

## DISTRICT I

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

## DISTRICT II

4511 South East St. Artesia, NM 88210-2835

## DISTRICT III

1000 Rio Brazos Rd. Aztec, NM 87410-1693

State of New Mexico  
Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429Form C-107-A  
New 3-12-96

## APPROVAL PROCESS

☒ Administrative ☐ Hearing

## EXISTING WELLBORE

☒ YES ☐ NO

## APPLICATION FOR DOWNHOLE COMMINGLING

Conoco Inc.

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

Lease No.

Buttram

7-4

Section 23, E-26-N, R-6-W, 1

Rio Arriba

Lease

Well No.

Unit Ltr Sec Twp Rge

County

OGRID NO 005073

Property Code 003145

API NO

30-039-06377

Spacing Unit Lease Types (check 1 or more):  
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	Basin Fruitland Coal 71629		Blanco Pictured Cliffs South 72439
2 TOP and Bottom of Pay Section (Perforations)	2410-2700'		2710-2800'
3 Type of production (Oil or Gas)	Gas		Gas
4 Method of Production (Flowing or Artificial Lift)	To Flow		Flowing
5 Bottomhole Pressure	a (Current)	a	
Oil Zones - Artificial Lift Estimated Current	1160		301
Gas & Oil Flowing Measured Current	b (Original)	b	
All Gas Zones Estimated Or Measured Original	1160		1197
6 Oil Gravity (°API) or Gas BT Content	1250		1180
7 Producing or Shut-In?	To be completed		Producing
Production Marginal? (yes or no)	Expected to be		Yes
• If Shut-In give date and oil/gas/water rates of last production	Date Rates	Date Rates	Date Rates
Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.			
• If Producing date and oil/gas/water rates of recent test (within 60 days)	Date Rates	Date Rates	Date Rates
	Incremental Prod by Subtraction - Estimated 1st year 135 MCFD, 0 BW, 0 BO		Mid-Year Avg rates-See table - 6.98 12 MCFD, 0 BW, 0 BO
8 Fixed Percentage Allocation Formula - % for each zone			

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?

If not, have all working, overriding, and royalty interests been notified by certified mail?

Have all offset operators been given written notice of the proposed downhole commingling?

X Yes \_\_\_ No  
 Yes \_\_\_ No  
 X 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? X Yes \_\_\_ No

13 Will the value of production be decreased by commingling? \_\_\_ Yes X 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. X Yes \_\_\_ No

15 NMOC Reference Cases for Rule 303(D) Exceptions:

ORDER NO(S)

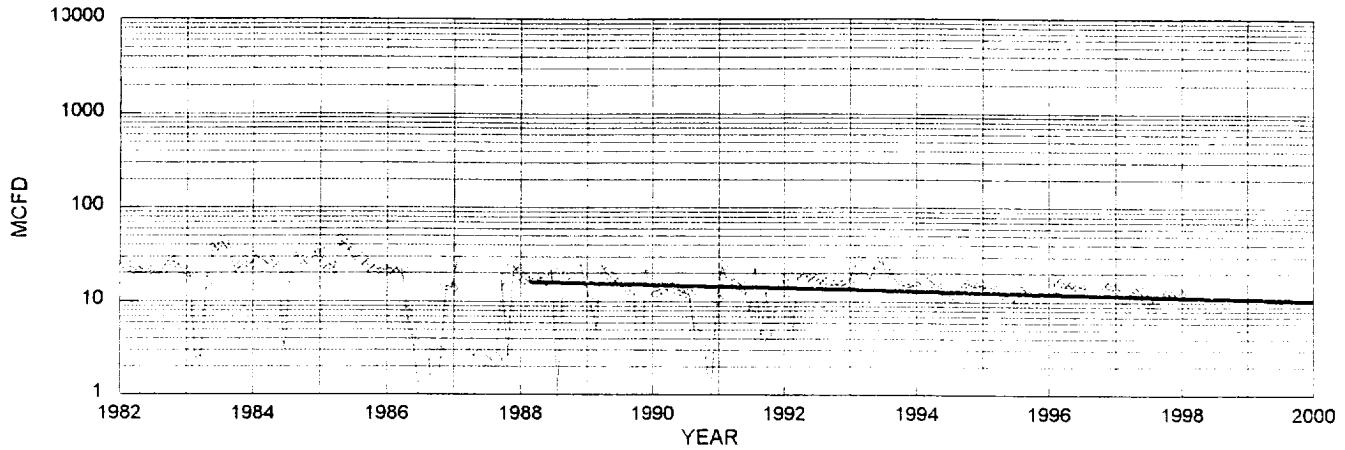
## 16 ATTACHMENTS

- 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 Kay Maddox TITLE Regulatory Agent DATE 8/11/98TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

**BUTTRAM NO. 4 PICTURED CLIFFS PRODUCTION  
SECTION 23I-26N-06W**



— PICTURED CLIFFS MCFD    — FIT MCFD

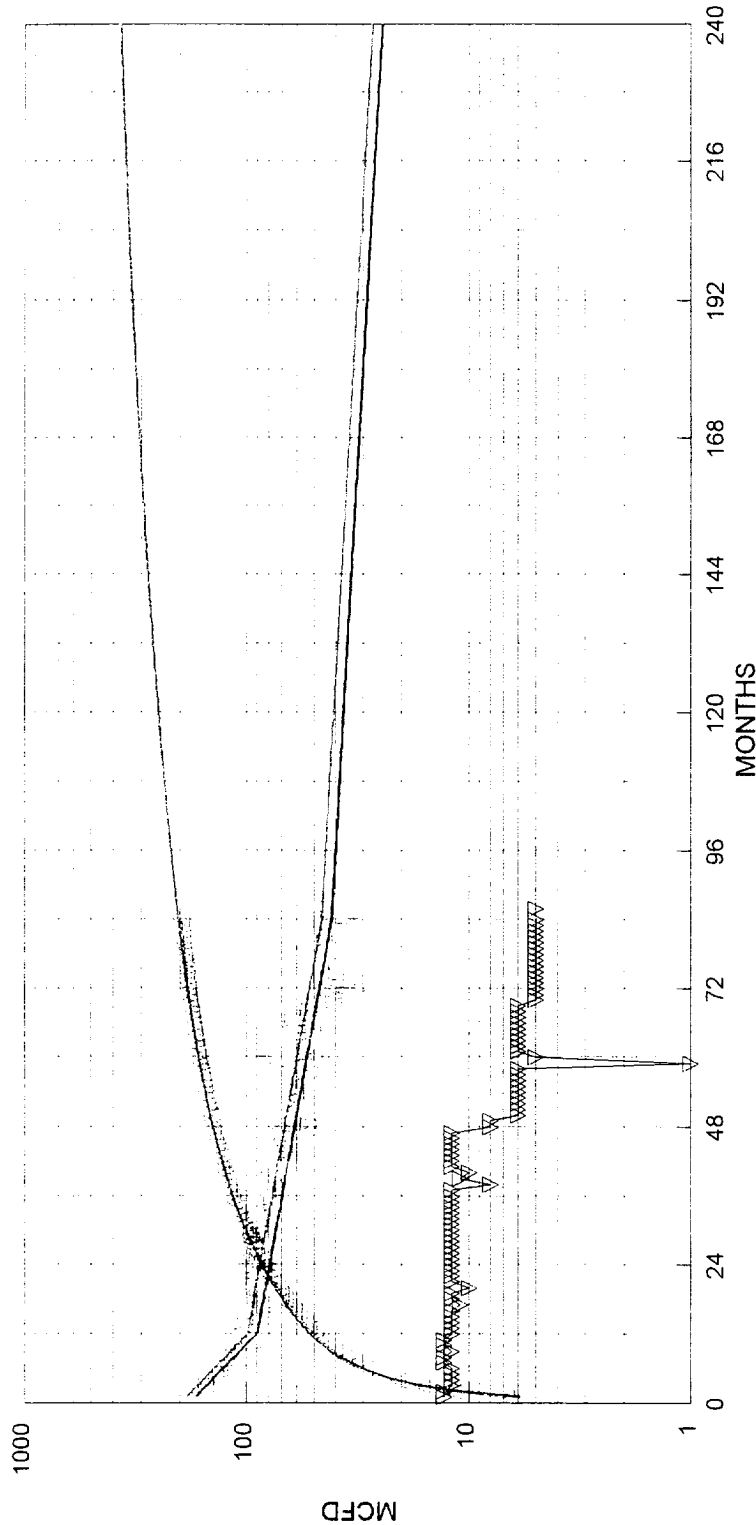
FIELD: BLANCO SOUTH (PICTURED CLIFFS)

PC HISTORICAL DATA:		1ST PROD: 12/53	PC PROJECTED DATA	
OIL CUM:	0.00	MBO	1/1/98 Qi:	11.3 MCFD
GAS CUM:	382.4	MMCF (SINCE '70)	DECLINE RATE:	3.5% (EXPONENTIAL)
CUM OIL YIELD:	0.0000	BBL/MCF		
OIL YIELD:	0.0000	BBL/MCF, LAST 3 YRS		
AVG. USED:	0.0000	BBL/MCF		
GAS CUM:	2167.6	MMCF (SINCE '53)		

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
1998	11.1	0.0
1999	10.7	0.0
2000	10.3	0.0
2001	9.9	0.0
2002	9.6	0.0
2003	9.3	0.0
2004	8.9	0.0
2005	8.6	0.0
2006	8.3	0.0
2007	8.0	0.0
2008	7.7	0.0
2009	7.5	0.0
2010	7.2	0.0
2011	7.0	0.0
2012	6.7	0.0
2013	6.5	0.0
2014	6.3	0.0
2015	6.0	0.0
2016	5.8	0.0
2017	5.6	0.0
2018	5.4	0.0
2019	5.2	0.0
2020	5.1	0.0
2021	4.9	0.0
2022	4.7	0.0
2023	4.5	0.0
2024	4.4	0.0
2025	4.2	0.0
2026	4.1	0.0
2027	3.9	0.0
2028	3.8	0.0
2029	3.7	0.0
2030	3.6	0.0
2031	3.4	0.0
2032	3.3	0.0

**NORMALIZED FRUITLAND COAL PRODUCTION**  
13 WELLS SINCE 1990; TOWNSHIP 26N RANGE 6&7 W



— FIT MCFD      NORMALIZED MCFD      NORM CUM MMCF  
△ WELLS ON PRODUCTION      — FIT CUM MMCF      — RISKED MCFD

**NORMALIZED AVG:**  
442 MMCF EUR  
377 MMCF IN 20 YRS  
20 MCFD E.L.  
0.0000 bbl/mcf oil yield

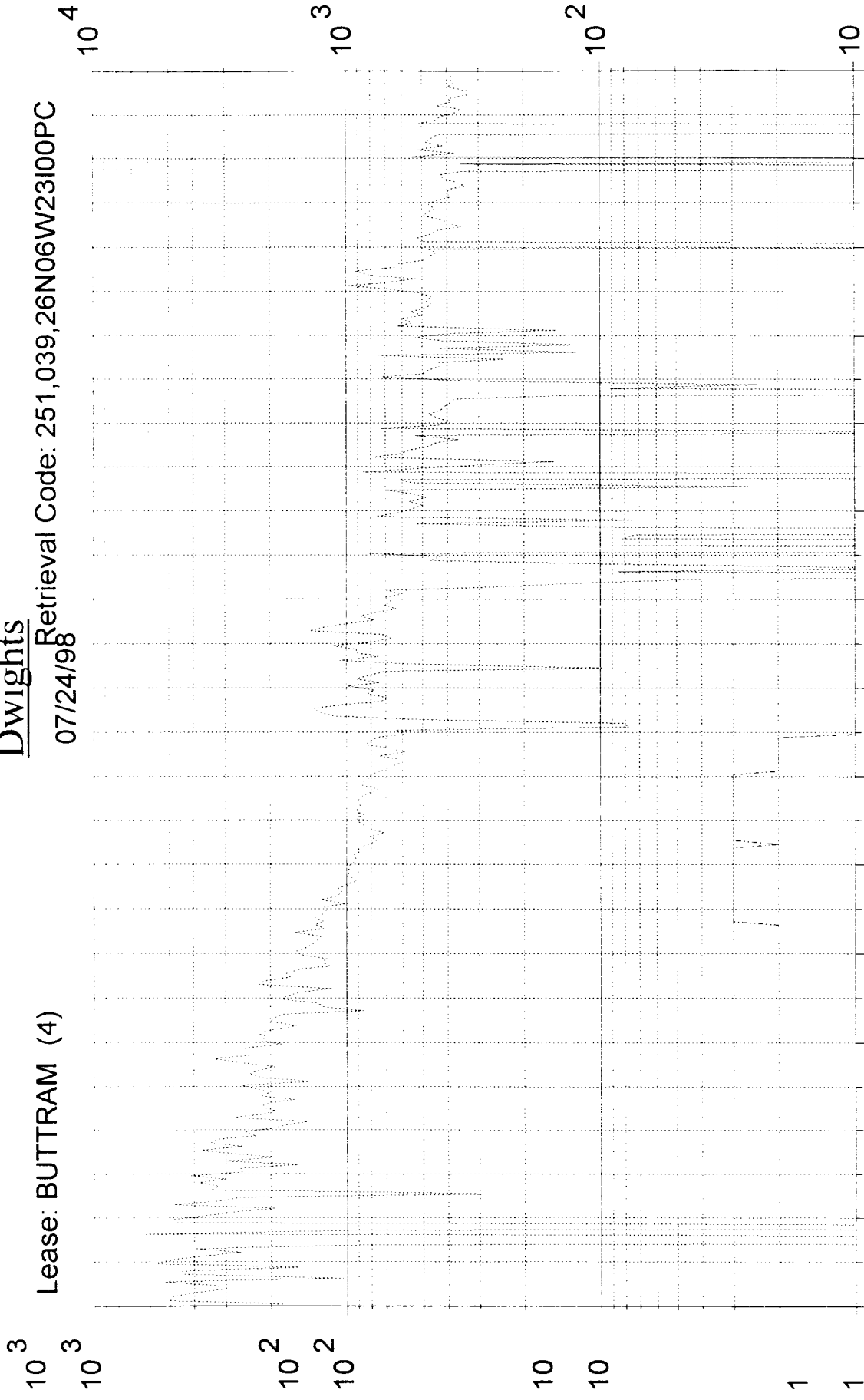
200 MCFD IP  
50% DECLINE, 1ST 12 MONTHS  
12% DECLINE, NEXT 72 MONTHS  
4% FINAL DECLINE

**RISKED AVG:**      10% RISK  
380 MMCF EUR      180 MCFD IP  
340 MMCF IN 20 YRS      50.0% DECLINE, 1ST 12 MONTHS  
20 MCFD E.L.      12.0% DECLINE, NEXT 72 MONTHS  
0.0000 bbl/mcf oil yield      4.0% FINAL DECLINE

Dwights

Lease: BUTTRAM (4)

Retrieval Code: 251,039,26N06W23I00PC  
07/24/98



Oil (bbl/mo)

Water (bbl/mo)

Gas (mcf/mo)

County: RIO ARRIBA, NM F.P. Date: 12/53

Field: BLANCO SOUTH (PICTU Oil Cum: 0 bbl

Reservoir: PICTURE CLIFFS Gas Cum: 2168 mmcf

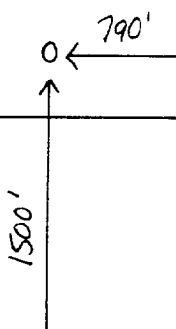
Operator: CONOCO INC Location: 23I 26N 6W

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

PO Box 2088  
Santa Fe, NM 87504-2088

Free Lease - 3 Copies

☐ AMENDED REPORT

16				<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
<b>RECEIVED</b> <b>AUG 13 1998</b> <b>OIL CON. DIV.</b> <b>DIST. 3</b>				<div>Signature <u>Kay Maddox</u></div> <div>Printed Name <u>Kay Maddox</u></div> <div>Title <u>Regulatory Agent</u></div> <div>Date <u>July 29, 1998</u></div>
				<b>18 SURVEYOR CERTIFICATION</b> 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.
				<div>Date of Survey _____</div> <div>Signature and Seal of Professional Surveyor: _____</div> <div>Certificate Number _____</div>

NEW MEXICO  
OIL CONSERVATION COMMISSION

Gas Well Plat

Date March 16, 1954

~~Petro Development, Inc.~~ ~~Federal-Buttress~~ ~~23-4~~  
Operator Lease Well No. #4

Name of Producing Formation So. Blanco Pool Pictured Cliffs  
~~Pictured Cliffs~~

No. Acres Dedicated to the Well 16

Indicate Land Ownership Status. (Federal, State, Patented)  
~~XXXXXX~~

SECTION 23 TOWNSHIP 24S RANGE 4E

RECEIVED AUG 13 1958 OIL CON. DIV. DIST. 8			

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

Name M. E. Maxwell Jr.  
Position Supt. Prod. Dept.  
Representing Petro Development, Inc.  
Address Box 54, Aztec, New Mexico

(over)

Buttram #4  
Section 23, T-26-N, R-6-W, I  
Rio Arriba County, NM  
API # 30-039 -06377

RE: Application to Downhole Commingle

**Offset Operators:**

Burlington Resources  
PO Box 4289  
Farmington, NM 87499

Little Oil & Gas  
PO Box 258  
Farmington, NM 87499-1258

Caulkins Oil Co.  
1600 Broadway STE 1400  
Denver, CO 80202-4927