

3/29/02	NA	ENGINEER WJ	LOGGED IN MW	TYPE DHC	PKRV	APP NO. 0209133344
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



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.

D. Marberry
 Print or Type Name

Deborah Marberry
 Signature

Reg. Analyst
 Title

3/27/02
 Date

Deborah.A.Marberry@Conoco.com
 e-mail Address

District I.
1625 N. French Drive, Hobbs, NM 68240

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
X Established Pre-Approved Pools
EXISTING WELLBORE
____ Yes X No

APPLICATION FOR DOWNHOLE COMMINGLING

CONOCO, INC.

P.O. BOX 2197 DU 3084HOUSTONTX77252

Operator

Address

San Juan 28-7 Unit

101F

K Sec30 T27NR7W

Rio Arriba

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 005073 Property Code 016608 API No. 30-039-26896 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)	3800 - 4100	4560 - 5520	7224 - 7474
Method of Production (Flowing of Artificial Lift)	EXPECTED TO FLOW	EXPECTED TO FLOW	EXPECTED TO FLOW
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)	540 psi	560 psi	880 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
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 part production, supporting data or explanation will be required.)	Oil Gas % <u>Test</u> %	Oil Gas % <u>Test</u> %	Oil Gas % <u>Test</u> %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingling zones?
If not, have all working royalty and overriding royalty interest owners been notified by certified mail?

Yes ____ No X
Yes ____ No X

Are all produced fluids from all commingling 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: R 10476B R 11363

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 Deborah Marberry TITLE REGULATORY ANALYST DATE 03/14/2002

TYPE OR PRINT NAME DEBORAH MARBERRY 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 DepartmentOIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505Form C-102
Revised August 15, 2000Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
30-039-26896	82329	OTERO CHACRA
⁴ Property Code	⁵ Property Name	⁶ Well Number
016608	SAN JUAN 28-7 UNIT	101 F
⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
005073	CONOCO, INC.	6661

¹⁰ Surface Location

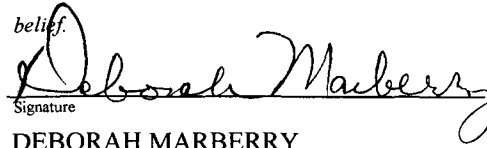
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	30	27n	7w		1365	south	2260	west	Rio Arriba

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	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
160	I	U	

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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature DEBORAH MARBERRY Printed Name REGULATORY ANALYST Title 03/27/2002 Date ¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number
	2260			
		1365		

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2040 South Pacheco
Santa Fe, NM 87505

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☐ AMENDED REPORT

¹ API Number		² Pool Code	³ Pool Name
30-039-26896		72319	BLANCO MESAVERDE
⁴ Property Code	⁵ Property Name		⁶ Well Number
016608	SAN JUAN 28-7 UNIT		101 F
⁷ OGRID No.	⁸ Operator Name		⁹ Elevation
005073	CONOCO, INC.		6661

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	30	27n	7w		1365	south	2260	west	Rio Arriba

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	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					
320	I	U							

16				<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><i>Deborah Marberry</i></p> <p>Signature</p> <p>DEBORAH MARBERRY</p> <p>Printed Name</p> <p>REGULATORY ANALYST</p> <p>Title</p> <p>03/27/2002</p> <p>Date</p>
2260'	1365'			<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plan 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>

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-26896		² Pool Code 71599		³ Pool Name BASIN DAKOTA	
⁴ Property Code 016608		⁵ Property Name SAN JUAN 28-7 UNIT			⁶ Well Number 101 F
⁷ OGRID No. 005073		⁸ Operator Name CONOCO, INC.			⁹ Elevation 6661

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
K	30	27n	7w		1365	south	2260	west	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

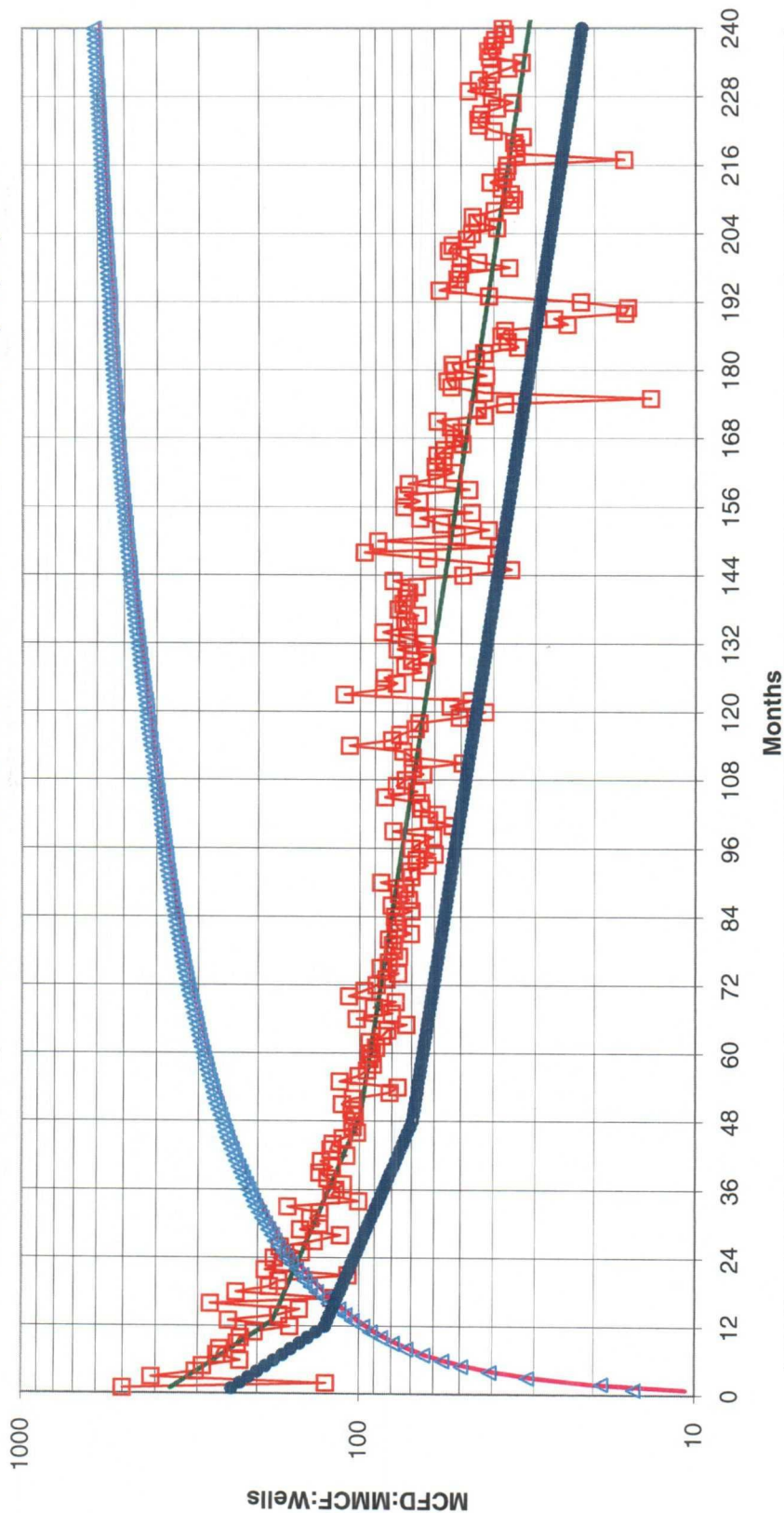
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320	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 DEBORAH MARBERRY Printed Name REGULATORY ANALYST Title 03/27/2002 Date			
	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 Surveyor:			
	Certificate Number			

NORMALIZED CHACRA PRODUCTION PROD. SINCE 1980; 5 CHACRA WELLS LOCATED IN 27N-7W SECTIONS 19, 20, 29, 30

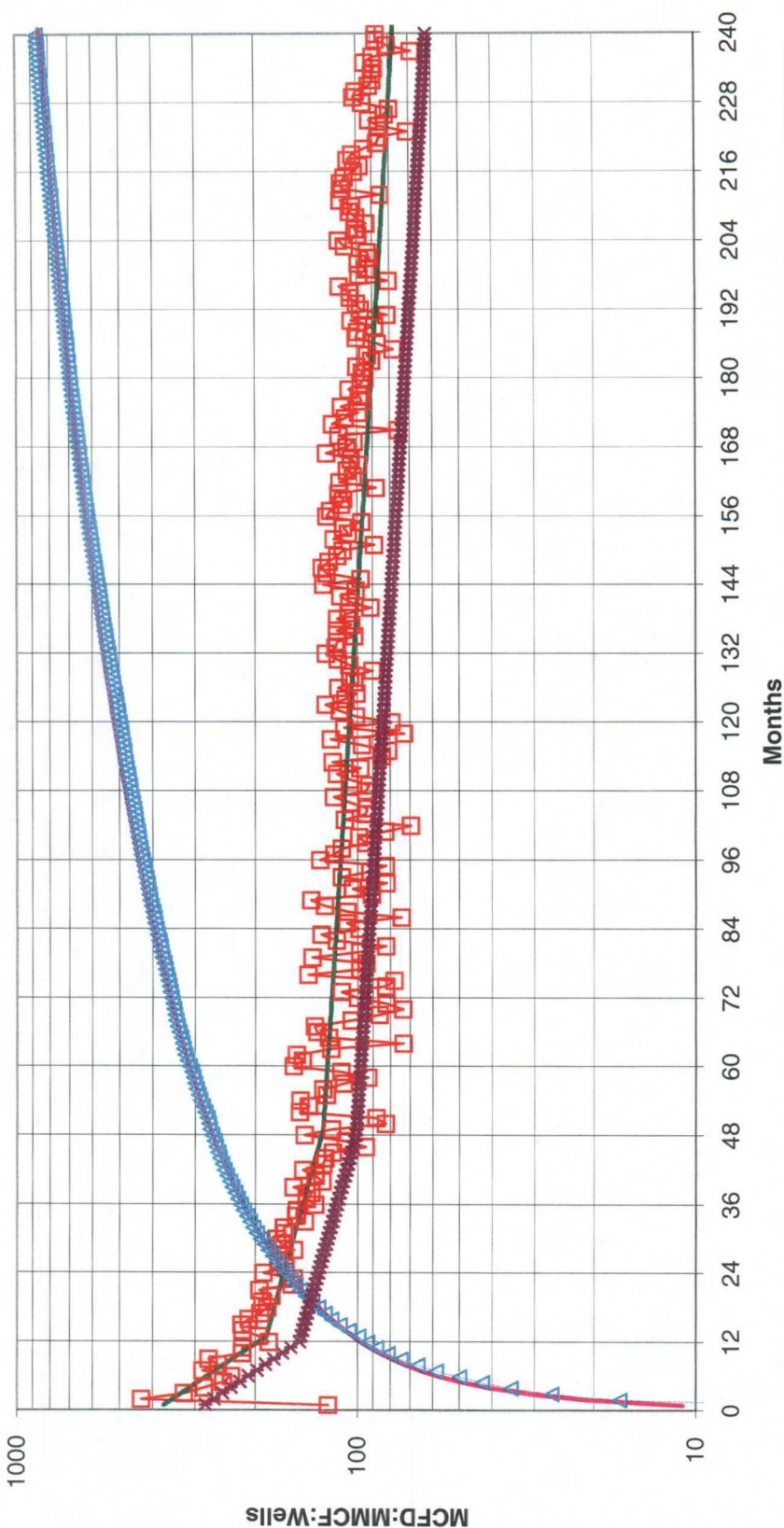


■ NORMALIZED MCFD ▲ NORM CUM MMCF ● RISKED MCFD — FIT MCFD
— WELLS ON PRODUCTION

NORMALIZED AVG: 692 MMCF EUR 587 MMCF IN 20 YRS 706 MMCF IN 40 YRS 10 MCDF E.L. 0.000012 bbl/mcf oil yield	360 MCDF IP 50.0% DECLINE, 1ST 12 MONTHS 18.0% DECLINE, NEXT 48 MONTHS 7.0% FINAL DECLINE	30% RISK 469 MMCF EUR 494 MMCF IN 40 YRS 10 MCDF E.L. 0.000012 bbl/mcf oil yield 252 MCDF IP 50.0% DECLINE, 1ST 12 MONTHS 18.0% DECLINE, NEXT 48 MONTHS 7.0% FINAL DECLINE
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28-7 Unit wells number 176, 177, 240, 268, 269

NORMALIZED MESAVERDE PRODUCTION 80 ACRE MESAVERDE WELLS IN 28-7 SOUTH-WEST



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

NORMALIZED AVG:

1597 MMCF EUR
 851 MMCF IN 20 YRS
 1272 MMCF IN 40 YRS
 15 MCDF E.L.
 0.0043 bbl/mcf oil yield

RISKED AVG:

1241 MMCF EUR
 1017 MMCF IN 40 YRS
 15 MCDF E.L.
 0.0043 bbl/mcf oil yield

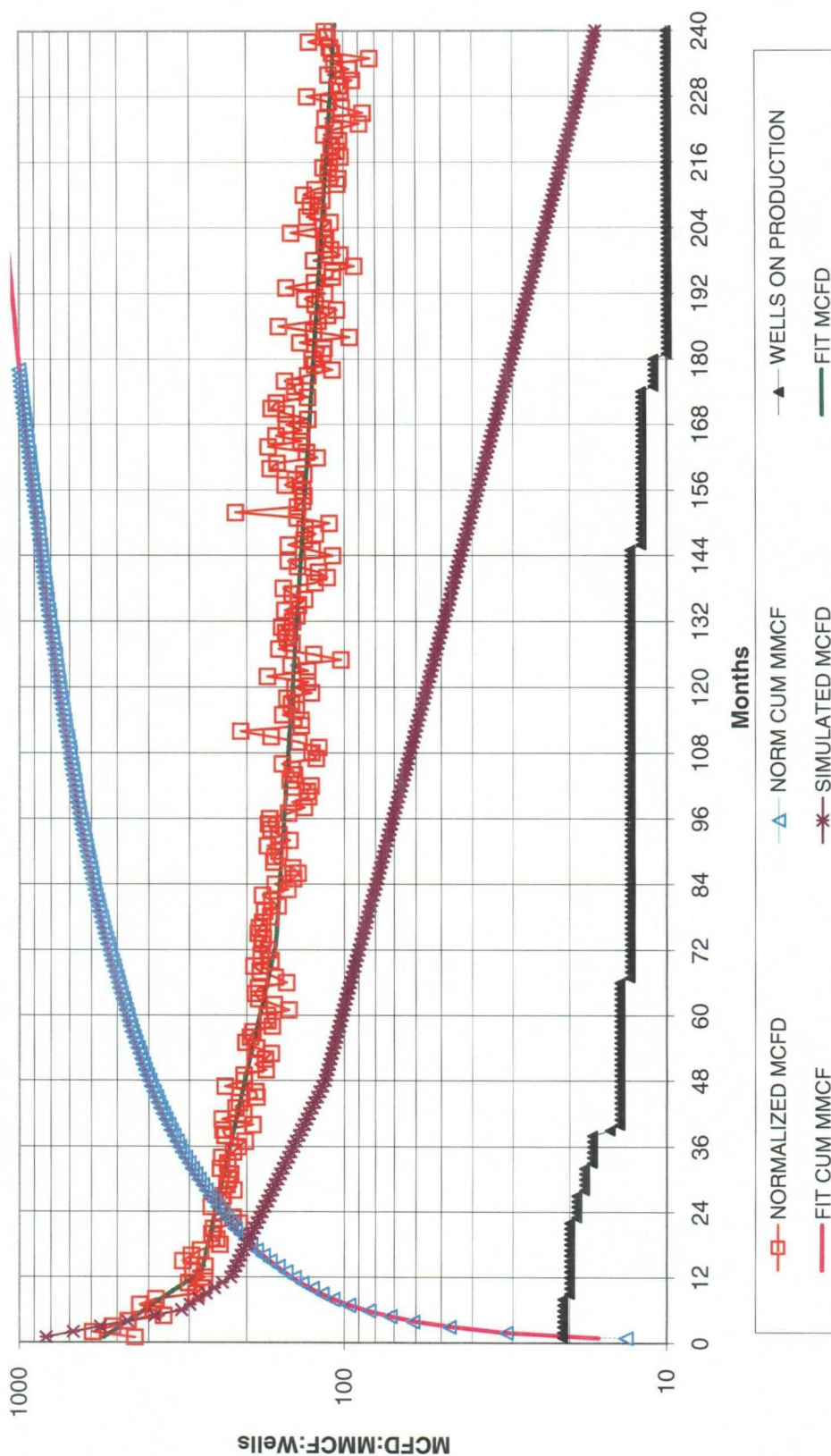
20% RISK

296 MCDF IP
 50.0% DECLINE, 1ST 12 MONTHS
 12.0% DECLINE, NEXT 36 MONTHS
 3.0% FINAL DECLINE

28-7 wells 6, 10, 48, 134, 195M, 225M, 226

60% EUR: 763 MMCF 60% IP: 222 MCF/D 40 years production.

NORMALIZED DAKOTA PRODUCTION AND SIMULATION RATE FOR 80 ACRE WELLS WELLS LOCATED IN 27-7 SECTIONS 2, 3, 4 AND 28-7 SECTIONS 33, 34, 35



NORMALIZED AVG:

2301 MMCF EUR
1214 MMCF IN 20 YRS
1790 MMCF IN 40 YRS
15 MCFC E.L.
0.0060 bbl/mcf oil yield

550 MCFC IP
50.0% DECLINE, 1ST 12 MONTHS
10.0% DECLINE, NEXT 60 MONTHS
3.0% FINAL DECLINE

80 ACRE SIMULATION EQUIVALENT

636 MMCF EUR
676 MMCF IN 40 YRS
15 MCFC E.L.
0.0060 bbl/mcf oil yield

1000 MCFC IP
90.0% DECLINE, FIRST 6 MONTHS
50.0% DECLINE, NEXT 6 MONTHS
20.0% DECLINE, NEXT 36 MONTHS
11.4% FINAL DECLINE

27-7 wells 129, 129E, 130, 130E, 181, 181M, 182, 182M, 214, 214M. 28-7 wells 131, 131M, 133, 133M, 189, 189E, 191E, 191M, 225, 225E, 225M.