

ABOVE THIS LINE FOR DIVISION USE ONLY

Release Date:
1/30/02

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



2979

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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]

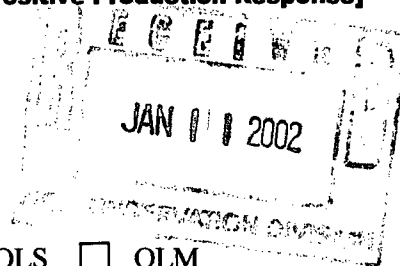
[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [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

[D] Other: Specify _____



[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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

PEGGY COLE
Print or Type Name

Peggy Cole
Signature

Reg. Supr.
Title

1-10-02
Date

pcok@br-inc.com
e-mail Address

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

District II
811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION TYPE
Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
Yes X No

APPLICATION FOR DOWNHOLE COMMINGLING

BURLINGTON RESOURCES OIL & GAS COMPANY		PO BOX 4289, FARMINGTON, NM 87499	
Operator		Address	
SHULTS FEDERAL	1E	M-01-29N-11W	SAN JUAN
Lease	Well No.	Unit Letter-Section-Township-Range	County
OGRID No. 14538	Property Code 29110	API No. 30-045-30778	Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	OTERO CHACRA	BLANCO MESAVERDE	BASIN DAKOTA
Pool Code	82329	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	WILL BE SUPPLIED UPON COMPLETION	WILL BE SUPPLIED UPON COMPLETION	WILL BE SUPPLIED UPON COMPLETION
Method of Production (Flowing or Artificial Lift)	FLOWING	FLOWING	FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	527 PSI – CURRENT 1450 PSI – ORIGINAL (see attachment)	531 PSI - CURRENT 1552 PSI – ORIGINAL (see attachment)	697 PSI – CURRENT 2532 PSI – ORIGINAL (see attachment)
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1179	1257	1126
Producing, Shut-In or New Zone	New Zone	New Zone	New Zone
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.)	Date: Rates:	Date: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil % Gas % WILL BE SUPPLIED UPON COMPLETION	Oil % Gas % WILL BE SUPPLIED UPON COMPLETION	Oil % Gas % WILL BE SUPPLIED UPON COMPLETION

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?
Yes No X
Yes X No

Are all produced fluids from all commingled zones compatible with each other?
Yes X No

Will commingling decrease the value of production?
Yes No X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?
Yes X No

NMOCD Reference Case No. applicable to this well:

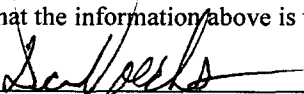
- Attachments:
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
 - Production curve for each zone for at least one year. (If not available, attach explanation.)
 - For zones with no production history, estimated production rates and supporting data.
 - Data to support allocation method or formula.
 - Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
 - Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE	TITLE	DATE
	Production Engineer	01/09/02
TYPE OR PRINT NAME Dan T. Voeks		
TELEPHONE NO. (505) 326-9700		

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, NM 87504-2088

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-30778	² Pool Code 82329/72319/71599	³ Pool Name Otero Chacra/Blanco Mesaverde/Basin Dakota
⁴ Property Code	⁵ Property Name SHULTS FEDERAL	⁶ Well Number 1E
⁷ GRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS INC.	⁹ Elevation 5887'

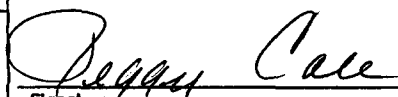
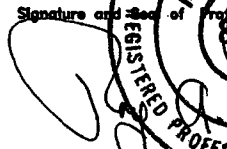
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	1	29-N	11-W		1445'	SOUTH	1065'	WEST	SAN JUAN

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
¹² Dedicated Acres Chacra: SW/160 MV/DK: W/305.02			¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.		

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 LOT 4		LOT 3 NMSF-078161	LOT 2	LOT 1	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Peggy Cole Printed Name Regulatory Supervisor Title Date
FD MARKED STONE & STEEL POST			Reissued to show revised location.		
N 00-47-41 W 2633' (M)	1065'	242' LAT: 36°45.1' N. LONG: 107°56.9' W. 128' NMSF-078161			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. 12-11-94 Date of Survey  Signature and Seal of Professional Surveyor 8894 REGISTERED PROFESSIONAL LAND SURVEYOR 8894 Certificate Number
FD PILE OF STONES & STEEL POST	1445'	S 89-58-52 E	5230' (M)	SET STONE	

Shults Federal #1E

Bottom Hole Pressures

Flowing and Static BHP

Cullender and Smith Method

Version 1.0 3/13/94

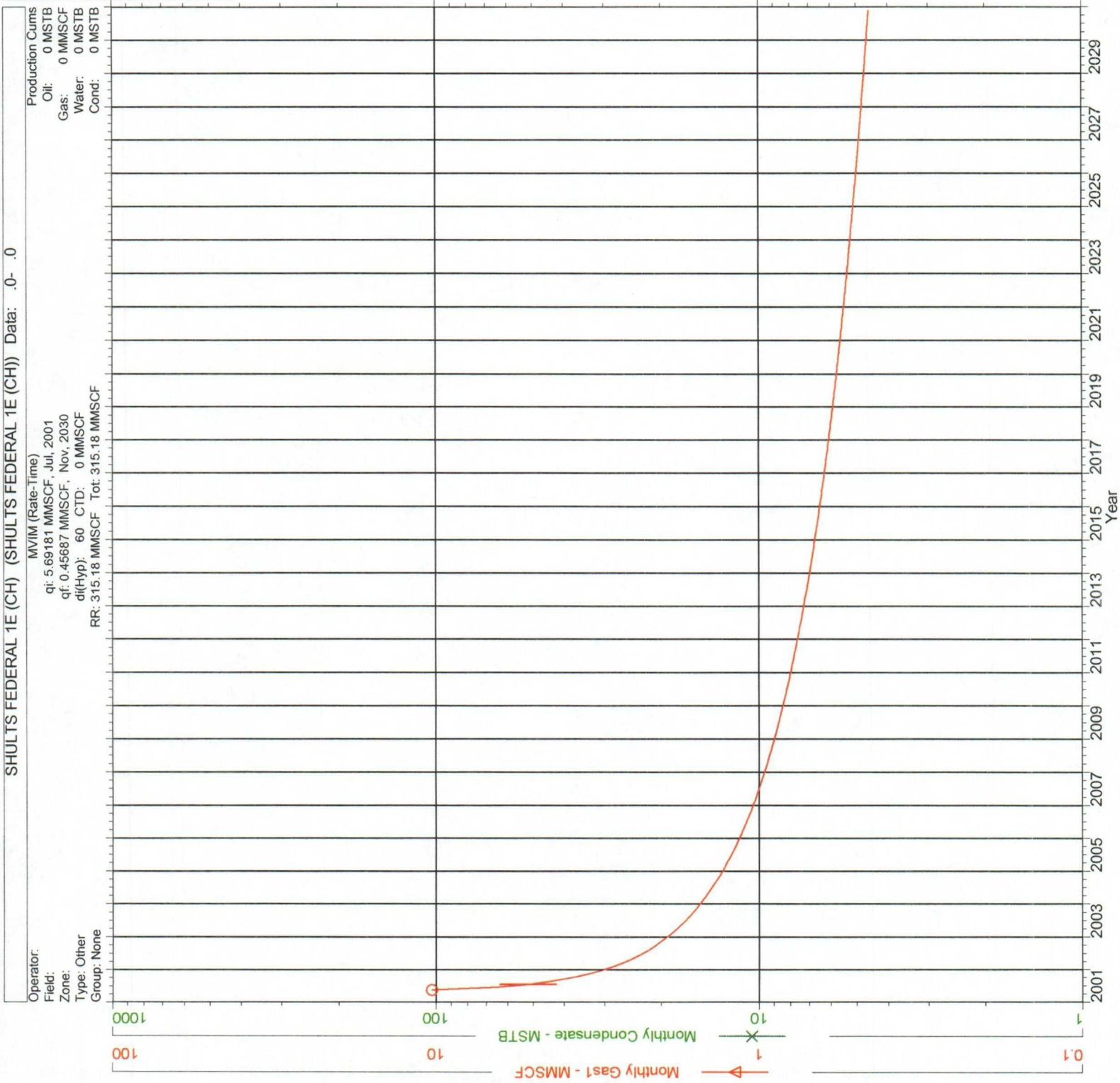
Mesaverde		Chacra	
<u>MV-Current</u>		<u>CH-Current</u>	
GAS GRAVITY	0.723	GAS GRAVITY	0.672
COND. OR MISC. (C/M)	C	COND. OR MISC. (C/M)	C
%N2	0.27	%N2	0.33
%CO2	0.59	%CO2	0.53
%H2S	0	%H2S	0
DIAMETER (IN)	2.375	DIAMETER (IN)	2.375
DEPTH (FT)	5260	DEPTH (FT)	3076
SURFACE TEMPERATURE (DEG F)	60	SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	137	BOTTOMHOLE TEMPERATURE (DEG F)	137
FLOWRATE (MCFPD)	0	FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	462	SURFACE PRESSURE (PSIA)	454
BOTTOMHOLE PRESSURE (PSIA)	531.3	BOTTOMHOLE PRESSURE (PSIA)	526.9
<u>MV-Original</u>		<u>CH-Original</u>	
GAS GRAVITY	0.723	GAS GRAVITY	0.672
COND. OR MISC. (C/M)	C	COND. OR MISC. (C/M)	C
%N2	0.27	%N2	0.33
%CO2	0.59	%CO2	0.53
%H2S	0	%H2S	0
DIAMETER (IN)	2.375	DIAMETER (IN)	2.375
DEPTH (FT)	5260	DEPTH (FT)	3076
SURFACE TEMPERATURE (DEG F)	60	SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	137	BOTTOMHOLE TEMPERATURE (DEG F)	137
FLOWRATE (MCFPD)	0	FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	1317	SURFACE PRESSURE (PSIA)	864
BOTTOMHOLE PRESSURE (PSIA)	1552.0	BOTTOMHOLE PRESSURE (PSIA)	1449.5

Shults Federal #1E
Bottom Hole Pressures
Flowing and Static BHP
Cullender and Smith Method
Version 1.0 3/13/94

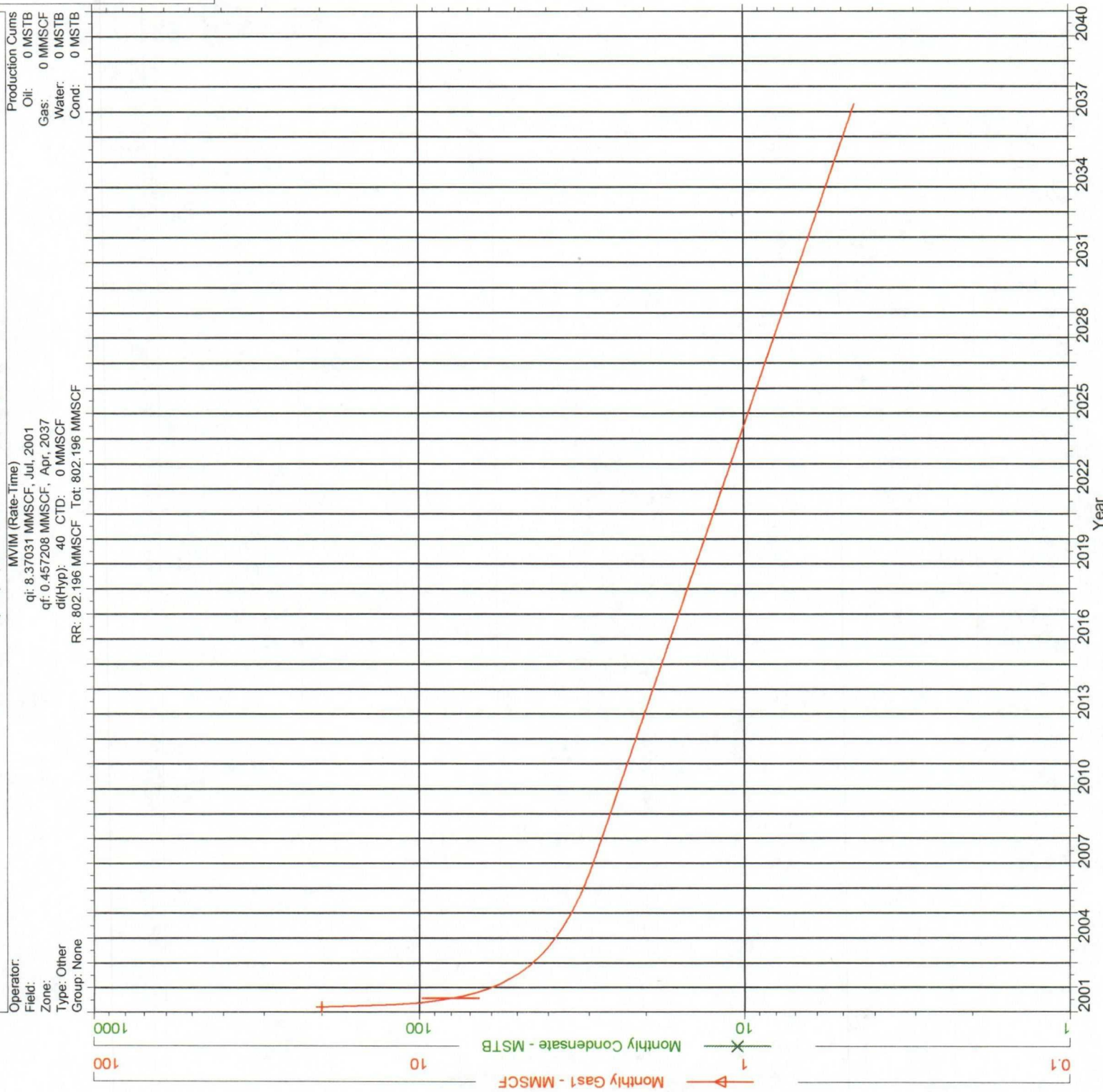
Dakota	
<u>DK-Current</u>	
GAS GRAVITY	0.666
COND. OR MISC. (C/M)	C
%N2	0.34
%CO2	2.2
%H2S	0
DIAMETER (IN)	2.375
DEPTH (FT)	7075
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	198
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	592
BOTTOMHOLE PRESSURE (PSIA)	697.1
<u>DK-Original</u>	
GAS GRAVITY	0.666
COND. OR MISC. (C/M)	C
%N2	0.34
%CO2	2.2
%H2S	0
DIAMETER (IN)	2.375
DEPTH (FT)	7075
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	198
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	2104
BOTTOMHOLE PRESSURE (PSIA)	2532.4

SHULTS FEDERAL 1E (CH) (SHULTS FEDERAL 1E (CH)) Data: 0- .0

Monthly Gas1 - MMSCF
MVIM - MMSCF
versus time
Qi: 5.69181 MMSCF, Jul, 2001
Qf: 0.45687 MMSCF, Nov, 2030
Di:(Hyp->Exp): 60
n: 2
RR: 315.18 MMSCF
EUR: 315.18 MMSCF
Corr coeff: N/A
Monthly Condensate - MSTB



SHULTS FEDERAL 1E (MV) (SHULTS FEDERAL 1E (MV)) Data: 0- .0



Monthly Gas1 - MMSCF
 MVIM - MMSCF
 versus time
 Qi: 8.37031 MMSCF, Jul, 2001
 Qf: 0.457208 MMSCF, Apr, 2037
 Di(Hyp->Exp): 40
 n: 2.7
 RR: 802.196 MMSCF
 EUR: 802.196 MMSCF
 Corr coeff: N/A
 Monthly Condensate - MSTB

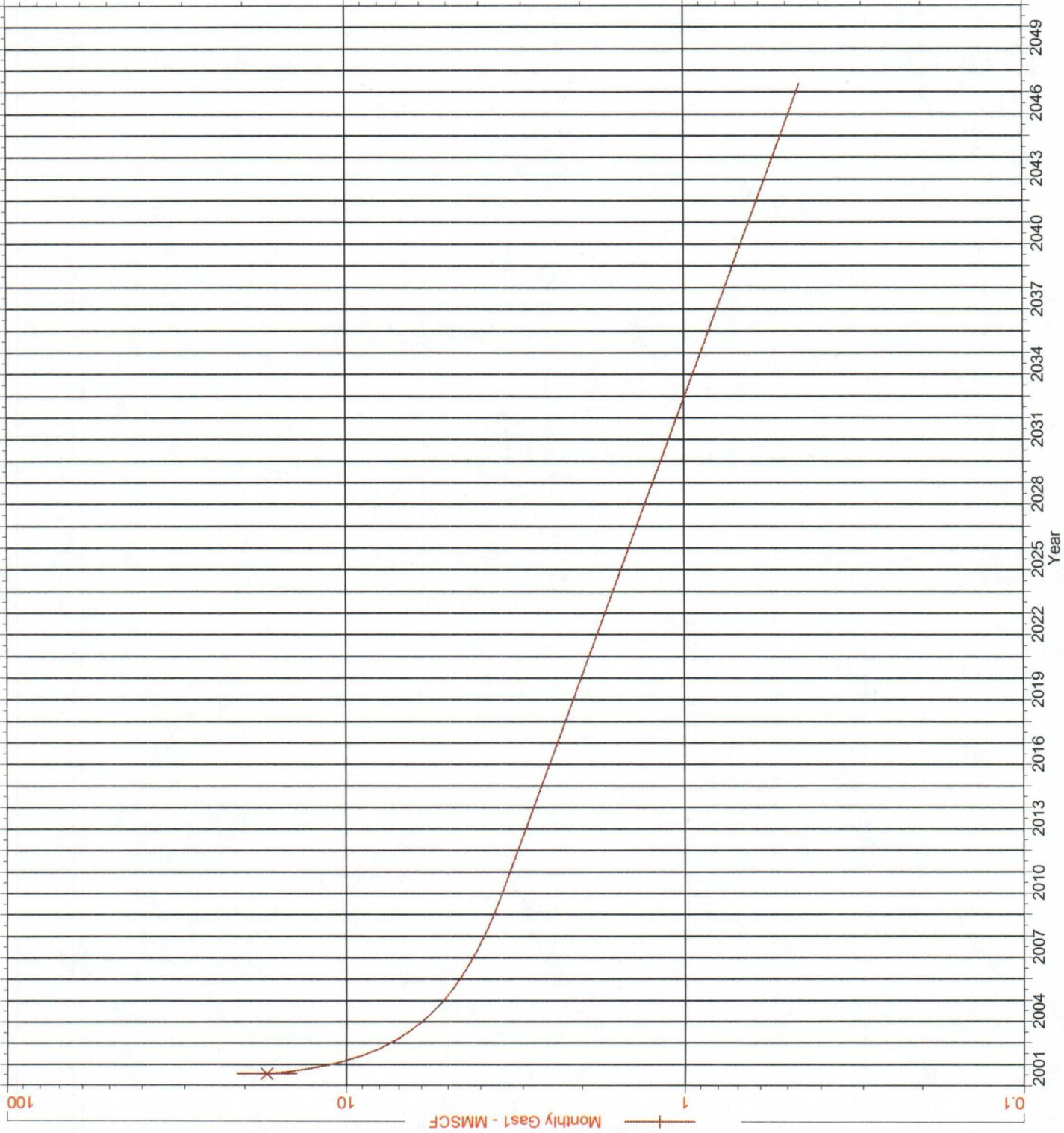
SHULTS FEDERAL 1E 3381201 (SCHULTZ FEDERAL 1E) Data: .0- .0

Operator: BURLINGTON RESOURCES OG CO LP
 Field: BASIN DAKOTA (PRORATED GAS)
 Zone:
 Type: Gas
 Group: None

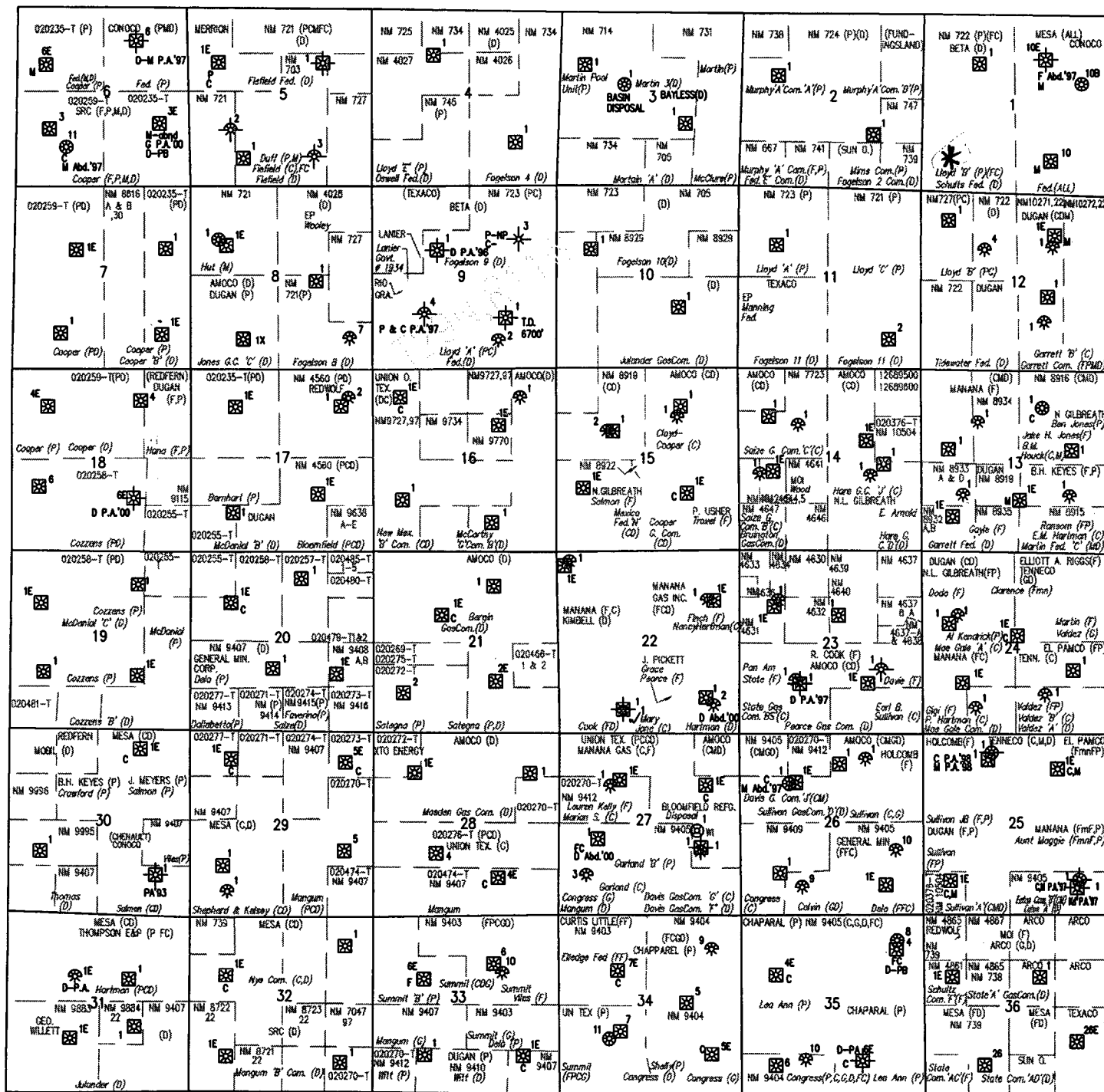
DK (Rate-Time)
 qi: 18.3843 MMSCF, Jul, 2001
 qf: 0.456826 MMSCF, May, 2047
 di(Hyp): 52.7423 CTD: 0 MMSCF
 RR: 1246.58 MMSCF Tot: 1246.58 MMSCF

Production Cums
 Oil: 0 MSTB
 Gas: 0 MMSCF
 Water: 0 MSTB
 Cond: 0 MSTB

Monthly Gas1 - MMSCF
 DK - MMSCF
 versus time
 Qi: 18.3843 MMSCF, Jul, 2001
 Qf: 0.456826 MMSCF, May, 2047
 Di:(Hyp->Exp) : 52.7423
 n: 2.1
 RR: 1246.58 MMSCF
 EUR: 1246.58 MMSCF
 Corr coeff: N/A



Chacra / Mesaverde / Dakota



INTEREST OWNERS

Shults Federal 1E - MV/DK/CH

BUREAU OF LAND MANAGEMENT ✓

CONOCO INC ✓

EDWARD H FORGOTSON ✓

FORGOTSON FAMILY PTSHP R/E ✓

GARY W HARVEY INDEP EXEC ✓

J BURTON VETETO ✓

JAMES M FORGOTSON III ✓

JAMES M FORGOTSON JR ✓

JIM L SHARP ✓

JULIE ANN ANTWEIL TRUST ✓

ROBERT E MCALISTER ✓

SINGER BROS ✓

THOMAS E WILLIAMS JR ✓

UNITED PIPE SUPPLY CO ✓

XTO ENERGY INC ✓