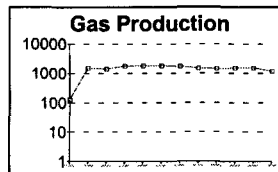
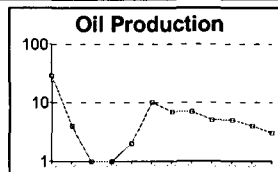
Reservoir: MESAVERDE

Lease: SAN JUAN 28 7 UNIT  
 Field: BLANCO (MESAVERDE) MV  
 Operator: CONOCO INC  
 RCI #: 251,039,27N07W01H00MV  
 API #: 30-039-07192-00

Well #: 34  
 Location: 1H 27N 7W  
 Liquid Cum: 2,838 bbls  
 Gas Cum: 1,228,723 mcf  
 Status: ACT GAS

FP Date: 55-12  
 LP Date: 99-10  
 Liq Since: FPDAT  
 Gas Since: FPDAT

DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
11/1998	29	129	0	1
12/1998	4	1,517	0	1
01/1999	1	1,401	0	1
02/1999	0	1,759	0	1
03/1999	2	1,834	0	1
04/1999	10	1,813	0	1
05/1999	7	1,730	0	1
06/1999	7	1,487	0	1
07/1999	5	1,456	0	1
08/1999	5	1,532	0	1
09/1999	4	1,528	0	1
10/1999	3	1,190	0	1
Total	77	17,376	0	





UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**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)

H, Sec. 1, T27N, R7W-  
1650' FNL & 990' FEL

5. Lease Designation and Serial No.

SF 079321A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

San Juan 28-7 #34

9. API Well No.

30-039-07192

10. Field and Pool, or Exploratory Area

71629 / 72319 / 72439

11. County or Parish, State

RIO ARRIBA, NM

12. 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  
☐ 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 proposes to recomplete this well in the Fruitland Coal and Pictured Cliffs using the attached procedures.

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

Signed

Title Regulatory Analyst

Date

2/25/00

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

**San Juan 28-7 Unit, Well #34  
Recomplete to Fruitland Coal & Pictured Cliffs,  
& DHC with Mesaverde,  
December 7, 1999**

**AFE #**                      **API#** 300390719200                      **Location:** T-27N, R-7W, Sec-1, Unit Letter H, 1650'N, 990'E.

**Procedure**

- 1) Move in workover rig, hold safety meeting, note prevailing wind direction at location, designate muster point, review procedure, identify potential hazards, isolate lines and facilities, blow down lines, lock out tag out, spot equipment, rig up, WORK SAFELY!
- 2) Kill tubing with minimum amount of 1% KCl, pull up and rotate 8 - 10 turns to right to release Baker Lokset packer @ 4305', POOH 2.375" tubing standing back.
- 3) Rig up wireline, set EZ drill BP in 5.5" casing @ 2900' Fill hole w/ fluid. . Pressure test casing /plug to 3000#.
- 4) Perforate the Pictured Cliffs formation.  
    **Pictured Cliffs (PC):** 2795' - 2810', 2818' - 2830', 2833' - 2856', (50' of pay, 4SPF, 200 holes total).
- 5) Break down with acid (bullhead) and stimulate as per stimulation company procedure. NOTE: Have flowback choke manifold hooked up to wellhead, for immediate flowback.
- 6) Flow back energized fluids immediately, send frac crew home and flow back clean up over night, if well dies RIH tubing unload and obtain 4 hour stabilized test.
- 7) Rig up wireline set composite BP over PC @ 2790". Pressure test plug to 3000#. **Note:** Top PC perf @ 2795' and bottom FC perf to be @ 2780'.
- 8) Rig up wireline and perforate the Fruitland Coal formation.  
    **Fruitland Coal (FC):** 2657'- 2672', 2684'- 2696', 2747'- 2760', 2766'- 2780', (54' of pay, 3 SPF, 212 holes total).
- 9) Break down with acid and stimulate as per stimulation company procedure.
- 10) Flow back energized fluid immediately, RIH tubing string and obtain stabilized 4 hour test.
- 11) POOH tubing, RIH w/ bit and drill collars.
- 12) Drill out BPs over PC and MV and clean out to PBTD (5101'). POOH bit and collars.
- 13) RIH mule shoe and SN on 2.375" and land tubing @ 5054' + or - a joint, notify operator to put on DHC plunger lifted production.

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San Juan East Team (DRW)

Cc: Central Records, and 3 Copies to Farmington (Linda Hernandez, FPS, and Project Lead).