

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

RECEIVED
AUG 13 1998

Form C-107
Revised 4-1-91

OIL CON. DIV.
Filing Instructions
Bottom of Page

APPLICATION FOR MULTIPLE COMPLETION

Operator **Conoco, Inc.** Address **10 Desta Drive 100W**

Lease **API # 30-039-23172** Well No. **#2** Unit Ltr. - Sec - Twp - Rge **B 19 T-26-N, R-6-W** County **Rio Arriba**

Reames COM

All applicants for multiple completion must complete Items 1 and 2 below.

1. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
	DHC Order # 1621	Downhole Commingle	
a. Name of Pool and Formation	Basin (71629) Fruitland Coal	(72319) Blanco Mesaverde	Basin Dakota (71599)
b. Top and Bottom of Pay Section (Perforations)	2728-2882'	5166-5285'	7174-7341'
c. Type of production (Oil or Gas)	Gas	Gas	Gas
d. Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	Flowing
e. Daily Production ☐ Actual ☐ Estimated Oil Bbbls. Gas MCF Water Bbbls.	180 MCFD	114 MCFD, 0.7 BOPD	110 MCFD 0.5 BOPD

2. The following must be attached:

- Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
- Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
- Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.)

OPERATOR:

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

Signature Kay Maddox

Printed Name & Title Regulatory Agent Kay Maddox

Date August 11, 1998 Telephone 915 686-5798

OIL CONSERVATION DIVISION

Approved by: 27.8 SUPERVISOR DISTRICT #3

Title: AUG 13 1998

Date:

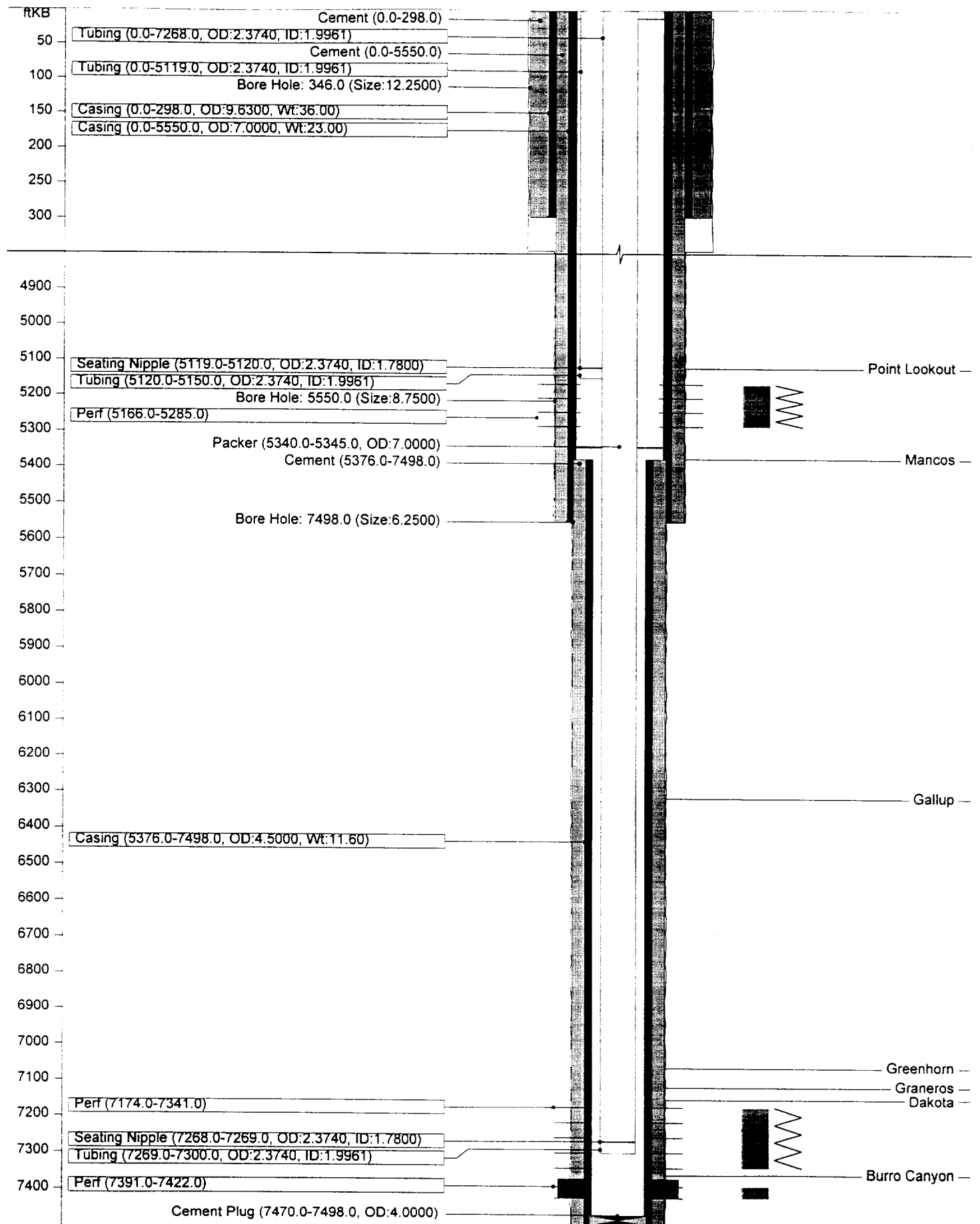
NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

FILING INSTRUCTIONS:

- District Approval -- See rule 112-A-B -- Submit 4 copies of Form C-107 with attachments to appropriate district office.
- Division Director Administrative Approval -- See Rule 112-C -- Submit 2 copies of Form C-107 with attachments to Division office in Santa Fe and 2 copies of Form C-107 with attachments to appropriate district office.
- Multiple completions not qualifying for District or Division Director approval may be set for hearing as outlined in Rule 112-A-E.

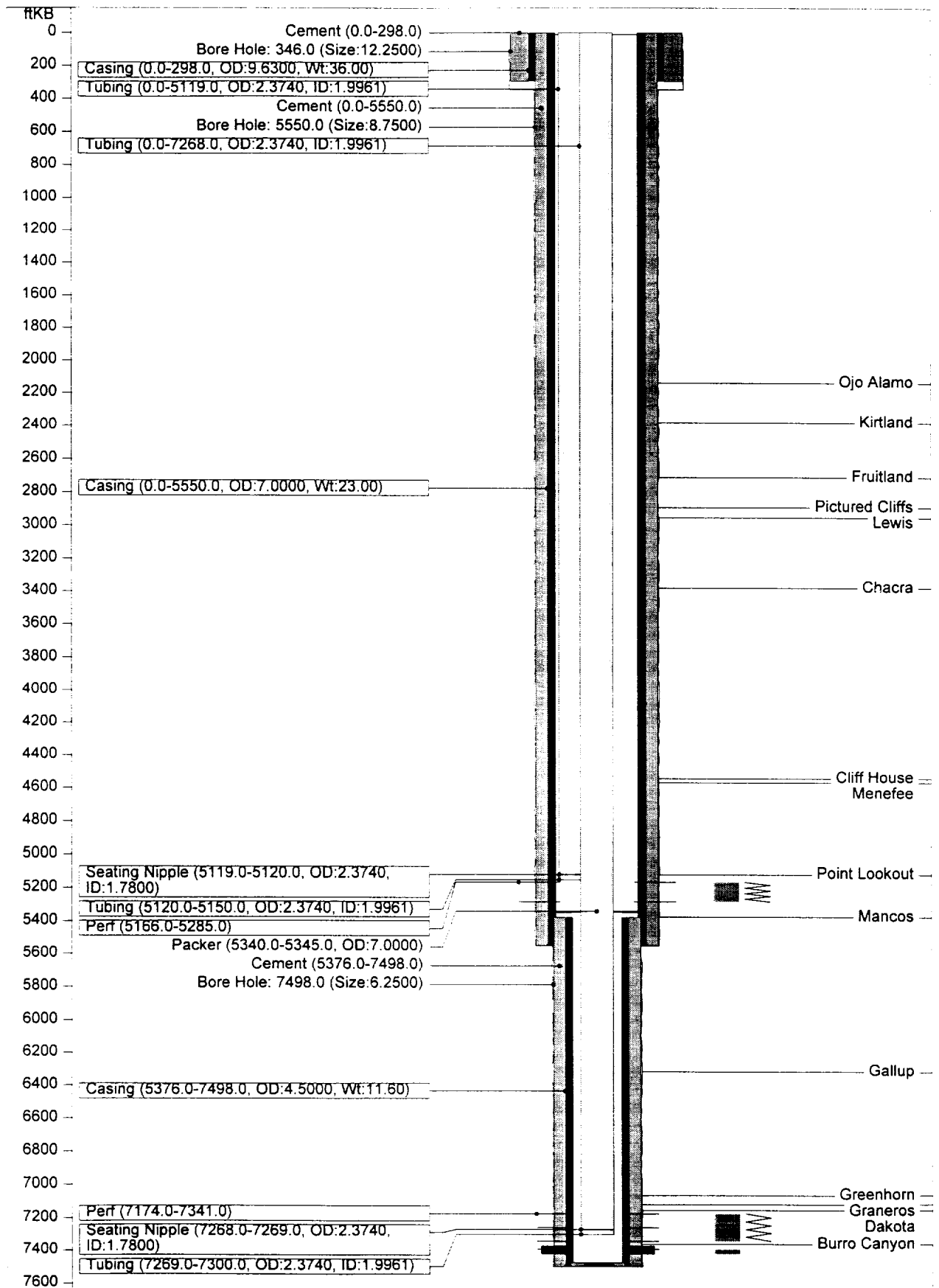
REAMES COM 2 (SLB 10/8/97)

(CURRENT)

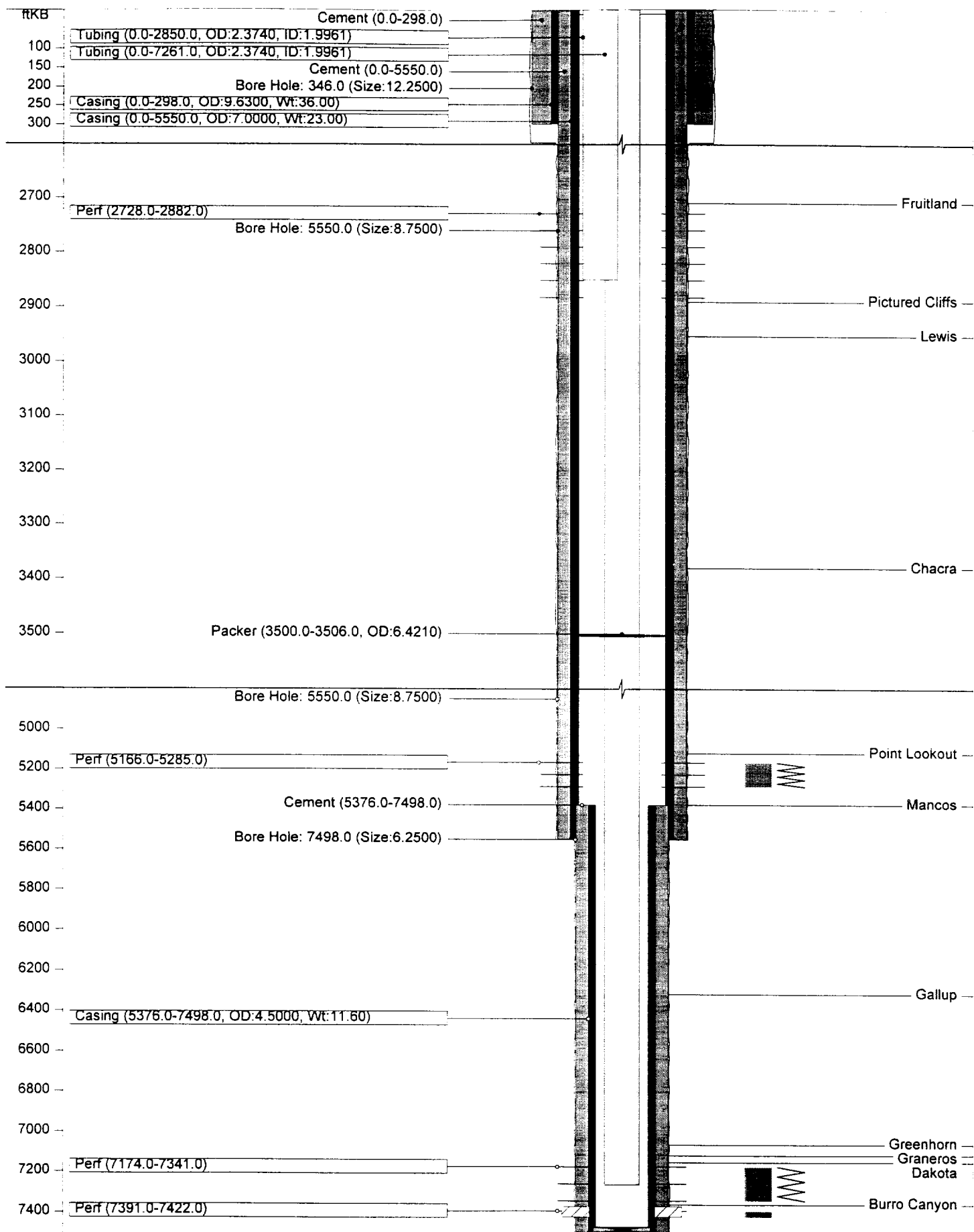


REAMES COM 2 (SLB 10/8/97)

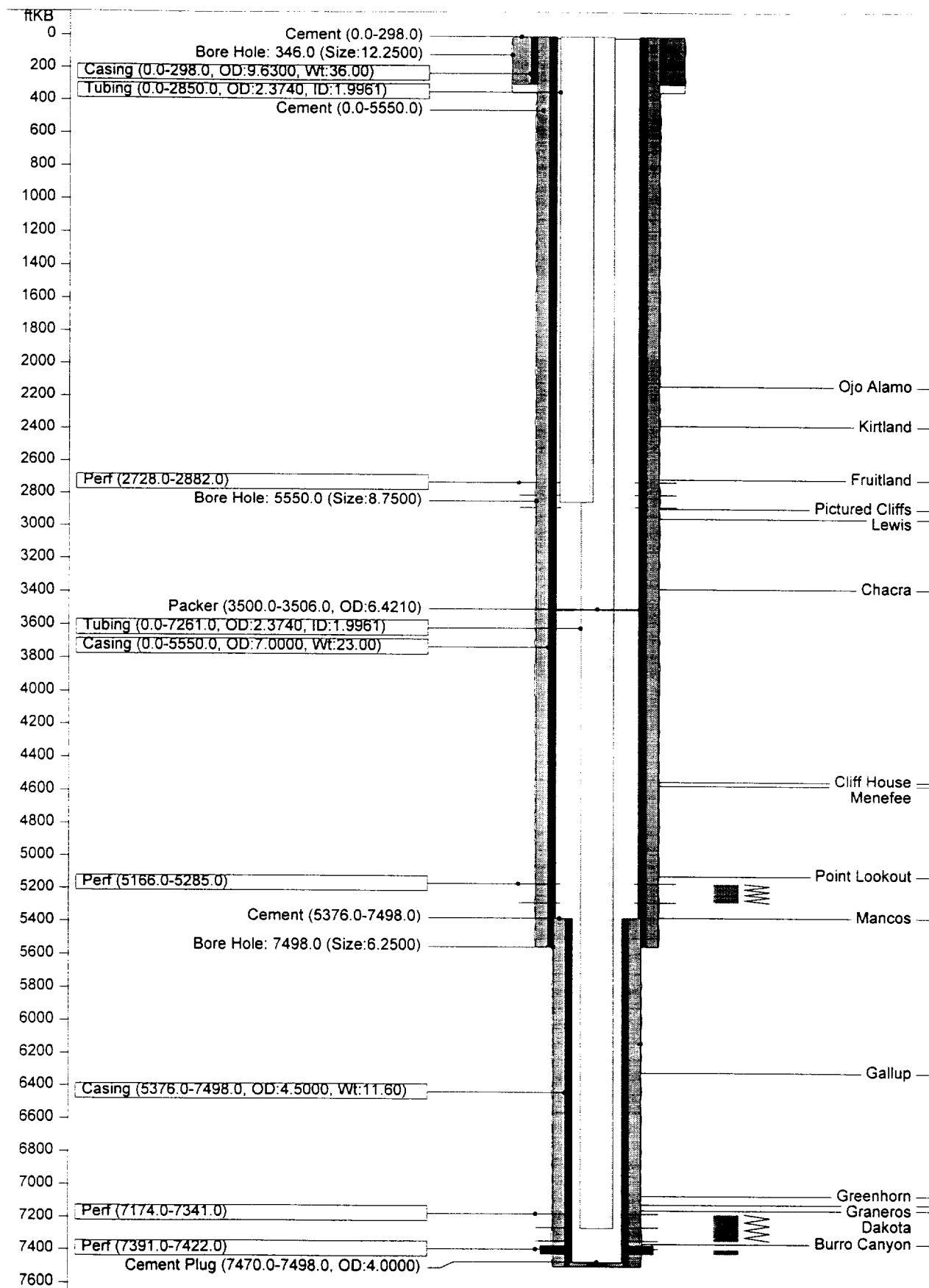
(CURRENT)



REAMES COM 2 - Proposed



REAMES COM 2 - Proposed



REAMES COM #2
OFFSET OPERATORS

CAULKINS OIL CO 13 T26N R7W	CAULKINS OIL CO 18 T26N R6W	CAULKINS OIL CO CONOCO, INC. 17 T26N R6W
CAULKINS OIL CO EL PASO NATURAL GAS BURLINGTON RES. 24 T26N R7W	CONOCO, INC. AMOCO PROD. REAMES COM #2 19 T26N R6W	CAULKINS OIL CO EL PASO NATURAL GAS BURLINGTON RES. 20 T26N R6W
CENTRAL RES. LITTLE CURTIS J. 25 T26N R7W	BURLINGTON RES. 30 T26N R6W	BURLINGTON RES. EL PASO NATURAL GAS 29 T26N R6W

Township 26N --- Range 6W

Reames COM #2
Section 19, T-26-N, R-6-W, B
950' FNL & 1765' FEL
API # 30-039-23172
Rio Arriba County, NM

RE: Dual Completion application
Mesaverde Commingled w/ Dakota and Dual produced w/ coal

Offset Operators:

Burlington Resources
PO Box 4289
Farmington, NM 87499

Caulkins Oil Co.
1600 Broadway
STE 2100
Denver, CO 80203



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:

NMSF 079295(WF)
3162.7-3 (07400)

September 12, 1997

Mr. Jerry W. Hoover
Senior Conservation Coordinator
Conoco Inc.
10 Desta Drive, Ste. 100W
Midland, TX 79705-4500

RE: Downhole Commingling
No. 2 Reames Com
950' FNL & 1765' FEL
Sec. 19, T. 26 N., R. 6 W.
Rio Arriba County, New Mexico

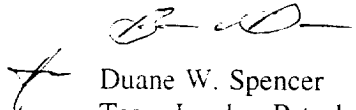
Dear Mr. Hoover:

Your application to downhole commingling the Blanco Mesaverde and Basin Dakota formations in the referenced well has been reviewed. Gas allocation will be determined by using projected gas production and oil allocation will be determined by cumulative oil production yields. Approval to downhole commingling is hereby granted using a fixed percentage allocation as shown below.

FORMATION	GAS ALLOCATION	OIL ALLOCATION
Mesaverde	51%	59%
Dakota	49%	41%

If you have further questions regarding this correspondence, contact Brian W. Davis at (505) 599-6367.

Sincerely,



Duane W. Spencer
Team Leader, Petroleum Management

DISTRICT I
P.O. Box 1960 Hobbs NM 88241-1960

State of New Mexico
Energy, Minerals and Natural Resources Department

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

DISTRICT II
911 South First St. Artesia NM 88210-2810

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 100VV, Midland, TX 79705-4500

Reames Com

2

B-19-T26N-R6W

Rio Arriba

Lease

Well No

Unit Ltr Sec Twp Rge

County

OGRID NO. 005073

Property Code

16606

API NO

30039-23172

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	Mesa Verde 72319		Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	5166-5285'		7174-7341'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottom hole Pressure	a (Current)	a	a
Oil Zones - Artificial Lift: Estimated Current	387 PSIA		523 PSIA
Gas & Oil - Flowing: Measured Current	b (Original)	b	b
All Gas Zones: Estimated Or Measured Original	1033 PSIA		2925 PSIA
6. Oil Gravity (*API) or Gas BTU Content	1326		1197
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	Yes		Yes
- If Shut-In give date and oil/gas/water rates of last production	Date Rate	Date Rate	Date Rate
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 7/97 Rate 114 MCFD 97 BOPD, 0 BWPD	Date Rate	Date 7/97 Rate 109 MCFD 0.7 BOPD, 0 BWPD
8. Fixed Percentage Allocation Formula - % for each zone	Oil 59 % Gas 51 %	Oil % Gas %	Oil 41 % Gas 49 %

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?
CONOCO is the offset operator
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. 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

Jerry W. Hoover

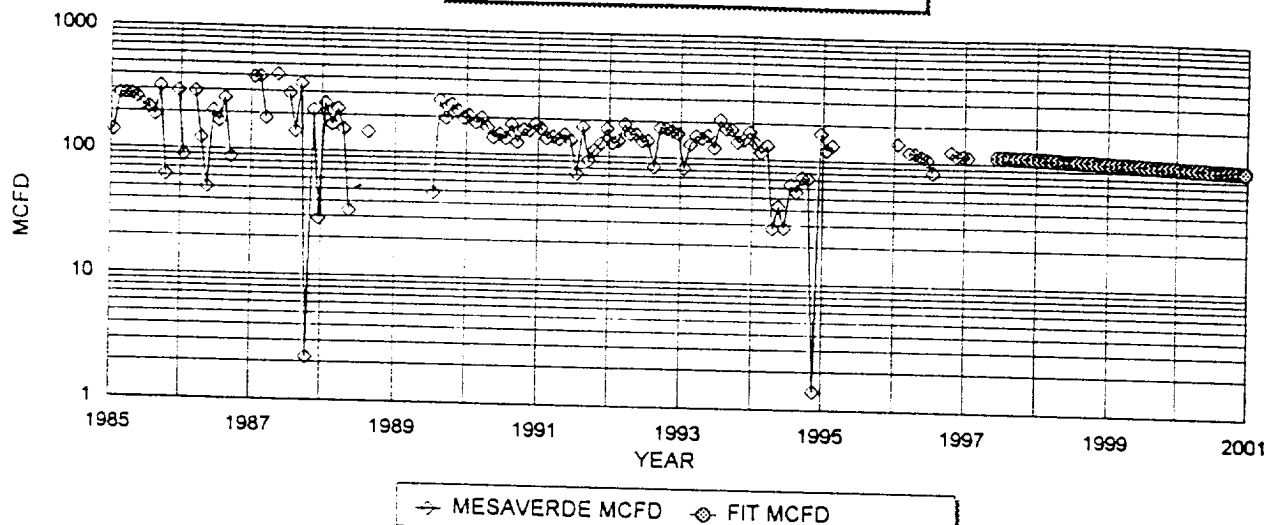
TITLE Sr. Conservation Coord.

DATE 6/12/97

TYPE OR PRINT NAME Jerry W. Hoover

TELEPHONE NO. (915) 686-6548

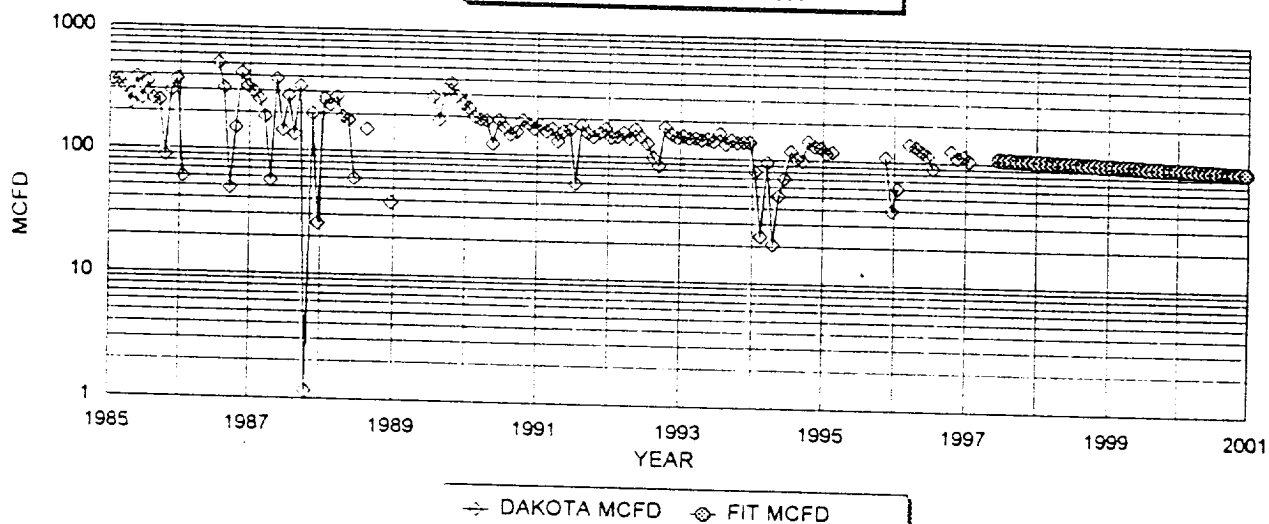
REAMES COM 2 MESAVERDE PRODUCTION
SECTION 19B-26N-06W



MESAVERDE HISTORICAL DATA: 1ST PROD: 01/85
 OIL CUM: 4.68 MBO
 GAS CUM: 548.7 MMCF
 OIL YIELD: 0.0086 BBL/MCF

MESAVERDE PROJECTED DATA
 7/1/97 QI: 114 MCFD
 DECLINE RATE: 5.0% (EXPONENTIAL)

REAMES COM 2 DAKOTA PRODUCTION
SECTION 19B-26N-06W



DAKOTA HISTORICAL DATA 1ST PROD: 01/85
 OIL CUM: 4.0 MBO
 GAS CUM: 627.2 MMCF
 OIL YIELD: 0.0064 BBL/MCF

DAKOTA PROJECTED DATA
 7/1/97 QI: 109 MCFD
 DECLINE RATE: 5.0% (EXPONENTIAL)

FIXED COMMINGLE ALLOCATION FACTORS:

	GAS	OIL
MESAVERDE:	51%	59%
DAKOTA	49%	41%

GAS ALLOCATION BASED ON PROJECTED 1997 RATES
 OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGY DATA

OIL CONSERVATION DIVISION

P. O. BOX 2048
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-

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

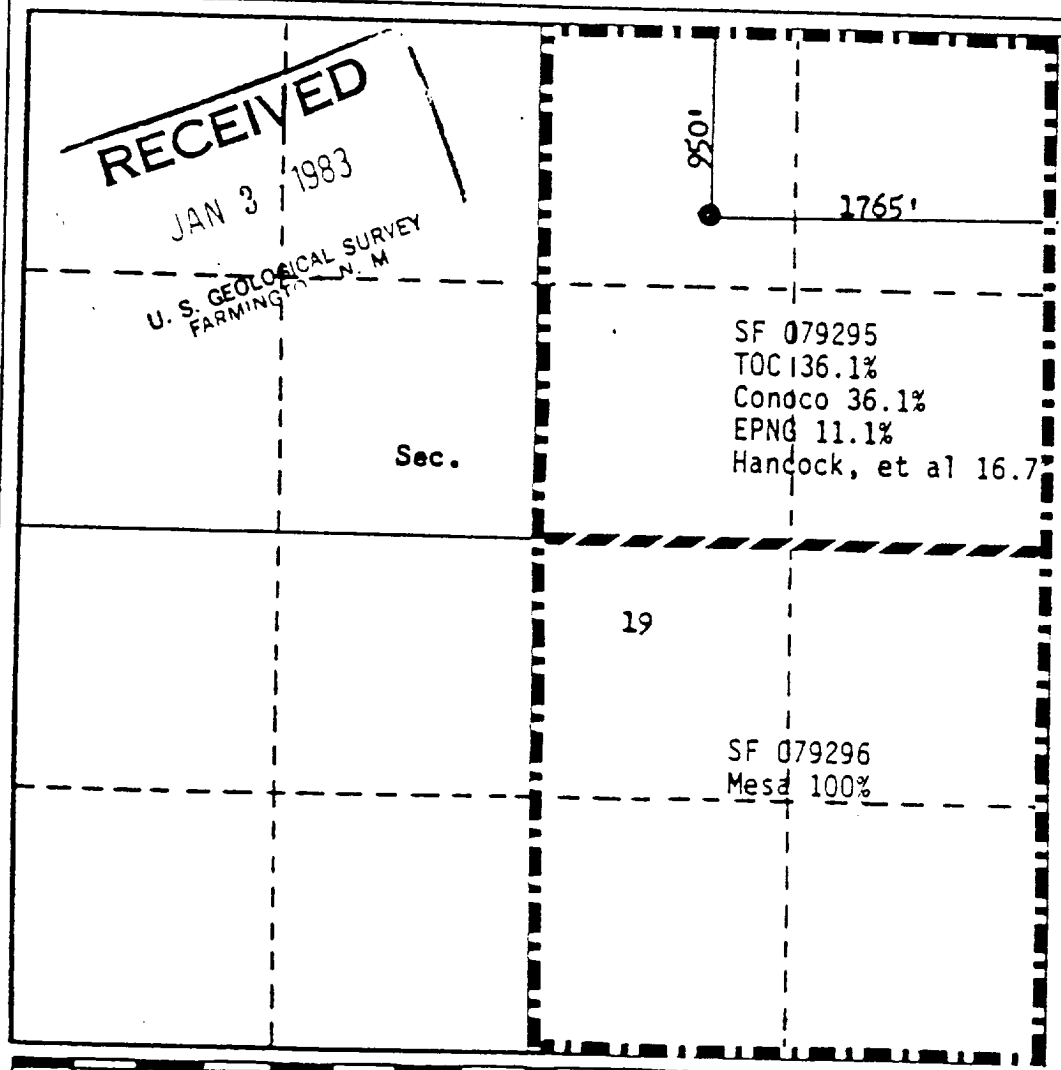
Operator TENNECO OIL COMPANY			Lease REAMES COM		Well No. 2
Unit Letter B	Section 19	Township 26N	Range 6W	County Rio Arriba	
Actual Footage Location of Well: 950 feet from the North line and 1765 feet from the East line					
Ground Level Elev. 6639	Producing Formation Mesaverde/Dakota		Pool Blanco Mesaverde/Basin Dakota		Dedicated Acreage: 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 by communitization, unitization, force-pooling, etc?

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

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.

Ken Russell

Name
Ken Russell

Position
Sr. Production Analyst

Company
Tenneco Oil Co.

Date
December 22, 1982

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
July 28, 1982

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