

27134636

DHC

10/16/00

## 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 87505-6428

SEP 26 2000

Form C-107-A  
New 3-12-96

APPROVAL PROCESS:

Administrative ☐ Hearing ☐

EXISTING WELLBORE

☒ YES ☐ NO

## APPLICATION FOR DOWNHOLE COMMINGLING

CONOCO, INC.

P.O. BOX 2197 HOUSTON, TX 77252

Operator

Address

SAN JUAN 28-7

6

N - 16 - 28N - 7W

RIO ARRIBA

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 005073 Property Code SF 078 API NO. 30-039-07398 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	BASIN FRUITLAND COAL 71629	BLANCO PICTURED CLIFFS 72359	BLANCO MESAVERDE 72319
2. Top and Bottom of Pay Section (Perforations)	2581'-2810' proposed	2817'-2923' proposed	4970'-5338' proposed
3. Type of production (Oil or Gas)	gas expected	gas expected	gas
4. Method of Production (Flowing or Artificial Lift)	expected to flow	expected to flow	flowing
5. Bottomhole Pressure	a. (Current) 1,035	a. 1,044	a. 400
Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	b. (Original) 1,035	b. 1,044	b. 1,181
6. Oil Gravity ( $^{\circ}$ API) or Gas BTU Content	1,045	1,189	1,250
7. Producing or Shut-In?	to be completed	to be completed	producing
Production Marginal? (yes or no)	yes	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: est.150mcf/d	Date: Rates:  Date: Rates: est.250mcf/d	Date: Rates:  Date: Rates: current 160mcf/d
8. Fixed Percentage Allocation Formula -% for each zone	Allocate by test w/PC Oil: % Gas: %	Allocate by test w/FC Oil: % Gas: %	Allocate by subtraction method 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  
Have all offset operators been given written notice of the proposed downhole commingling? ☐ 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-10476B
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 all offset operators.
  - \* Notification list of all 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.

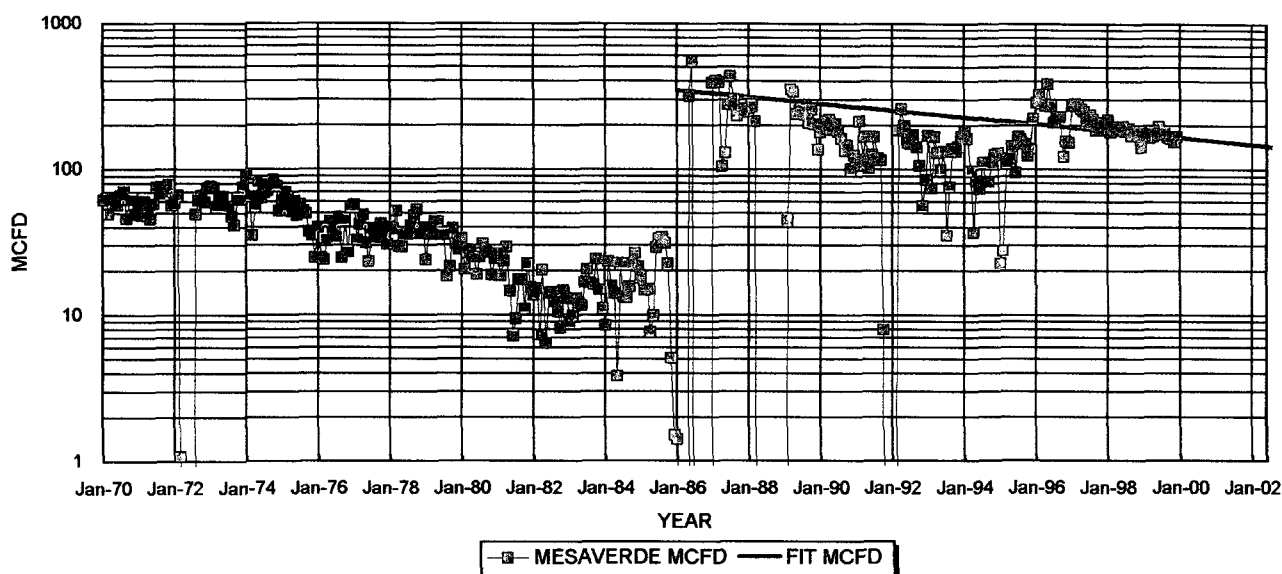
SIGNATURE

TITLE REGULATORY ANALYST DATE 09/06/2000

TYPE OR PRINT NAME DEBORAH MARBERRY

TELEPHONE NO. ( ) (281)293-1005

SJ 28-7 #6 MESAVERDE PRODUCTION  
SECTION 16N-28N-07W, RIO ARriba COUNTY, NEW MEXICO

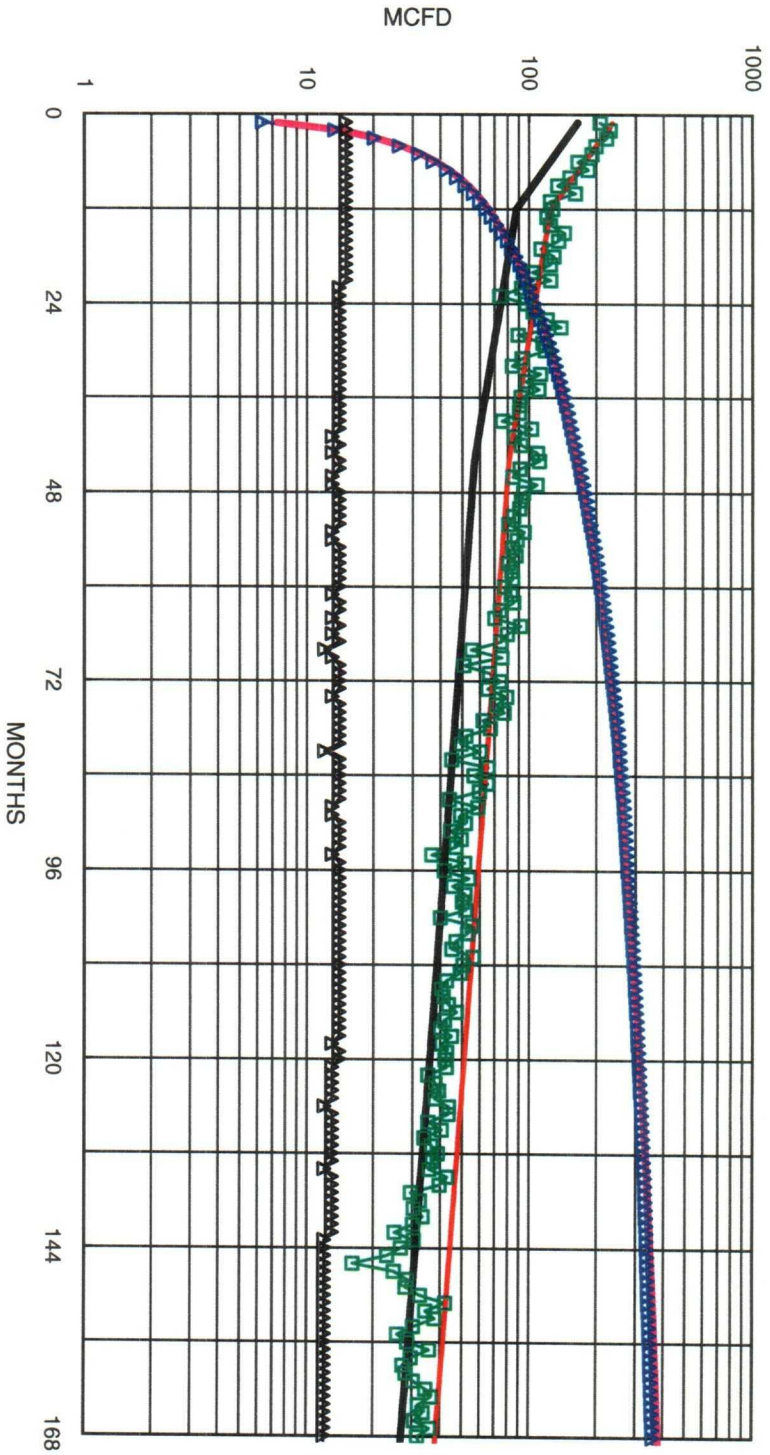


MESAVERDE PRODUCTION		1ST PROD: 8/63	MESAVERDE PROJECTED DATA	
OIL CUM:	4.66	MBO	Jan.00 Qi:	166 MCFD
GAS CUM:	1486.0	MMCF	DECLINE RATE:	6.2% (EXPONENTIAL)
OIL YIELD:	0.0031	BBL/MCF	API #30-039-07398	

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
2000	161	0.5
2001	153	0.0
2002	145	0.0
2003	137	0.0
2004	130	0.0
2005	124	0.0
2006	117	0.0
2007	111	0.0
2008	105	0.0
2009	100	0.0
2010	95	0.0
2011	90	0.0
2012	85	0.0
2013	81	0.0
2014	76	0.0
2015	72	0.0
2016	69	0.0
2017	65	0.0
2018	62	0.0
2019	58	0.0
2020	55	0.0
2021	53	0.0
2022	50	0.0
2023	47	0.0
2024	45	0.0
2025	42	0.0
2026	40	0.0
2027	38	0.0

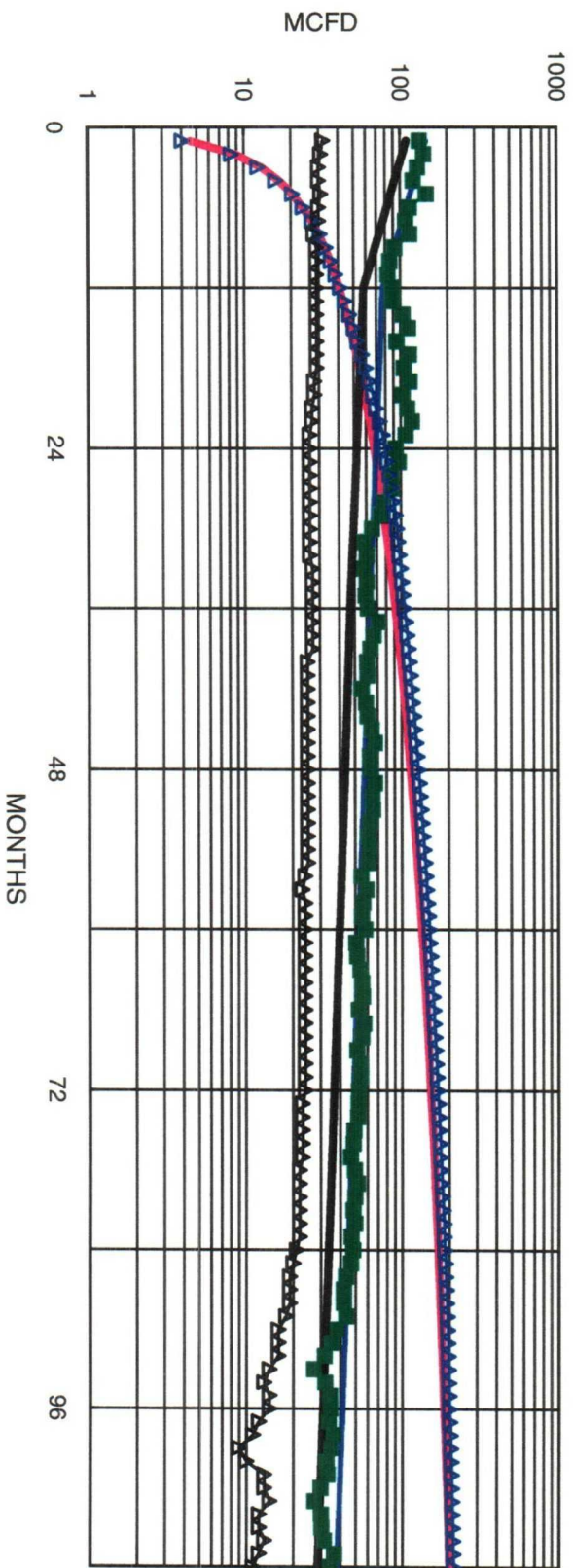
NORMALIZED PICTURED CLIFFS PRODUCTION  
PROD. SINCE 1980; 15 PC WELLS LOCATED IN 28N-7W AND 27N-7W (Secs. 1:12)



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

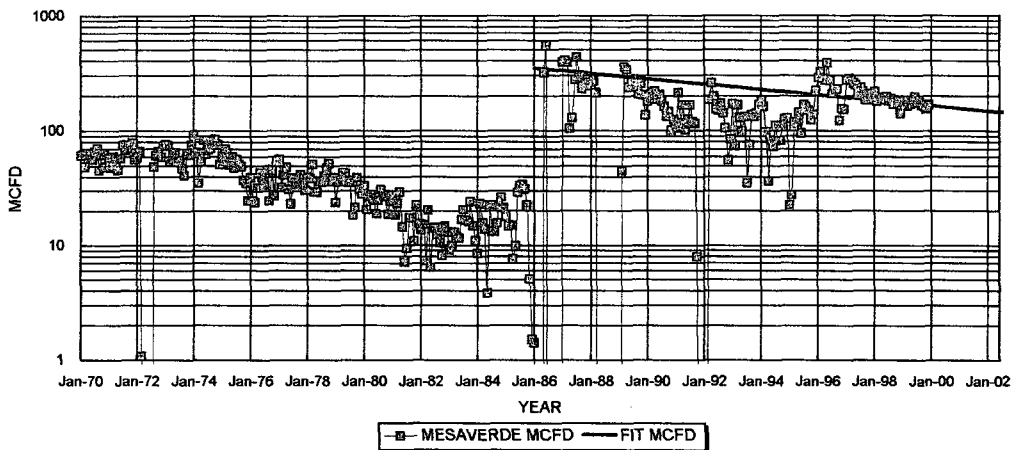
NORMALIZED AVG:		RISKED AVG:	
522	MMCF EUR	350	MMCF EUR
524	MMCF/33.5YRS	349	MMCF/27.8 YRS
10	MCFD E.L.	10	MCFD E.L.
0.000158	bbf/mcf oil yield	0.000158	bbf/mcf oil yield
250	MCFD IP	175	MCFD IP
50% DECLINE, 1ST 12 MONTHS		50% DECLINE, 1ST 12 MONTHS	
15% DECLINE, NEXT 36 MONTHS		15% DECLINE, NEXT 36 MONTHS	
7% FINAL DECLINE		7% FINAL DECLINE	

# NORMALIZED FRUITLAND COAL PRODUCTION 29 WELLS SINCE 1990; 28N-7W & 27N-7W



NORMALIZED AVG:		RISKED AVG:	
323	MMCF EUR	231	MMCF EUR
300	MMCF IN 20 YRS	225	MMCF IN 20 YRS
10	MCFD E.L.	10	MCFD E.L.
0.0000	bb/mcf oil yield	0.0000	bb/mcf oil yield
155 MCFD IP		25% RISK	
50.0% DECLINE, 1ST 12 MONTHS		116 MCFD IP	
10.0% DECLINE, NEXT 24 MONTHS		50.0% DECLINE, 1ST 12 MONTHS	
8.0% FINAL DECLINE		10.0% DECLINE, NEXT 24 MONTHS	
		8.0% FINAL DECLINE	

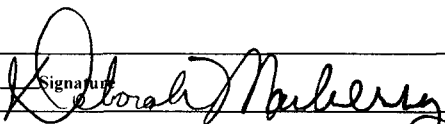
**SJ 28-T #6 MESAVERDE PRODUCTION  
SECTION 16N-28N-07W, RIO ARriba COUNTY, NEW MEXICO**



<b>MESAVERDE PRODUCTION</b>		<b>1ST PROD: 8/63</b>	<b>MESAVERDE PROJECTED DATA</b>	
OIL CUM:	4.66	MBO	Jan.00 Qi:	166 MCFD
GAS CUM:	1486.0	MMCF	DECLINE RATE:	6.2% (EXPONENTIAL)
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2001	153	0.0
2002	145	0.0
2003	137	0.0
2004	130	0.0
2005	124	0.0
2006	117	0.0
2007	111	0.0
2008	105	0.0
2009	100	0.0
2010	95	0.0
2011	90	0.0
2012	85	0.0
2013	81	0.0
2014	76	0.0
2015	72	0.0
2016	69	0.0
2017	65	0.0
2018	62	0.0
2019	58	0.0
2020	55	0.0
2021	53	0.0
2022	50	0.0
2023	47	0.0
2024	45	0.0
2025	42	0.0
2026	40	0.0
2027	38	0.0

16					<b>17 OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>
					<div style="text-align: right;"> _____ Printed Name <b>DEBORAH MARBERRY</b> _____ Title      <b>REGULATORY ANALYST</b> _____ Date   <b>09/22/2000</b> _____</div>
					<b>18 SURVEYOR CERTIFICATION</b> <i>I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys made by me or under</i>
					_____ Date of Survey Signature and Seal of Professional Surveyor
					_____ Certificate Number

16	<div style="text-align: center;"><b>17 OPERATOR CERTIFICATION</b></div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <div style="margin-top: 20px;"><div style="display: flex; justify-content: space-between; align-items: center;"><div style="flex: 1;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div><div style="font-size: small; text-align: center;">Signature</div></div><div style="flex: 1; text-align: right;"></div></div><div style="margin-top: 5px;"><div style="display: flex; justify-content: space-between; align-items: center;"><div style="flex: 1;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div><div style="font-size: x-small; text-align: center;">Printed Name</div></div><div style="flex: 1; text-align: right;">DEBORAH MARBERRY</div></div><div style="margin-top: 5px;"><div style="display: flex; justify-content: space-between; align-items: center;"><div style="flex: 1;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div><div style="font-size: x-small; text-align: center;">Title</div></div><div style="flex: 1; text-align: right;">REGULATORY ANALYST</div></div><div style="margin-top: 5px;"><div style="display: flex; justify-content: space-between; align-items: center;"><div style="flex: 1;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div><div style="font-size: x-small; text-align: center;">Date</div></div><div style="flex: 1; text-align: right;">09/22/2000</div></div></div></div></div></div>
<div style="position: relative; height: 150px;"><div style="position: absolute; left: 10px; bottom: 10px; font-size: large;">1850'</div><div style="position: absolute; left: 250px; bottom: 10px; transform: rotate(-90deg); font-size: large;">790'</div></div>	<div style="text-align: center;"><b>18 SURVEYOR CERTIFICATION</b></div> <p>I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys made by me or under</p> <div style="margin-top: 20px;"><div style="display: flex; justify-content: space-between; align-items: center;"><div style="flex: 1;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div><div style="font-size: x-small; text-align: center;">Date of Survey</div></div><div style="flex: 1; text-align: right;">Signature and Seal of Professional Surveyer</div></div><div style="margin-top: 20px;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div><div style="font-size: x-small; text-align: center;">Certificate Number</div></div></div>



<p>16</p>	<p>17 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 _____ <i>Deborah Marberry</i></p> <p>Printed Name DEBORAH MARBERRY</p> <p>Title _____ REGULATORY ANALYST</p> <p>Date _____ 09/22/2000</p>
<p>18</p> <p>1850'</p> <p>790'</p>	<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys made by me or under my direct supervision.</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyer _____</p> <p>Certificate Number _____</p>