

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

DISTRICT II  
811 South First 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 87505-6429

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

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☒ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Conoco Inc. Address 10 Desta Dr., Ste 100W, Midland, TX 79705-4500

Lease Reames COM Well No 3M Unit Ltr Sec Twp Rge C-19-T26N-R6W County Rio Arriba

OGRID NO. 005073 Property Code 16606 API NO. N/A 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	Blanco Mesa Verde 72319		Basin Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	4925-5270' OA		6982-7349' OA
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow		To Flow
5. Bottom hole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 606 psia b. (Original) 1033 psia	<div>RECEIVED AUG 27 1997 OIL CON. DIV. DIST. 3</div>	a. 806 psia b. 2925 psia
6. Oil Gravity (*API) or Gas BTU Content	1326 BTU		1197 BTU
7. Producing or Shut-In?	To be drilled		To be drilled
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.  • If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date Rates	Date Rates	Date Rates
	To be determined from tests on completion	To be determined from tests on completion	To be determined from tests on completion
8. Fixed Percentage Allocation Formula - % for each zone	oil: % Gas %	oil: % Gas %	oil: % Gas %

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? ☒ Yes ☐ No  
If not, have all working, overriding, and royalty interests been notified by certified mail? ☒ Yes ☐ No  
Have all offset operators been given written notice of the proposed downhole commingling? ☒ 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 ☒ 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 communited 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. NMOCD 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 [Signature] TITLE Regulatory Agent DATE 7-14-97

TYPE OR PRINT NAME Ann E. Ritchie TELEPHONE NO. (915) 686-6548/684-6381

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		Pool Code	Pool Name
		72319/71599	Blanco Mesaverde/Basin Dakota
Property Code	Property Name		Well Number
016606	Reams Com		3M
OGRID No.	Operator Name		Elevation
05073	CONOCO, INC.		6451'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
C	19	26-N	6-W		905	North	1670	West	R.A.

11 Bottom Hole Location If Different From Surface

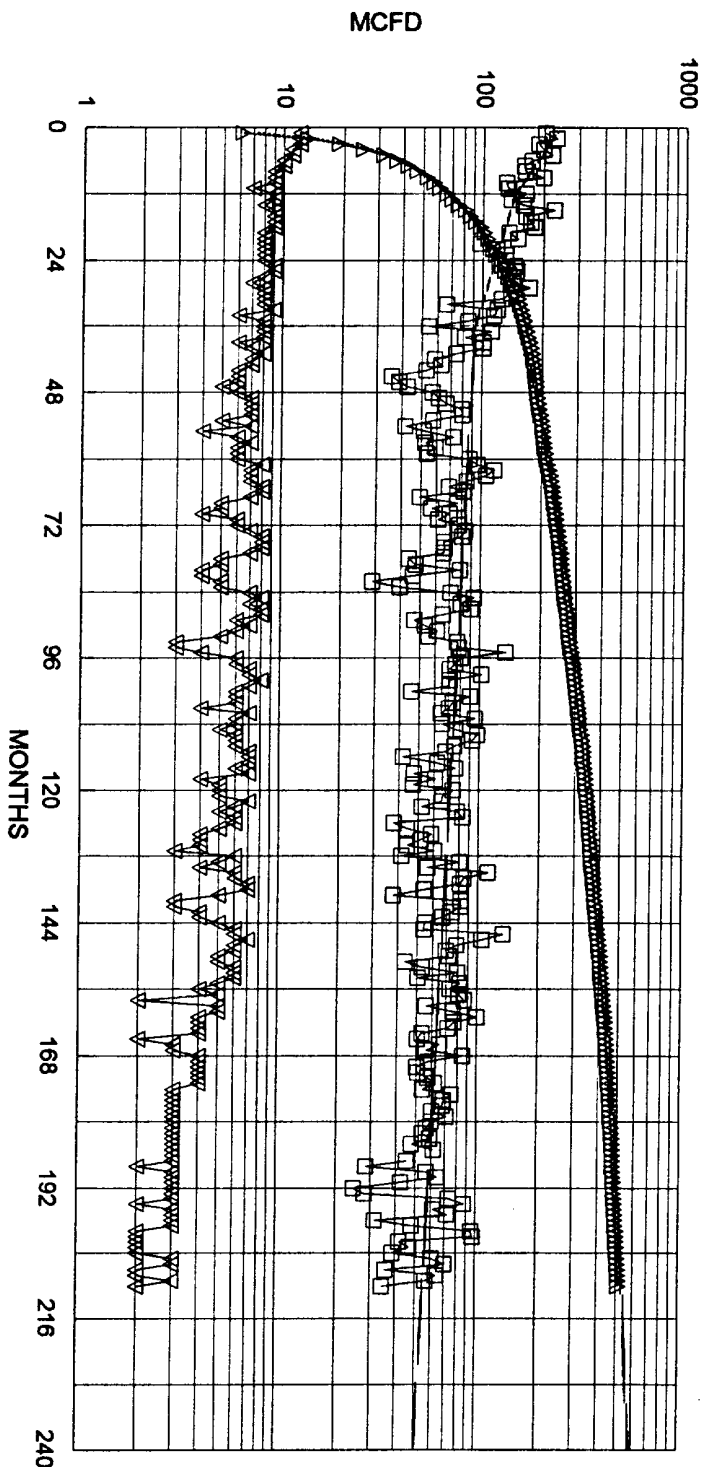
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
E/320			

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	1347.06'	1333.20'	2667.06'	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Jerry W. Hoover</i></p> <p>Signature</p> <p>Jerry W. Hoover</p> <p>Printed Name</p> <p>Sr. Conservation Coordinator</p> <p>Title</p> <p>3/20/97</p> <p>Date</p>
1	1670'	905'		
2				
3				
19				<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>11/06/96</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>NEALE C. EDWARDS</p> <p>NEW MEXICO</p> <p>6857</p> <p>6857</p> <p>Certificate Number</p>
4	1361.58'	1330.56'	2661.12'	

**NORMALIZED MESAVERDE PRODUCTION**  
13 WELLS SINCE 1980; OFFSET TO SECTION 19-26-06; (REAMES COM LEASE OFFSETS)



— FIT MCFD      □ NORMALIZED MCFD      △ NORM CUM MMCF  
▽ WELLS ON PRODUCTION      — FIT CUM MMCF

NORMALIZED AVG:

893 MMCF EUR  
584 MMCF IN 20 YRS  
20 MCFD E.L.  
0.0159 bbl/mcf oil yield

RISKED AVG:

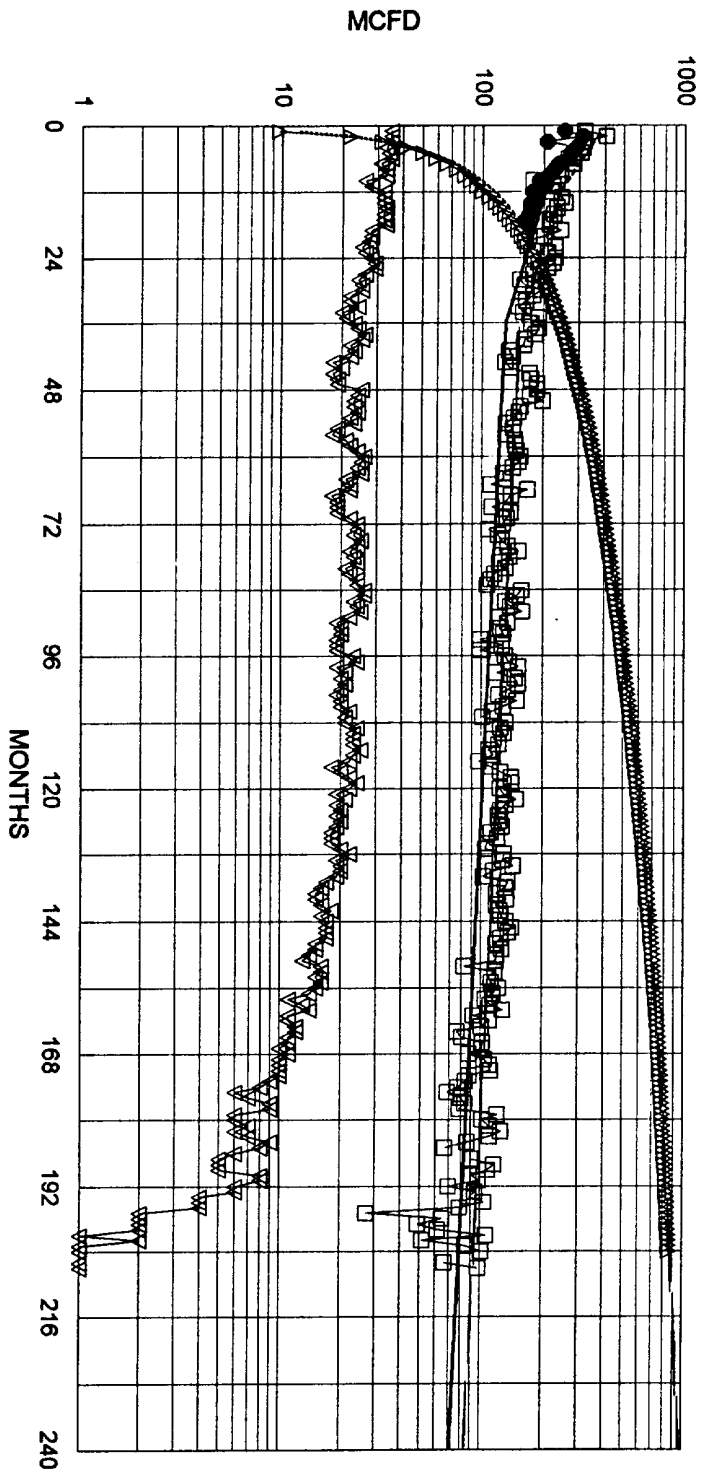
0% RISK

240 MCFD IP  
40% DECLINE, 1ST 12 MONTHS  
20% DECLINE, NEXT 24 MONTHS  
3.5% FINAL DECLINE

893 MMCF EUR  
584 MMCF IN 20 YR  
20 MCFD E.L.  
0.0159 bbl/mcf oil yield

240 MCFD IP  
40.0% DECLINE, 1ST 12 MONTHS  
20.0% DECLINE, NEXT 24 MONTHS  
3.5% FINAL DECLINE

**NORMALIZED DAKOTA PRODUCTION OFFSET TO REAMES COM LEASE; 19-26-6**  
25 SECTION AREA; 35 WELLS SINCE 1980; 5 WELLS SINCE 1994



**NORMALIZED AVG:**

1624 MMCF EUR  
973 MMCF IN 20 YRS  
20 MCFD E.L.  
0.0088 bbl/mcf oil yield

400 MCFD IP  
40% DECLINE, 1ST 12 MONTHS  
20% DECLINE, NEXT 24 MONTHS  
3.5% FINAL DECLINE

**RISKED AVG:**

15% RISK (DEPLETION)  
1360 MMCF EUR  
827 MMCF IN 20 YR  
20 MCFD E.L.  
0.0088 bbl/mcf oil yield

340 MCFD IP  
40.0% DECLINE, 1ST 12 MONTHS  
20.0% DECLINE, NEXT 24 MONTHS  
3.5% FINAL DECLINE

Conoco, Inc.  
C-107-A  
Offset Operator List

RE: Reames COM, Well #3M, Rio Arriba, County, New Mexico

1. Burlington Resources Oil & Gas Co.  
P.O. Box 4289  
Farmington, NM 87499
2. Caulkins Oil Co.  
1600 Broadway, Suite 2100  
Denver, CO 80202
3. Conoco, Inc.  
10 Desta Dr., Suite 100W  
Midland, Texas 79705-4500

DATE IN	SUSPENSE	ENGINEER	LOGGED BY	TYPE
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

**Application Acronyms:**

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
 [DD-Directional Drilling] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

**[1] TYPE OF APPLICATION - Check Those Which Apply for [A]**

[A] Location - Spacing Unit - Directional Drilling  
☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement  
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

**[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply**

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

**[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Ann E. Ritchie  
Print or Type Name

*[Signature]*  
Signature

Regulatory Agent  
Title

7-14-97  
Date