

DATE IN 6/23/97	SUSPENSE 7/14/97	ENGINEER DC	LOGGED BY KV	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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

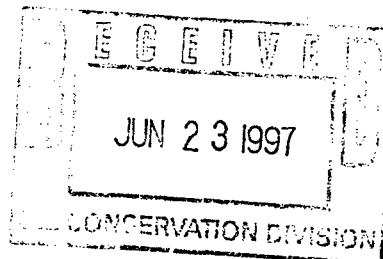
Check One Only for [B] and [C]

[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.

Jerry W. Hoover
 Print or Type Name

Signature

Sr. Conservation Coordinator
 Title

6/19/97
 Date

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

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

DISTRICT II
811 South First St., Artesia, NM 88210-2835

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410-1693

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

☒ YES ☐ NO

Conoco Inc.

10 Desta Dr., Ste 100W, Midland, TX 79705-4500

Operator

Address

Federal

21

D-9-T27N-R8W

San Juan

Lease

Well No

Unit Ltr Sec Twp Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 005073 Property Code 003170 API NO. 30-045-24183 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	Fruitland Coal - 71629		Chacra - 82329
2. TOP and Bottom of Pay Section (Perforations)	2784'-2868'		3864'-3994'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottom hole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a (Current) 624 psia b (Original) 624 psia	a. b.	a. 364 psia b. 1178 psia
6. Oil Gravity (°API) or Gas BTU Content	1160 BTU		1178 BTU
7. Producing or Shut-In?	To be completed		producing
Production Marginal? (yes or no)	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 Incremental Production by Subtraction --- See attached data	Date Rates	Date Rates Mid-Year Average producing rates --- See attached Table
8. Fixed Percentage Allocation Formula -% for each zone	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
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 others ☒ 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 all offset operators.
- * 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 Jerry W. Hoover TITLE Sr. Conservation Coord. DATE 6/19/97

TYPE OR PRINT NAME Jerry W. Hoover TELEPHONE NO. (915) 686-6548

CHACRA HISTORICAL DATA: 1ST PROD: 11/81

CUM OIL YIELD **0.0000 BBL/MCF**

AVG. USED: 0.0000 BBL/MCF

CHACRA PROJECTED DATA

DECLINE RATE: 5.2% (EXPONENTIAL)

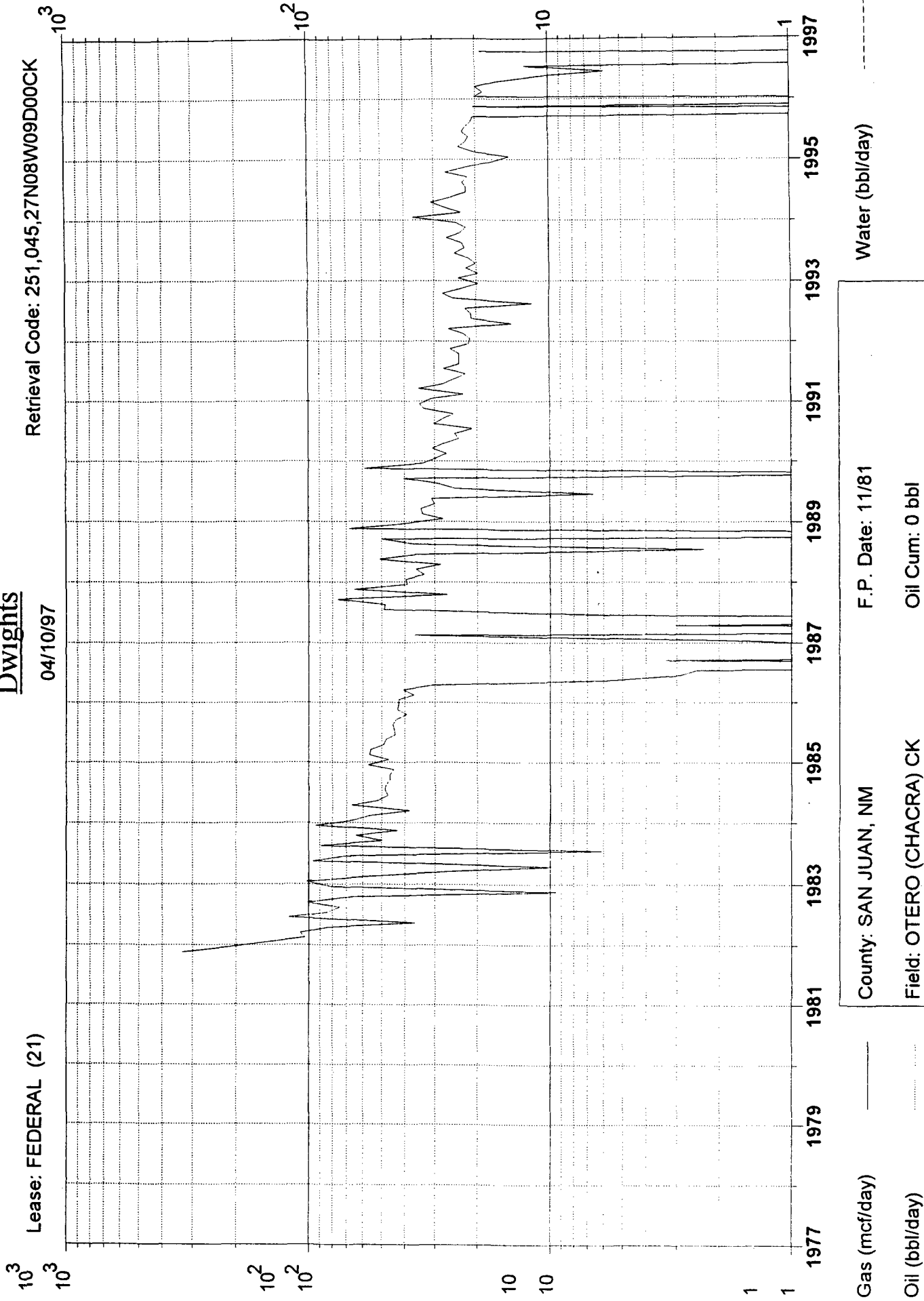
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Dwights

Lease: FEDERAL (21)

Retrieval Code: 251,045,27N08W09D000CK

04/10/97



Gas (mcf/day)

Oil (bbl/day)

Water (bbl/day)

F.P. Date: 11/81

County: SAN JUAN, NM

Oil Cum: 0 bbl

Field: OTERO (CHACRA) CK

Gas Cum: 198.5 mmcf

Reservoir: CHACRA

Location: 9D 27N 8W

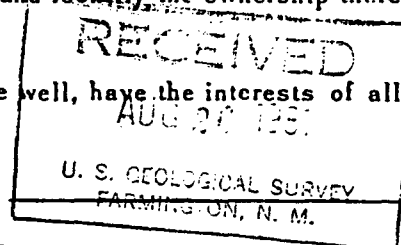
Operator: CONOCO INC

All distances must be from the outer boundaries of the Section.

Operator Mesa Petroleum Co.		Lease Federal		Well No. 21
Unit Letter 315'	Section 9	Township 27N	Range 8W	County San Juan
Actual Footage Location of Well: 315 feet from the North line and 720 feet from the West line				
Ground Level Elev. 6727	Producing Formation Chacra	Pool Undesignated Chacra	Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation



If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division

CERTIFICATION

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

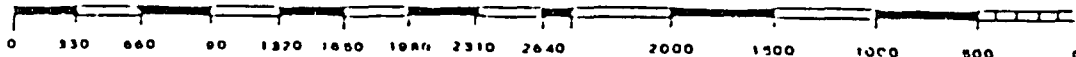
Name John Benton
Position
Company Mesa Petroleum Co.
Date August 24, 1981

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 knowledge and belief.

November 21, 1979

Date Surveyed Fred B. Kerr Jr.
Registered Professional Engineer and/or Land Surveyor

Certificate No.



All distances must be from the outer boundaries of the Section.

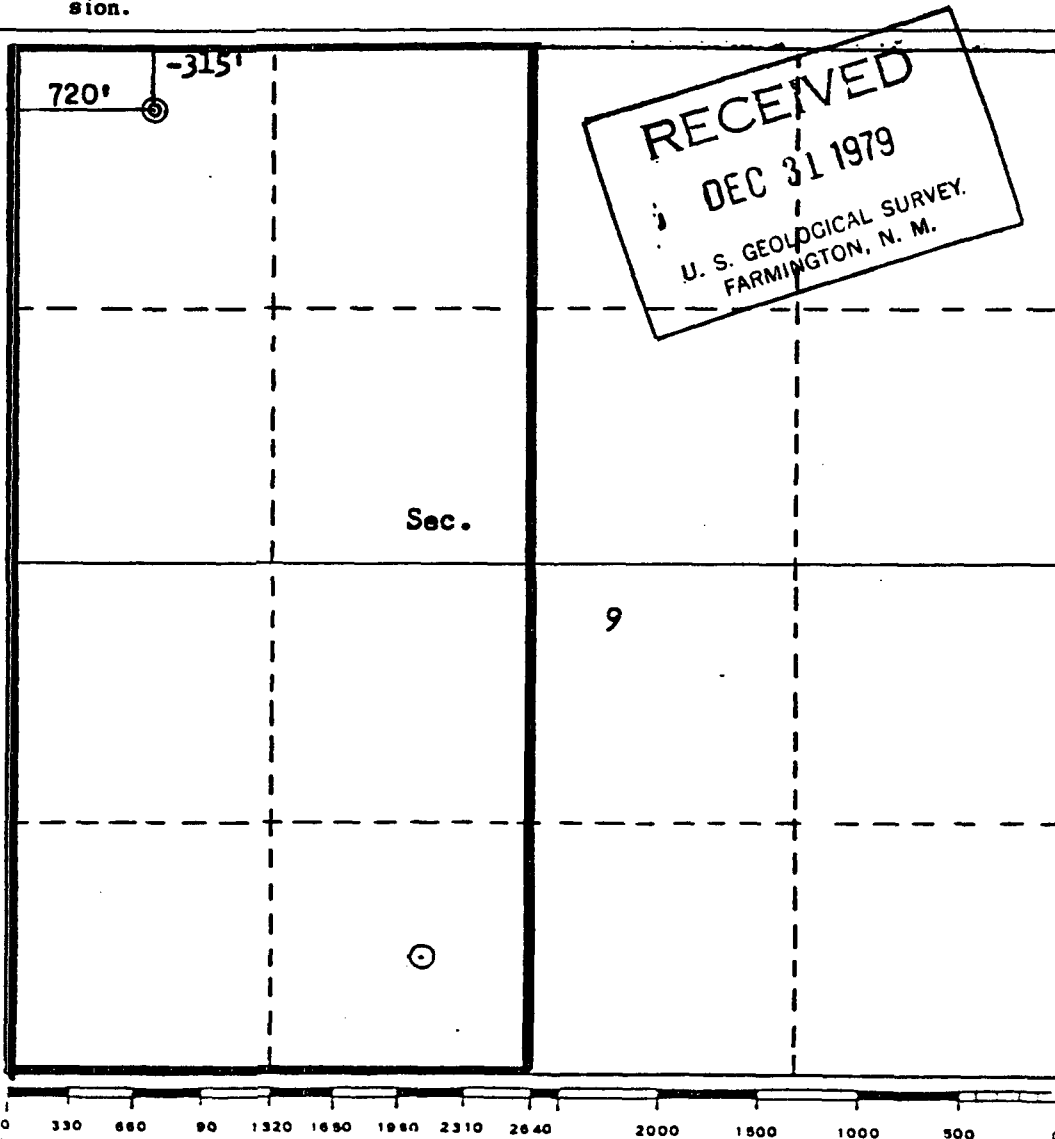
Operator MESA PETROLEUM COMPANY			Lease FEDERAL		Well No. 16-E
Unit Letter D	Section 9	Township 27N	Range 8W	County San Juan	
Actual Footage Location of Well: 315 feet from the North line and 720 feet from the West line					
Ground Level Elev. 6727	Producing Formation Dakota		Pool Basin Dakota		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

John Alexander
Name
JOHN ALEXANDER

Position
AGENT

Company
MESA PETROLEUM

Date
December 26, 1979

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 knowledge and belief.

Date Surveyed

November 26, 1979

Registered Professional Engineer and/or Land Surveyor

Frederick B. Baker Jr.
Frederick B. Baker Jr.

Certificate No. **3950**

FEDERAL #21

OFFSET OPERATORS

<u>Section 9</u>	E/2	Conoco Inc.
<u>Section 4</u>	S/2	Maralex
<u>Section 5</u>	SE/4	Burlington Resources
<u>Section 8</u>	E/2	Amoco Production
<u>Section 17</u>	NE/4	Amoco Production
<u>Section 16</u>	N/2	Burlington Resouces