Form 3 160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 3 1,1993

5. Lease Designation and Seriai No.

Cont 105

SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allonee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals Jicarilla - Apache 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICA TE 1 Type of Well 8. Well Name and No. 2 Name of Operator Jicarilla A, Well #22Y **CONOCO INC** 9. API Well No. 3. Address and Telephone No 30-039-21853 10 DESTA DR. STE. 100W, MIDLAND, TX. 79705-4500 (915) 686-5424 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T. R. M. or Survey Description) Blanco MV / Basin Dakota 11. County or Parish, State 1850' FSL & 1710' FWL, Sec. 24, T 26N, R 4W, Unit Ltr. 'K' Rio Arriba, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion New Construction Subsequent Repon Plugging Back Non-Routine Fracrunng Casing Repair Water Shut-Off Final Abandonment Notice Conversion to Injection Altering Casing Downhole Commingle Dispose Water Nole: Reporresuitsof multiplecompition on Wdl Completion or Recompletion Report and Log form.) 13 Describe Proposed or Completed Operations (Clearly state ail pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled,

give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Downhole commingle of the Blanco Mesaverde and the Otero-Chacra pools per NMOCD Order DHC-1095, approved February 21, 1995, was implemented on February 2, 1997.

Test dated 2-2-97: 100 BO/D, 0 BW/D, 100 MCF.

Allication Ratio:

Oil

Blanco Mesaverde

32% 41%

Basin Dakota

68 % 59%

A copy of the NMOCD Administrative order DHC-1095 is attached.

Gas

OH COME DAY

14. I hereby certify that the foregoing is true and correct		Bill R. Keathly		
Signed	Sr. Regulatory Specialist		Date	9-24-97
(This space for Federal or State office use)		ACCEPTED FOR RECORD	-	
Approved by	Title	ACCEPTED FOR	Date	
BLM(6), SHEAR, PONCA, COST ASST, FILE ROOM				

or representations as to any matter within its junsdiction.



State of New Mexico

2214 960 1252

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT







ADMINISTRATIVE ORDER DHC-1095

Merit Energy Company 12222 Merit Drive, Suite 1500 Dallas, Texas 75251

Attention: Terry D. Gottberg

Authorization to downhole commingle Basin Dakota Pool and Blanco Mesaverde Pool production.

Dear Mr. Gottberg:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit downhole commingling in the wellbore, the production of the above mentioned pools in the following described wells:

Well Name	Number	Unit Letter	Section
Jicarilla "A"	8	E	23
Jicarilla "A"	9	С	14
Jicarilla "A"	10 E	G	23
Jicarilla "A"	13E	N	13
Jicarilla "A"	22Y .	K	24
Jicarilla "B"	8A	D	25

All wells located in Township 26 North, Range 4 West, Rio Arriba County, New Mexico.

It appearing that the subject wells qualify for approval for such exception 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 two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject wells shall not exceed 30 barrels per day, and total water production shall not exceed 60 barrels per day.

VILLAGRA BUILDING - 465 Gallateo

Forestry and Resources Conservation Division IP.O. Box 1948 87504-1848 827-5830

> Park and Recreation Division P.O. Box 1147 87504-1147 627-7465

2045 South Pachece

Office of the Secretary 827-S950

Administrative Services 827-5925

Energy Conservation & Management 827-6900 Mining and Minerals

827-5970 Oil Conservation

27-7131

Administrative Order DHC-1095 Merit Energy Company February 21, 1995 Page 2

The maximum amount of gas which may be produced daily from the wells 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.

In accordance with the provisions of Rule 303-C, the supervisor of the Aztec District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject wells following their completion.

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 21st day of February, 1995.

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

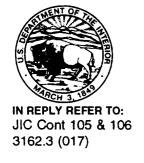
WILLIAM J. LEMAY

Director

SEAL

WIL/BES

cc: Oil Conservation Division - Aztec



United States Department of the Interior 30.039-22410 BUREAU OF LAND MANAGEMENTS Rio Dec.

435 Montano N.E. Albuquerque, New Mexico 87107

JUL 3 N 1996

Mr. Jerry Hoover Conoco Inc. 10 Desta Drive, Suite 100W Midland, TX 79705

Dear Mr. Hoover:

We have reviewed your applications for downhole commingling of production from the Blanco Mesa Verde and Basin Dakota pools in the following wells:

Jicarilla A No. 8 Jicarilla Contract 105 SWNW Section 23, T. 26 N., R. 5 W.

Jicarilla B No. 8A Jicarilla Contract 106 NWNW Section 25, T. 26 N., R. 3 W.

Jicarilla A No. 9 Jicarilla Contract 105 NENW Section 14, T. 26 N., R. 4 W. Jicarilla A No. 10E Jicarilla Contract 105 SWNE Section 23, T. 26 N., R. 4 W.

Jicarilla A No. 13E Jicarilla Contract 105 SESW Section 13, T. 26 N., R. 4 W.

Jicarilla A No. 22Y Jicarilla Contract 105 NESW Section 24, T. 26 N., R. 4 W.

Your applications are hereby approved, effective as of the date that production is actually combined. If you have any questions concerning this approval, please contact Robert Kent at (505) 761-8762.

Sincerely,

Joe Incardine

Chief, Lands and Minerals

AZTEC DISTRICT OFFICE 1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (605) 334-6178 Fax (505)334-6170

GARY E. JOHNSON **GOVERNOR**

JENNIFER A. SALISBURY **CABINET SECRETARY**

February 29, 1996

Mr Jerry Hoover Conoco Inc 10 Desta Dr Ste 100W Midland TX 79705-4500

Re: Jicarilla A #22Y, K-24-26N-04W, 30-039-21853

Dear Mr Hoover:

Your recommended allocation of production to the referenced well is hereby approved as follows:

Gas Oil

Blanco Mesaverde

32%Sincerely, 41%

Basin Dakota

59% 68%

Sincerely,

Frank T. Chavez **District Supervisor**

FTC\sh

cc: well file