

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Albuquerque Field Office 435 Montaño Rd. NW

Albuquerque, New Mexico 87107- 4935

www.nm.blm.gov

IN REPLY REFER TO: Jic. Cont. 154 3162.3 (010) JAN 2000 PRESENTED ON ONL CONT. 31 ONL CONT.

JAN 1 0 2000

Mr. Thomas P. Kacir Correction Engineer Marathon Oil Company

Marathon Oil Company P.O. Box 2490

Hobbs, New Mexico 88240

Dear Mr. Kacir:

We have reviewed your application for downhole commingling of production in the Jicarilla Apache Well No. 8, located 990' FSL & 990' FEL, Sec. 27, T. 26 N., R. 5 W., NMPM, Rio Arriba County, New Mexico.

Your applications are hereby approved, effective as of the date that production is actually combined. If you have any questions, I can be contacted at either (505) 761-8756 or <u>Brian Davis@blm.gov</u> .

Sincerely,

Brian W. Davis Petroleum Engineer

I EUQUERQUE, N.M.

P.O. Box 2490

Hobbs, New Mexico 88240

Telephone 505/393-7106



November 15, 1999

NM BLM
Deputy State Director
Resource Planning, Use and Protection
P.O. Box 27115
Santa Fe, New Mexico 87502-0115

RE:

Request for
Downhole Commingling
Jicarilla Apache Well No. 8
Unit Letter P, 990' FSL & 990' FEL
Section 27, T-26-N, R-5-W
Blanco Picture Cliff & Basin Dakota
Rio Arriba County, New Mexico

JAN 2000
THECEIVED TO COIL GON. DIV DIST. S

Dear BLM personnel:

Marathon Oil Company requests administrative approval for the downhole commingling of production in the above subject well from the Blanco Picture Cliff & Basin Dakota pools in Rio Arriba County, New Mexico.

Jicarilla Apache Well No. 8 was drilled in 1955. The Blanco P.C. South pool was open-hole completed. In 1966, the wellbore was deepened and cased to TD. The well was perforated and completed in the Basin Dakota. At the end of the 1st quarter of 1999, the intermediate casing developed pressure. In September 1999, the Dakota was abandon below a RBP and the intermediate casing pressure problem was fixed. Afterwards, the Blanco P.C. South was perforated and stimulated with acid and a sand frac. The downhole commingling of these two pools will be by plunger lift through a single production tubing string. This should prevent crossflow during normal production operations.

Enclosed is pertinent data supporting this application. If additional information is necessary, please contact me at (505) 393-7106, ext 201.

Sincerely,

Thomas P. Kacir Production Engineer



P.O. Box 2490 Hobbs, New Mexico 88240 Telephone 505/393-7106

November 15, 1999

Mr. David Catanach
Oil Conservation Department
Energy and Minerals Department
2040 South Pacheco
Santa Fe, New Mexico 87505

RE:

Request for Exception to Rule 303-A Downhole Commingling Jicarilla Apache Well No. 8 Unit Letter P, 990' FSL & 990' FEL Section 27, T-26-N, R-5-W Blanco Picture Cliff & Basin Dakota Rio Arriba County, New Mexico

Dear Mr. Catanach:

Marathon Oil Company requests administrative approval for an exception to Rule 303-A to permit the downhole commingling of production in the above subject well from the Blanco Picture Cliff & Basin Dakota pools in Rio Arriba County, New Mexico.

Jicarilla Apache Well No. 8 was drilled in 1955. The Blanco P.C. South pool was open-hole completed. In 1966, the wellbore was deepened and cased to TD. The well was perforated and completed in the Basin Dakota. At the end of the 1st quarter of 1999, the intermediate casing developed pressure. In September 1999, the Dakota was abandon below a RBP and the intermediate casing pressure problem was fixed. Afterwards, the Blanco P.C. South was perforated and stimulated with acid and a sand frac. The downhole commingling of these two pools will be by plunger lift through a single production tubing string. This should prevent crossflow during normal production operations.

Enclosed is pertinent data supporting this application as outlined in Rule 303-A. If additional information is necessary, please contact me at (505) 393-7106, ext 201.

Sincerely,

Thomas P. Kacir Production Engineer

REQUEST FOR EXCEPTION TO RULE 303-A Jicarilla Apache Well No. 8

A: Operator

Marathon Oil Company P.O. Box 2490 Hobbs, New Mexico 88241

B: Lease Name and Well Number

Jicarilla Apache Well No. 8 Unit Letter P, 990' FSL & 990' FEL Section 27, T-26-N, R-5-W Rio Arriba County, New Mexico Blanco Pictured Cliffs South, Basin Dakota

C: Plats and Offset Operators

Attached

D: C-116's

Attached

E: Production Decline Curves

Expected Decline Curves are Attached

F: Estimated Bottomhole Pressures

Current

Blanco Pictured Cliffs

750 psi

Basin Dakota

510 psi

G: Product Characteristics

Previous commingling of these zones by other operators in this area have shown that the produced fluids are compatible and commingling will not cause formation damage.

H: Value

Marathon receives the same price for product from these zones and value will not be adversely affected.

I: Production Allocation

<u>POOL</u>	BOPD	MCFD	BWPD	Estimated Methods
Pictured Cliffs	0.1	108	0.3	Post Workover (note below)
Basin Dakota	<u>0.4</u>	<u>69</u>	0.5	Pre-Workover Average
Total	0.5	177	0.8	

Allocated Percentages	Oil %	Gas %	Water %
Pictured Cliffs	20	61	38
Basin Dakota	<u>80</u>	<u>39</u>	<u>62</u>
Total	100	100	100

J: Ownership

Ownership of all zones is common and correlative rights will not be compromised.

K: Offset Operators

A list of offset operators is included. The offset operators were not notified because of the rule change in July 1999, eliminating the notification of offset operators.

OFFSETTING OPERATORS Jicarilla Apache Well No. 8 UL "P", 990' FSL, 990' FEL Section 27, T-26-N, R-5-W Rio Arriba County, New Mexico

On the North, Northwest, West, Southwest and South:

Marathon Oil Company P.O. Box 2490 Hobbs, NM 88240

On the Northeast, East and Southeast:

Burlington Resources Oil & Gas Company 3535 E. 30th Street Farmington, NM 87402

DHC Additional Data

The Pictured Cliffs in Jicarilla Apache Well No. 8, is expected to have additional back pressure on it when DHC with the Dakota.

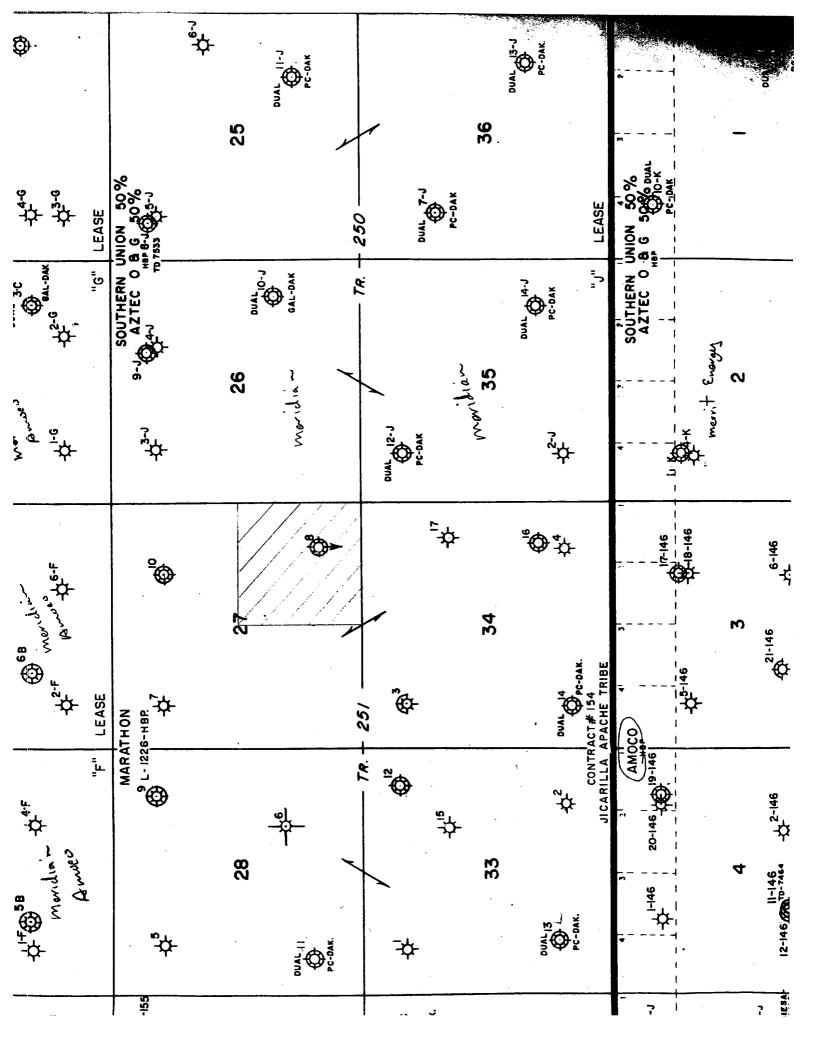
Pictured Cliffs gas production after DHC w/ Dakota is expected to be:

```
Static TP = 640 psig
Current Producing TP = 45 psig
Expected Producing CP = 125 psig (plunger lift w/ Dakota)
```

Currently the Pictured Cliffs drawdown is at 93% of static. Expected Pictured Cliffs drawdown will be at 80% of static. The current gas rate will be reduced by 14% due to the change in drawdown.

```
Current gas rate = 126 MCFPD
Expected gas rate = 108 MCFPD
```

The production from the Basin Dakota in Jicarilla Apache Well No. 8 was average from January 1998 through February 1999. Attempts to blow down the intermediate casing, keep the latter data from being representative of the Dakota production. The average production rates were used for allocation purposes and prediction of Dakota production after DHC with Pictured Cliffs.



P.O. Box 1980, Hobbs, NM 88240 Submit 2 copies to Appropriate District Office. **DISTRICT I**

DISTRICT II 811 S. 1st Street, Artesia, NM 88210-2834

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

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION 2040 Pacheco St. Santa Fe, NM 87505

Revised 1/1/89 Form C-116

GAS - OIL RATIO TEST

Address P.O. Box 2499 Hobbs, NM 88240 1.00 S T R TEST (**) Scheduled Test (**) Test (**) Scheduled Test (**) Sche	7 170						Pool	2		997			ŏ	County		-	
NH 88240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 NH 82240 N	X					_	B lanco	Pic	tured C	Iffs & B	as in Dak	ota			R	Arriba	
WELL LOCATION DAILY DATE OF NATION TEST TOWN ON THE OF NATION	₹	40						TYPE	۳. (×) - ا	Scheduled		Ö	ompletion	لبسينا	Ś	ecial	ГЭ
No. 1 S T R TEST E SIZE PRESS ALLOW- TEST WATER Gold		1 (3/4)		LOCA	TION		DATE OF	sı	UHOKu	Ca1	DAILY	LENGTH		PROD. DU	JRING TEST	_	GAS-OIL
8 P 27 26 5 11/02/99 F 41 24 0.1 0.2 126 9 P 27 26 5 9/02/99 P 40 24 0.1 92	4ME	NO.	Э	တ	⊢	α	TEST	ITAT2	SIZE	PRESS	ALLOW- ABLE	TEST HOURS	WATER BBLS.	GRAV. OIL	OIL BBLS	GAS M.C.F.	RATIO CU.FT/8BL
9 P 27 26 5 9/02/99 P 40 24 0.1 92	. PC	c o	۵.	27	56	2	11/02/99	11_		41		24	0.1		0.2	126	630,000
	; Dakota	ο,	α.	27	56	ហ	9/05/99	<u> </u>		40		24	0.1		0.1	35	920,000

Instructions:

which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60 °F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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

Signature

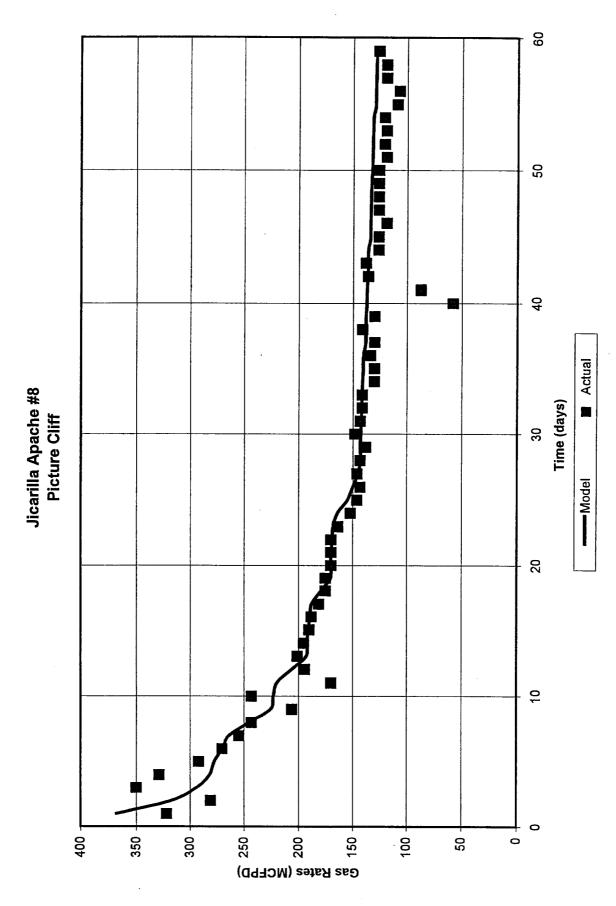
Production Engineer Printed name and title Thomas P. Kacir

November 12, 1999

Date

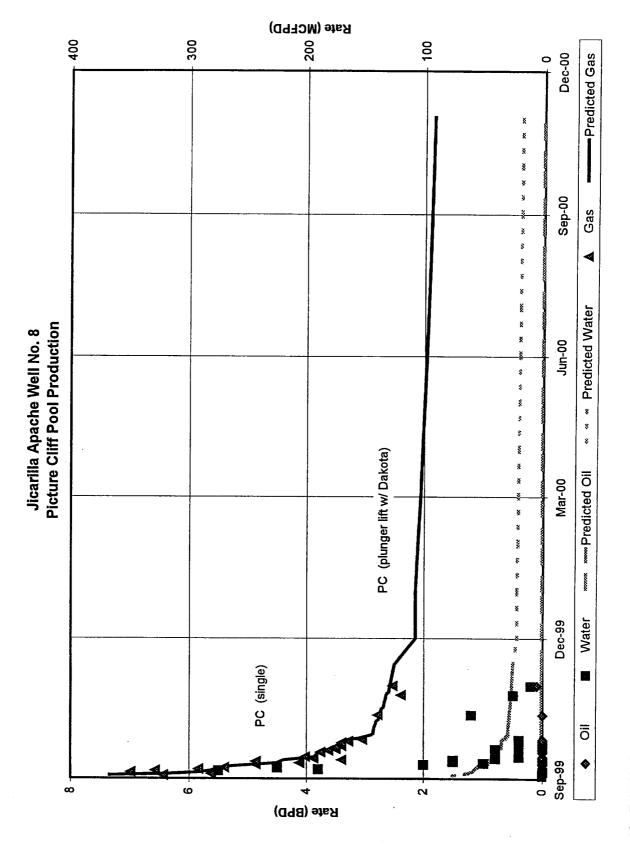
(505) 393-7106

Telephone No.



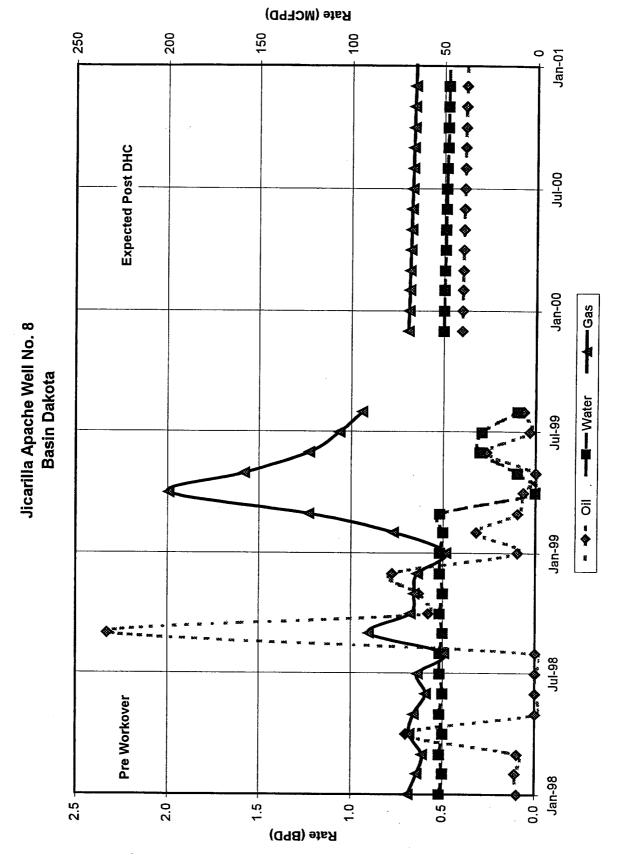
Sec 27, T-26-N, R-5-W 990' FSL, 990' FEL

Pictured Cliffs, Dakota DHC Application



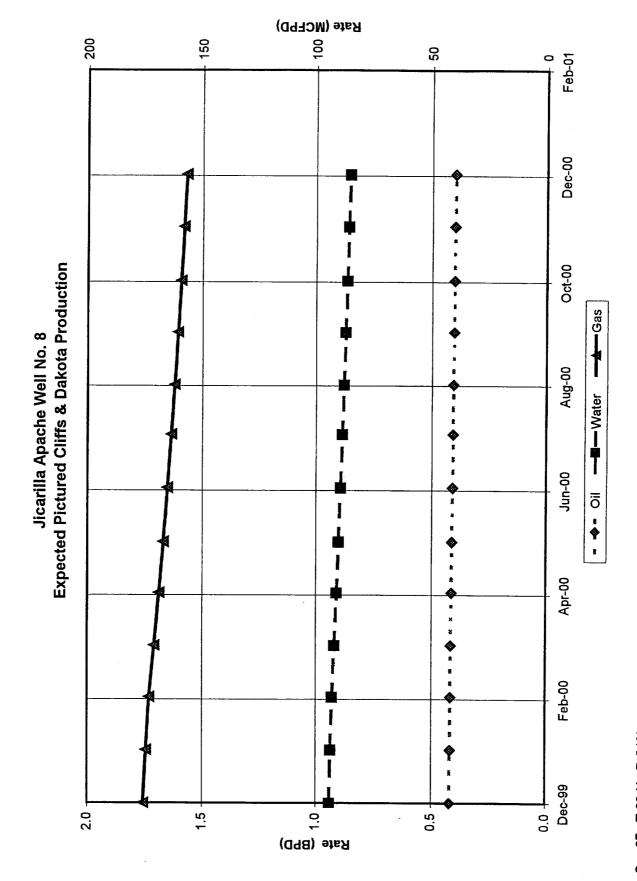
Pictured Cliffs, Dakota DHC Application

Sec 27, T-26-N, R-5-W 990' FSL, 990' FEL



Sec 27, T-26-N, R-5-W 990' FSL, 990' FEL

Pictured Cliffs, Dakota DHC Aplication



Sec 27, T-26-N, R-5-W 990' FSL, 990' FEL

Pictured Cliffs, Dakota DHC Application

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. Ist Street, Artesia, NM 88210-2834
District III
1000 Rio Brazos Rd., Aziec, NM 87410

2040 South Pachece, Santa Fe, NM 87505

Property Code

¹ API Number

30-039-06280

District IV

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Form C-102
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

6 Well Number

³ Pool Name

Blanco Picture Cliff

WELL LOCATION AND ACREAGE DEDICATION PLAT

⁵ Property Name

² Pool Code

72439

7 OGRID	4 No.					Jicari 8 Oper	lla A	pache				8
0140						-					9	Elevation
<u> </u>	<u> </u>			···		Surface		Company			(6660, GF
UL of lot no.	Section	Township	Range	Lot. Id		Feet from		North/South Line	Feet from the	East/W	1: I	
P	27	26N	5W			99	0	South	990	Eas		County R10 Ar1ba
			11 Bo	ottom H	ole Lo			erent From Surface	1		30	KIO AFIDA
UL of lot no.	Section .	Township	Range	Lot. Id	la	Feet from	the	North/South Line	Feet from the	East/W	est line	County
12 Dedicated Acres	13 Join	or Infill	Consolidation	n Code	15 Orde	r No.		L		<u>. </u>		
160			<u> </u>			. ; :						
NO ALLOW	ABLE V	/ILL BE A	SSIGNED	то тн	IS CO	MPLET	ION L	INTIL ALL INT	ERESTS HAVI	REEN	CON	SOLIDATED
11 34 14	441 P.	OR A N	NON-STA	NDARI	D UNI	T HAS I	BEEN	APPROVED BY	THE DIVISION			
				*	: :			27	I hereby certify the	out the int		CATION contained herein is nowledge and belief.
					:					:		-
				·	·				TR	~ ¥	ע פ	w
									Signature			<u> </u>
	ļ								Thomas P. I	<u>Kacir</u>		
	1								Production	Engine	eer	
	ŀ						ļ		Title			
									9-22-99 Date			[
				7	7	<u> </u>	\		18 CUDVE	ZOD OT		
	I	h 1.	+ 1 -	· .	\ \		\ ` \	((()	I hereby certify the	at the well	location	ICATION shown on this plat
		Dedica	led	','	``\	·	١,		me or under my	Reid Roles Whendrion	of actu	al surveys made by at the same is true
		Dedica Acre	440	``		` , ;		',',	and correct to the bes	it of my beli	d.	
			/	`\	' '	` ` `	` \	11/1				
			-	``	, \			111	Duy of C			
			,	\				#8	Date of Survey Signature and Seal	of Professi	onal Sur-	ever.
					\		, 9	4901				<i>-,-</i> 1.
					\	\						
				` .	` `		$\lfloor \ \ $	990'				
				<u> </u>	\ \			///	Certificate Number			

District I

PO Box 1980, Hobbs, NM 88241-1980

District II

811 S. 1st Street, Artesia, NM 88210-2834

District III

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 Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Form C-102 Revised October 18, 1994 Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

Certificate Number

WELL LOCATION AND ACREAGE DEDICATION PLAT 1 API Number ² Pool Code ³ Pool Name <u>30-039-06280</u> 71599 Basin Dakota ⁴ Property Code ⁵ Property Name 6 Well Number 6414 <u>Jicarilla Apache</u> 7 OGRID No. Operator Name Elevation 014021 Marathon 011 Company 6660' GL Surface Location UL or lot no. Section Township Range Lot. Idn Feet from the North/South Line Feet from the East/West line County P 27 26N **5W** 990 South 990 East Rio Ariba 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 1. Dedicated Acres 13 Joint or Infill 14Consolidation Code 15 Order No. 160 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 **OPERATOR CERTIFICATION** I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. home P K now Thomas P. Kacir Printed Name Production Engineer 11-12-99 Date 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. Dedicated Acreage Date of Survey #8 Signature and Seal of Professional Surveyer: 990 990

eggeraue, N.M.

P.O. Box 2490

Hobbs, New Mexico 88240

Telephone,505/393-7106



November 15, 1999

NM BLM
Deputy State Director
Resource Planning, Use and Protection
P.O. Box 27115
Santa Fe, New Mexico 87502-0115

RE: Request for

Downhole Commingling
Jicarilla Apache Well No. 8
Unit Letter P, 990' FSL & 990' FEL
Section 27, T-26-N, R-5-W
Blanco Picture Cliff & Basin Dakota
Rio Arriba County, New Mexico

JAN 2000

JAN 2000

GEORIVED

GEORITA

OFFICERS

OFFICER

Dear BLM personnel:

Marathon Oil Company requests administrative approval for the downhole commingling of production in the above subject well from the Blanco Picture Cliff & Basin Dakota pools in Rio Arriba County, New Mexico.

Jicarilla Apache Well No. 8 was drilled in 1955. The Blanco P.C. South pool was open-hole completed. In 1966, the wellbore was deepened and cased to TD. The well was perforated and completed in the Basin Dakota. At the end of the 1st quarter of 1999, the intermediate casing developed pressure. In September 1999, the Dakota was abandon below a RBP and the intermediate casing pressure problem was fixed. Afterwards, the Blanco P.C. South was perforated and stimulated with acid and a sand frac. The downhole commingling of these two pools will be by plunger lift through a single production tubing string. This should prevent crossflow during normal production operations.

Enclosed is pertinent data supporting this application. If additional information is necessary, please contact me at (505) 393-7106, ext 201.

Sincerely,

Komer P K aut Thomas P. Kacir Production Engineer



P.O. Box 2490 Hobbs, New Mexico 88240 Telephone 505/393-7106

November 15, 1999

Mr. David Catanach
Oil Conservation Department
Energy and Minerals Department
2040 South Pacheco
Santa Fe, New Mexico 87505

RE:

Request for Exception to Rule 303-A Downhole Commingling Jicarilla Apache Well No. 8 Unit Letter P, 990' FSL & 990' FEL Section 27, T-26-N, R-5-W Blanco Picture Cliff & Basin Dakota Rio Arriba County, New Mexico

Dear Mr. Catanach:

Marathon Oil Company requests administrative approval for an exception to Rule 303-A to permit the downhole commingling of production in the above subject well from the Blanco Picture Cliff & Basin Dakota pools in Rio Arriba County, New Mexico.

Jicarilla Apache Well No. 8 was drilled in 1955. The Blanco P.C. South pool was open-hole completed. In 1966, the wellbore was deepened and cased to TD. The well was perforated and completed in the Basin Dakota. At the end of the 1st quarter of 1999, the intermediate casing developed pressure. In September 1999, the Dakota was abandon below a RBP and the intermediate casing pressure problem was fixed. Afterwards, the Blanco P.C. South was perforated and stimulated with acid and a sand frac. The downhole commingling of these two pools will be by plunger lift through a single production tubing string. This should prevent crossflow during normal production operations.

Enclosed is pertinent data supporting this application as outlined in Rule 303-A. If additional information is necessary, please contact me at (505) 393-7106, ext 201.

Sincerely,

Thomas P. Kacir Production Engineer

REQUEST FOR EXCEPTION TO RULE 303-A Jicarilla Apache Well No. 8

A: Operator

Marathon Oil Company P.O. Box 2490 Hobbs, New Mexico 88241

B: Lease Name and Well Number

Jicarilla Apache Well No. 8
Unit Letter P, 990' FSL & 990' FEL
Section 27, T-26-N, R-5-W
Rio Arriba County, New Mexico
Blanco Pictured Cliffs South, Basin Dakota

C: Plats and Offset Operators

Attached

D: C-116's

Attached

E: Production Decline Curves

Expected Decline Curves are Attached

F: Estimated Bottomhole Pressures

Current

Blanco Pictured Cliffs

750 psi

Basin Dakota

510 psi

G: Product Characteristics

Previous commingling of these zones by other operators in this area have shown that the produced fluids are compatible and commingling will not cause formation damage.

H: Value

Marathon receives the same price for product from these zones and value will not be adversely affected.

I: Production Allocation

POOL	BOPD	MCFD	BWPD	Estimated Methods
Pictured Cliffs	0.1	108	0.3	Post Workover (note below)
Basin Dakota	<u>0.4</u>	<u>69</u>	0.5	Pre-Workover Average
Total	0.5	177	0.8	9

Allocated Percentages	Oil %	Gas %	Water %
Pictured Cliffs	20	61	38
Basin Dakota	<u>80</u>	<u>39</u>	<u>62</u>
Total	100	100	100

J: Ownership

Ownership of all zones is common and correlative rights will not be compromised.

K: Offset Operators

A list of offset operators is included. The offset operators were not notified because of the rule change in July 1999, eliminating the notification of offset operators.

OFFSETTING OPERATORS Jicarilla Apache Well No. 8 UL "P", 990' FSL, 990' FEL Section 27, T-26-N, R-5-W Rio Arriba County, New Mexico

On the North, Northwest, West, Southwest and South:

Marathon Oil Company P.O. Box 2490 Hobbs, NM 88240

On the Northeast, East and Southeast:

Burlington Resources Oil & Gas Company 3535 E. 30th Street Farmington, NM 87402

DHC Additional Data

The Pictured Cliffs in Jicarilla Apache Well No. 8, is expected to have additional back pressure on it when DHC with the Dakota.

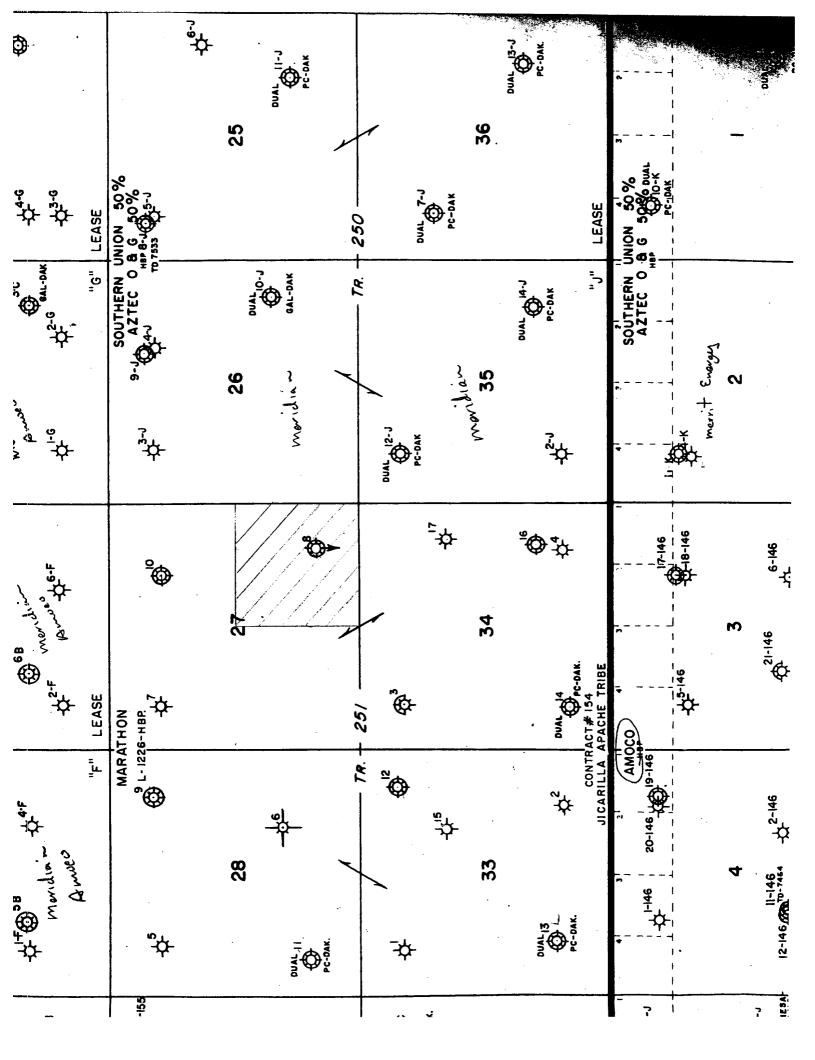
Pictured Cliffs gas production after DHC w/ Dakota is expected to be:

```
Static TP = 640 psig
Current Producing TP = 45 psig
Expected Producing CP = 125 psig (plunger lift w/ Dakota)
```

Currently the Pictured Cliffs drawdown is at 93% of static. Expected Pictured Cliffs drawdown will be at 80% of static. The current gas rate will be reduced by 14% due to the change in drawdown.

```
Current gas rate = 126 MCFPD
Expected gas rate = 108 MCFPD
```

The production from the Basin Dakota in Jicarilla Apache Well No. 8 was average from January 1998 through February 1999. Attempts to blow down the intermediate casing, keep the latter data from being representative of the Dakota production. The average production rates were used for allocation purposes and prediction of Dakota production after DHC with Pictured Cliffs.



DISTRICT II 811 S. Ist Street, Artesia, NM 88210-2834 P.O. Box 1980, Hobbs, NM 88240 Submit 2 copies to Appropriate District Office. DISTRICT

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT III

Energy, Minerals and Natural Resources Department State of New Mexico

OIL CONSERVATION DIVISION 2040 Pacheco St. Santa Fe, NM 87505

Revised 1/1/89 Form C-116

GAS - OIL RATIO TEST

		Ι				
		GAS-OIL	RATIO CU.FT/BBL	630,000	920,000	
Rio Arriba	Special X		GAS MCF	126	92	
R10	S	PROD. DURING TEST	BBLS.	0.2	0.1	
County		PROD. D	GRAV.			
0	Completion		WATER BBLS.	0.1	0.1	
ota	Ŏ	LENGTH OF	TEST HOURS	24	24	
ool Blanco Pictured Cliffs & Basin Dakota		DAILY	ALLOW- ABLE			
Iffs & E	Scheduled	TBG	PRESS.	41	40	
ctured C	TYPE OF TEST - (X)	CHOKE	SIZE			
P P	TYPI	sn	TATS	ш.	<u> </u>	
Pool B Tanco		DATE OF	TEST	11/02/99	9/05/99	
			α	S.	Ŋ	
		LOCATION	⊢	56	56	
		LOCA	S	27	27	
			ם	۵	۵.	
	0	WELL	Ö	œ	o,	
Operator Marathon 011 Company	Address P.O. Box 2490 Hobbs, NM 88240		LEASE NAME	Jicarilla Apache ; PC	Jicarilla Apache ; Dakota	·

Instructions:

which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60 °F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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

Thomas P. Kacir Signature

Production Engineer

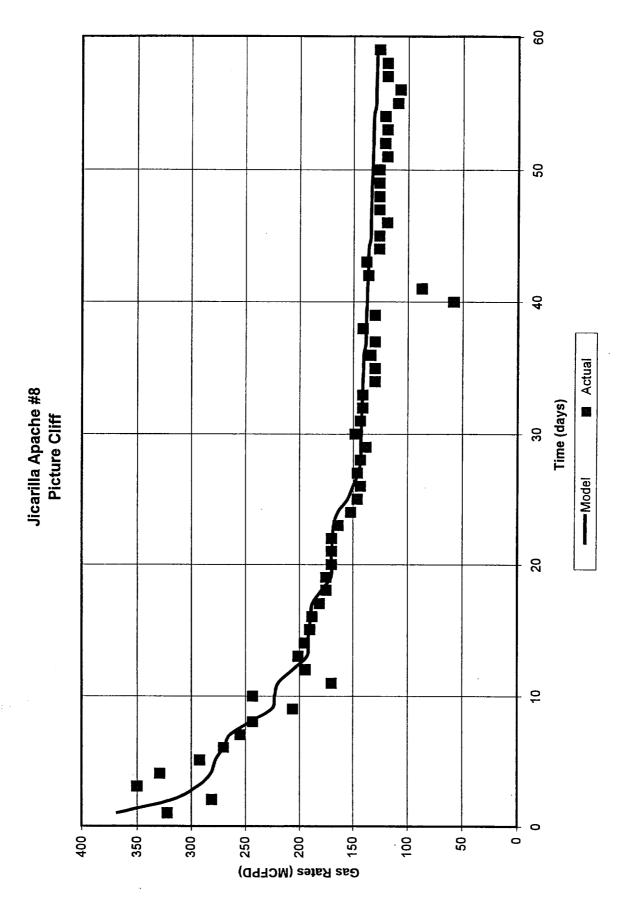
Printed name and title

November 12, 1999

Date

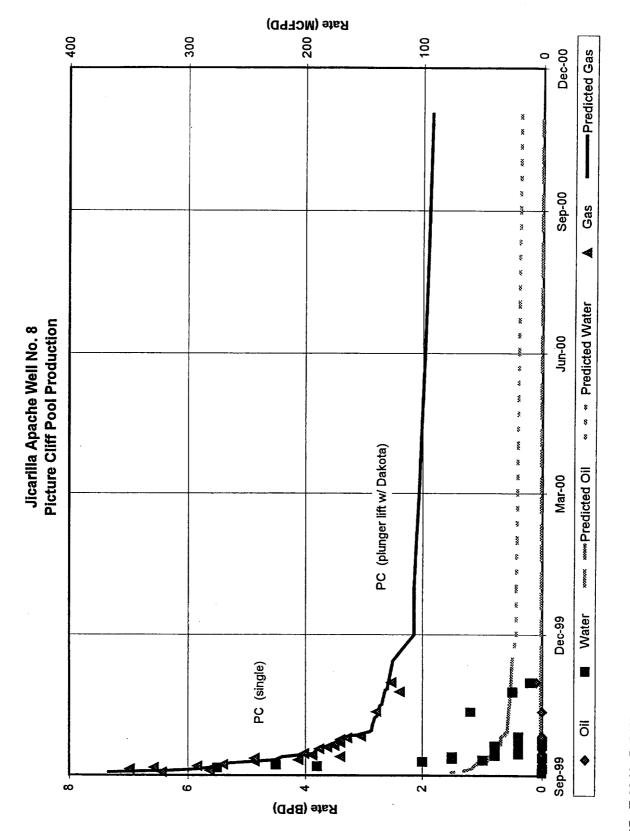
(505) 393-7106

Telephone No.



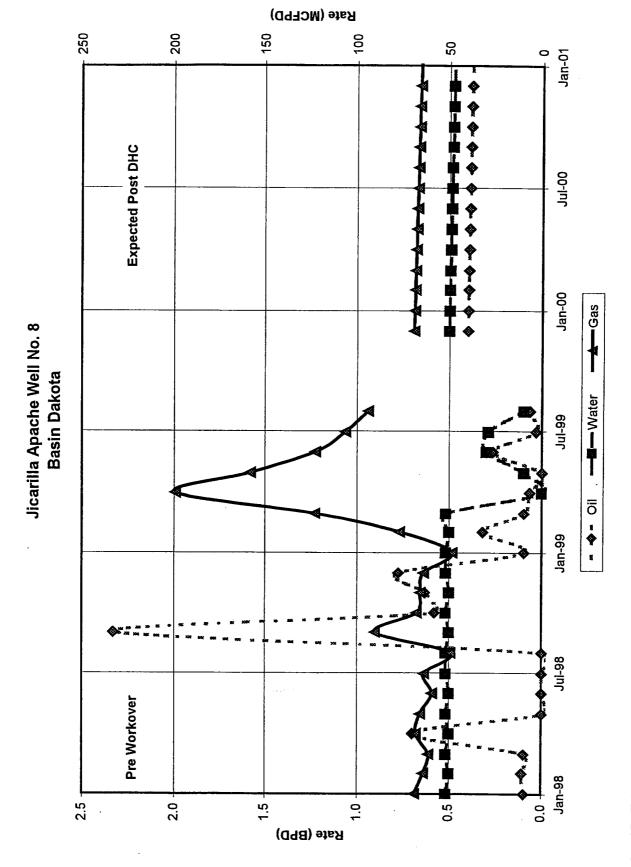
Sec 27, T-26-N, R-5-W 990' FSL, 990' FEL

Pictured Cliffs, Dakota DHC Application



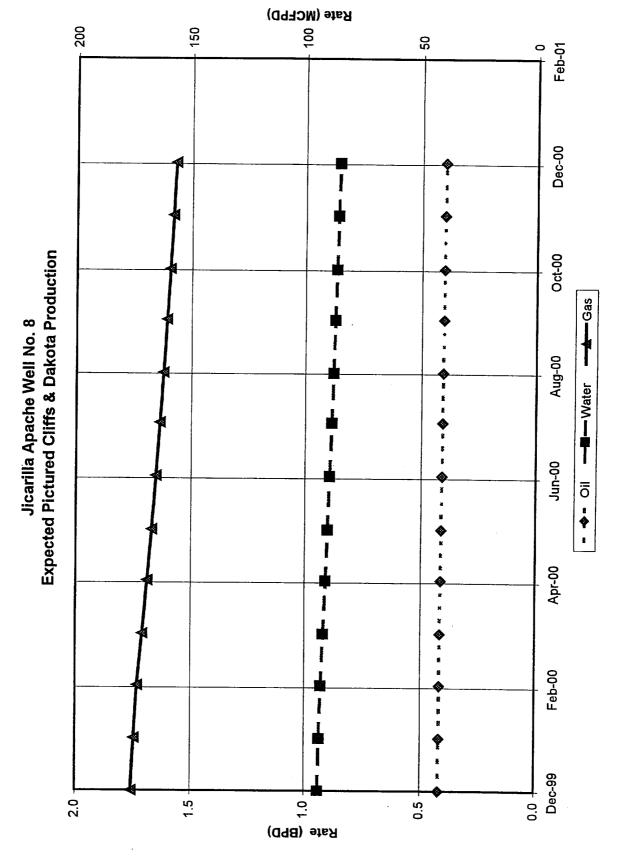
Sec 27, T-26-N, R-5-W 990' FSL, 990' FEL

Pictured Cliffs, Dakota DHC Application



Sec 27, T-26-N, R-5-W 990' FSL, 990' FEL

Pictured Cliffs, Dakota DHC Aplication



Sec 27, T-26-N, R-5-W 990' FSL, 990' FEL

Pictured Cliffs, Dakota DHC Application

District I PO Box 1980, Hobbs, NM 88241-1980 District [[811 S. 1st Street, Artesia, NM 88210-2834 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV

2040 South Pachece, Santa Fe, NM 87505

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Form C-102 Revised October 18, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

			L LUCA	TION	AND A	CKEA	GE DEDICA	TION PLA	T	•	
1	API Num	per		² Pool	Code			³ Pool Nan	ne		
3(<u>0-039-0</u>	<u> </u>		72	439	<u> </u>		Blanco Pictu	re Clif	f	
4 Property		İ				perty Na	•			6	Well Number
641 7 OGRID					Jicar 8 On	111a A	pache				8
0140					-						Elevation
0140	151					n U11 e Locat	Company				6660. GF
UL or lot no.	Section	Township	Range	Lot. Id			North/South Line	Feet from the	East/W	est line	County
P	27	26N	5W		9	90	South	990	Ea		Rio Ariba
	·		li Bo	ttom H	ole Location	If Diff	erent From Surfac				וויס אין וויס
UL or lot no.	Section	Township	Range	Lot. Id	n Feet fro	m the	North/South Line	Feet from the	East/W	est line	County
			İ		:		İ				
12 Dedicated Acre	s ¹³ Joi	at or Infill	Consolidation	Code	15 Order No.				· · · · · · · · · · · · · · · · · · ·		
160			·		- 12						
		WILL BE A	SSIGNED	то тн	IS COMPLE	TION I	JNTIL ALL INT	ERESTS HAV	E BEEN	CON	SOLIDATED
	, , , , , , , , , , , , , , , , , , ,	UKAI	NON-STA	NDARI	D UNIT HAS	BEEN	APPROVED BY	THE DIVISI	ON		
						-	27	17 OPERA	TOR CI	RTIF	ICATION
								I hereby certify true and complete	that the in e to the be	formation st of my k	contained herein is nowledge and belief.
			I		:				ŧ.,		
			1								
			į			1			4		
			•					TD	1	0 11	
-								Signature	<u>~~ /</u>		w
								Thomas P.	Kacir		
								Printed Name			
•								Production	<u>Engin</u>	eer_	
			1					9-22-99			
								Date		·	
				//	///		////	18 SURVE	YOR C	ERTIF	ICATION
		Dedica	+1-+	? \	///		\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	l hereby certify ti	hat the wel	l location	n shown on this plat ial surveys made by
				`\ `	' ' '	`	(())	me or under my and correct to the b	subervision	n. avri d	hat the same is true
		Acre	490	\ \		1/	() ()		csi oj niy bei	<i>.</i> eg.	
			'	`\	`	1	. ' ' ' '				
	_		1		, , ,	-	\\\\\	Date of Survey	 		
			,	$\overline{}$			#8	Signature and Sea	l of Profess	ional Cur.	
			Ì	` ` `	' ' '		D4		1(1033	wes Jul	TO 3 01 .
			j	\ \	' '		1901				
			I,	`	\ \						
			. 1	` '	\ ` .	1,	990'				
				\ \	, , \						
			<u></u>	<u> </u>	<u>' '</u>	7	<u> </u>	Certificate Number	:r		

District I

PO Box 1980, Hobbs, NM 88241-1980

811 S. 1st Street, Artesia, NM 88210-2834

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Form C-102 Revised October 18, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

2040 South Pacheco, Santa Fe, NM 87505 WELL LOCATION AND ACREAGE DEDICATION PLAT 1 API Number ² Pool Code ³ Pool Name 30-039-06280 71599 Basin Dakota ⁴ Property Code 5 Property Name ⁶ Well Number 6414 Jicarilla Apache 8 Operator Name 7 OGRID No. 9 Elevation 014021 Marathon 011 Company 6660' GL Surface Location UL or lot no. Section Township Range Lot. Idn Feet from the North/South Line Feet from the East/West line County Ρ 27 26N **5W** 990 South 990 East Rio Ariba 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 ¹⁴Consolidation Code 15 Order No. 160 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 **OPERATOR CERTIFICATION** I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. home P K now Thomas P. Kacir Printed Name Production Engineer Title 11-12-99 Date 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. Dedicated Acreage Date of Survey #8 Signature and Seal of Professional Surveyer: 990 990 Certificate Number

DISTRICT I

P.O. Box 1960, Hobbs, NM 88240

DISTRICT II

811 South First St., Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd. Aztec. NM 87410 State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

APPLICATION FOR DOWNHOLE COMMINGLING

APPROVAL PROCESS:

___ Administrative ___Hearing

EXISTING WELLBORE X YES _ NO

Marathon Oil Company Jicarilla Apache Well			Rio Arriba
GRID NO. 14021 Property Cod	e 6414 API NO. 3	0-039-06280 Federal	paging Unit Lesse Types: (check 1 or more) X , State, land/or) Fee
The following facts are submitted in support of downhole commingling:	Upper Zone	intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Blanco Pictured Clif 72439	s N/A	Basin Dakota 71599
Top and Bottom of Pay Section (Perforations)	3070-3134'		7258-7402'
3. Type of production (Oil or Gas)	Gas		Gas
Method of Production (Flowing or Artificial Lift)	Current Flowing Expect Artificial I	ift	Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Measured Current All Gas Zones:	a. (Current) 750 psi	8.	a. 510 psi
All Gas Zones: Estimated Or Measured Original	b. ^(Original) (1955) 1080 psi	b.	^{b.} (1967) 3170 psi
6. Oil Gravity (*API) or Gas BTU Content	1094		1212
7. Producing or Shut-In?	Producing		Shut-in
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	Date: Rates: N/A	Date: Rates:	Date: 9/2/99 Rates: 0,1/92/0,1
 If Producing, give date andoil/gas/ water rates of recent test (within 60 days) 	Date: 11/2/99 Rates: 0.1/126/0.3	Date: Rates:	Date: Rotes: N/A
8. Fixed Percentage Allocation Formula -% for each zone	ON: 20 % Gas: 61 %	Oli: Gas: %	Oil: 80 % Gas: 39 %
9. If allocation formula is based submit attachments with su	shorring gare euglor exhibititib	method and providing rate pro	ojections or other required dat
O. Are all working, overriding, all f not, have all working, over Have all offset operators been V	nd royalty interests identical in riding, and royalty interests be given written notice of the pro	all commingled zones? en notified by certified mail? posed downhole commingling?	X Yes — No Yes — No Yes — No
1. Will cross-flow occur? A \ flowed production be recover	es No If yes, are fluids ed, and will the allocation forn	compatible, will the formations nula be reliable. \underline{X} Yes	not be damaged, will any cro No (If No, attach explanation
2. Are all produced fluids from a	ill commingled zones compatib	le with each other? X	Yes No
Will the value of production b If this well is on, or communitation of tendent states Rureau of tendents.	tized with state or federal lan	da alabasaha Cammiratan d	
5. NMOCD Reference Cases for	Management nas pean noting	od in writing of this application ORDER NO(S).	· <u>x</u> Yes No
6. ATTACHMENTS: C-102 for each zoing production curve for sones with noing to support all Notification list of	ne to be commingled showing or each zone for at least one y production history, estimated ocation method or formula.	its spacing unit and acreage dear. (If not available, attach eproduction rates and supporting ty interests for uncommon interequired to support commingling	edication. xplaination.) g data.
hereby certify that the informati			
SIGNATURE Through	Kus	TITLE Production Eng	DATE11/15/99
TYPE OR PRINT NAMEThom		TELEPHONE NO.	