



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

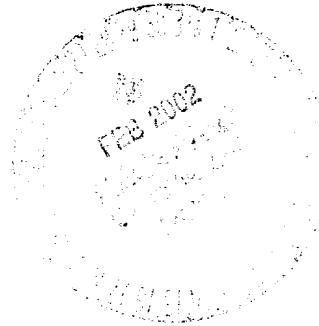
GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-1614-A

Conoco Inc.
P.O. Box 2197
DU 3084
Houston, Texas 77252-2197

Attention: Ms. Deborah Marberry



*Jicarilla "K" No. 16
API No. 30-039-20428
Unit D, Section 12, Township 25 North, Range 5 West, NMPM,
Rio Arriba County, New Mexico.
Blanco-Mesaverde (Prorated Gas - 72319) and
Basin-Dakota (Prorated Gas - 71599) Pools*

Dear Ms. Marberry:

Reference is made to your recent application for an amendment to Division Order No. DHC-1614 dated August 15, 1997, which order authorized Conoco Inc. to downhole commingle Blanco-Mesaverde, Basin-Dakota and Otero-Chacra within the Jicarilla "K" No. 16. It is our understanding that Conoco Inc. now proposes to downhole commingle the Basin-Dakota and Blanco-Mesaverde Gas Pools only within the wellbore.

It appearing that the subject well qualifies for approval for such amendment pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Production from the well shall be allocated as follows:

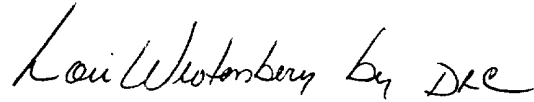
Oil and gas production from the Basin-Dakota Gas Pool shall be determined by utilizing the production forecast submitted as an attachment to the downhole commingling application. Oil and gas production from the Blanco-Mesaverde Gas Pool shall be determined by subtracting Basin-

Dakota Gas Pool production from the well's total monthly oil and gas production.

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 26th day of February, 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery by DRC".

LORI WROTENBERY
Director

S E A L

LW/DRC

cc: Oil Conservation Division - Aztec
Bureau of Land Management-Farmington

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
CONOCO, INC.

3a. Address
P.O. BOX 2197 DU 3084HOUSTONTX77252

3b. Phone No. (include area code)
(281)293-1005

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 12, T25N, R5W Unit Ltr. D
960' FNL & 790' FWL

5. Lease Serial No.

JIC 145

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
16

9. API Well No.
30-039-20428

10. Field and Pool, or Exploratory Area
BASIN DAKOTA / BLANCO MESAVEI

11. County or Parish, State
RIO ARRIBA
NEW MEXICO

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other DHC
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Conoco received approval to downhole trimingle this well in 1997. We are submitting our new procedure (attached) to downhole commingle in the Blanco Mesaverde and Basin Dakota.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

DEBORAH MARBERRY

Title

REGULATORY ANALYST

Date

02/07/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ Brian W. Davis

Signature and Printed Name

Date

MAR 8 2002

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

It is recommended to find appropriate allocation with production has stabilized.

JICARILLA K 16
Section 12 (D)-T25N-R5W
Rio Arriba County, NM
API# 300392042800

- 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) If 2-7/8" tubing is not dead, kill tubing string with minimum amount of KCl, ND tree, NU BOP, ensure 2-7/8 is landed in such a way that it will facilitate another string run inside it and a tree on top.
- 3) Pick up CIBP and test packer, RIH on 1-1/2" drill pipe work string, set plug @ 5,220' and test, move up and test for a leaks (perforations) @ 5,200' and 4,180'. See if you can circulate from lower to upper and then squeeze off both with cement. **NOTE:** Daily report on 10/23/97 says perms were made at 5,200' & 4,180', in attempts to unload and circulate fish free. Full bore access is assumed available, because plugs have been run and set at 5,220' in the past. POOH standing back, WOC.
- 4) Pressure test 2-7/8" casing, if it tests OK, Pick up 2.375" bit and RIH on 1-1/2" drill collars and drill pipe work string, drill out squeeze intervals and test, if test is OK, drill out BP @ 5,220', clean out to 4.5" CIBP @ 5,767' and POOH standing back
- 5) Pick up 2.375" OD Bow Mill (Recommended by Baker Fishing) and RIH on 10 drill collars with centralizers and 1-1/2" drill pipe cautiously until below 5,250' (bottom of treating packer), tag top of CIBP @ 5,767', drill out CIBP. Try to drill out enough of CIBP to release it and push it to bottom (7,782') on top of Model "D" packer that was drilled and pushed to bottom, unload well.
- 6) POOH drill string laying down, pick up 1.9" OD production tubing with 1.25 SN on bottom and RIH and land @ 7,650'. Be careful not to over torque tubing connections, check drift to SN before rigging down.
- 7) Notify operator to resume plunger lifted DHC MV / DK production.

San Juan South Team

Prepared by Dennis Wilson

Cc: Paper copy to Central Records, three copies to Project Leads, Farmington, N.M..

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd. Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

PO Box 2088
Santa Fe, NM 87504-2088

Form C-102

Revised February 21, 1994

instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-20428		2 Pool Code 72319	3 Pool Name Blanco Mesaverde
4 Property Code 18022	5 Property Name Jicarilla K		6 Well Number 16
7 GRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500		9 Elevation 6990

10 Surface Location

U/L or Idn.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	12	25N	5W		960	North	790	West	Rio Arriba

11 Bottom Hole Location If Different From Surface

U/L or Idn.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres N/320	13 Joint or Infill	14 Consolidation Code	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
Jerry W. Hoover
Printed Name
Sr. Conservation Coordinator
Title
6/12/97
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

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACERAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section

Operator SOUTHERN UNION PRODUCTION COMPANY		Lease JICARILLA "K"		Well No. 16
Unit Letter D	Section 12	Township 25 NORTH	Range 5 WEST	County RIO ARriba
Actual Footage Location of Well: 960 feet from the NORTH line and 790 feet from the WEST line				
Ground Level Elev. 6990.0	Producing Formation DAKOTA	Pool BASIN DAKOTA	Dedicated Acreage. N/2 - 320 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, unitization, 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 consolidated. (Use reverse side of this form if necessary) _____

No allowable will be assigned to the well until all interests have been consolidated (by communization, 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 herein is true and complete to the best of my knowledge and belief.

ORIGINAL SIGNED BY
B. R. VANDERSLICE

Name
BILL VANDERSLICE

Position
AREA SUPERINTENDENT

Company
SOUTHERN UNION PRODUCTION

Date
SEPTEMBER 21, 1971

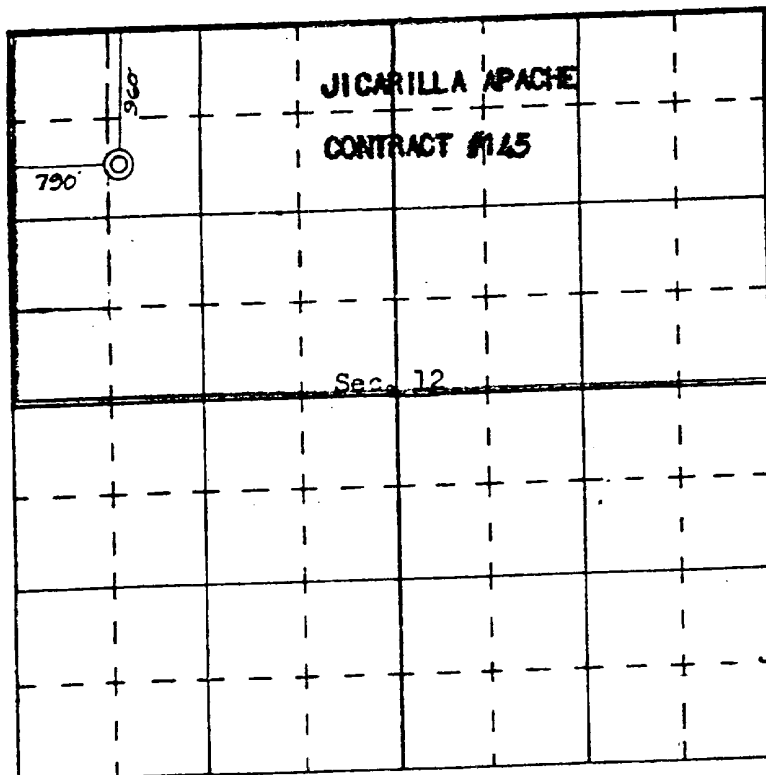
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to my knowledge and belief.

16 September, 1971
Date Surveyed

James P. Leese
Registered Professional Engineer
and Land Surveyor

JAMES P. LEESE

1663
Certificate No.



SCALE—4 INCHES EQUALS 1 MILE

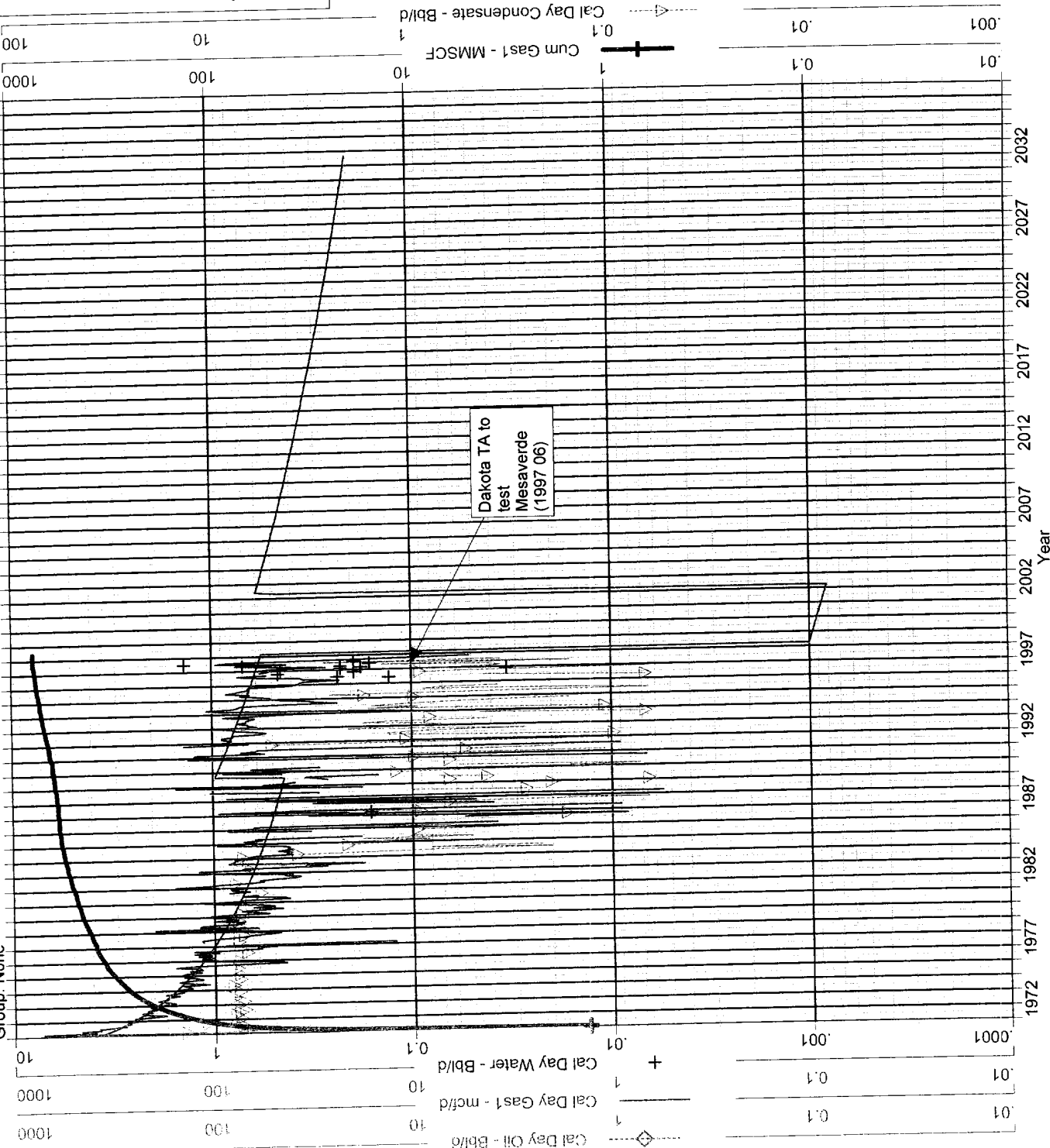
SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

JICARILLA K - 16 - DK (251-039-25N05W12D00DK) Data: Nov.1971-May.1998

Operator: CONOCO INC
Field: BASIN (DAKOTA) DK
Zone: DAKOTA
Type: Gas
Group: None

P50 Forecast (Rate-Time)
qi: 379,269 mcf/d, Jan, 1972
qf: 20,0049 mcf/d, Aug, 2032
di(Hyp): 33,0831 CTD: 774,469 MMSCF
RR: 380,127 MMSCF Tot 1154.6 MMSCF

Production Cums
Oil: 0 MSTB
Gas: 774,469 MMSCF
Water: 0.143 MSTB
Cond: 9.77 MSTB



Cal Day Oil - Bbl/d
Cum: 0 MSTB
Cal Day Gas1 - mcf/d
Cum: 774,469 MMSCF
P50 Forecast - mcf/d
versus time
Qi: 379,269 mcf/d, Jan, 1972
Qf: 20,0049 mcf/d, Aug, 2032
Di(Hyperbolic): 33,0831
n: 1.1
RR: 380,127 MMSCF
EUR: 1154.6 MMSCF
Corr coeff: N/A
Cal Day Water - Bbl/d
Cum: 0.143 MSTB
Cum Gas1 - MMSCF
Cum: 0
Cal Day Condensate - Bbl/d
Cum: 9.77 MSTB

Jicarilla K-16

Dakota forecast for subtraction from combined DHC Dakota and Mesaverde.

Mesaverde is already open but was not adequately tested before encountering well problems.

Dakota Gas Forecast		Dakota Oil Forecast	(9 month average w/ production start = 4/1/2002)
Year	mcf/d	bopd	
2002	58.9	0.3	
2003	56.4	0.3	
2004	53.7	0.3	
2005	51.2	0.3	
2006	48.9	0.2	
2007	46.8	0.2	
2008	44.8	0.2	
2009	42.9	0.2	
2010	41.2	0.2	
2011	39.6	0.2	
2012	38.0	0.2	
2013	36.6	0.2	
2014	35.2	0.2	
2015	34.0	0.2	
2016	32.8	0.2	
2017	31.6	0.2	
2018	30.5	0.2	
2019	29.5	0.1	
2020	28.6	0.1	
2021	27.7	0.1	
2022	26.8	0.1	
2023	26.0	0.1	
2024	25.2	0.1	
2025	24.4	0.1	
2026	23.7	0.1	
2027	23.0	0.1	
2028	22.4	0.1	
2029	21.8	0.1	
2030	21.2	0.1	
2031	20.6	0.1	
2032	13.4	0.1	

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

Established Pre-Approved Pools

EXISTING WELLBORE

Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

CONOCO, INC.

P.O. BOX 2197 DU 3084 HOUSTON TX 77252

Operator

Address

JICARILLA K

16

D, SEC. 12 25N5W

RIO ARRIBA

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 005073 Property Code API No. 30-039-20428 Lease Type X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Blanco Mesaverde	Basin Dakota	
Pool Code	72319	71599	
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5341' - 5701'	7512' - 7710'	
Method of Production (Flowing or Artificial Lift)	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)	1133 PSIA	829 PSIA	
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1265 BTU	1280 BTU	
Producing, Shut-in or New Zone	SHUT-IN	SHUT-IN	
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: 11/00/1997 Rates: 20mcf, 0oil	Date: 06/00/1997 Rates: 80mcf, .2oil	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 see attached %	Oil Gas see attached %	Oil Gas % %

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 X No
Yes No

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-11363 DHC ORDER #1614-amending

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 02/07/2002

TYPE OR PRINT NAME DEBORAH MARBERY TELEPHONE NO. (281)293-1005