NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

ADMINISTRATIVE ORDER DHC-2497

Conoco Inc. P.O. Box 2197 DU 3066 Houston, Texas 77252-2197

Attention: Ms. Deborah Moore

OIL COME DIV

San Juan 28-7 Unit No. 103

API No. 30-039-07209
Unit A, Section 3, Township 27 North, Range 7 West, NMPM, Rio Arriba County, New Mexico
South Blanco-Pictured Cliffs (Prorated Gas – 72439) and Blanco-Mesaverde (Prorated Gas - 72319) Pools

Dear Ms. Moore

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies 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 zones is hereby placed in abeyance.

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

Production from the well shall be allocated as follows:

Oil and gas production from the South Blanco-Pictured Cliffs Gas Pool shall be determined by utilizing the production forecast submitted as an attachment to the downhole commingling application. Oil and gas production from the Blanco-Mesaverde Gas Pool shall be determined by subtracting South Blanco-Pictured Cliffs Gas Pool production from the well's total monthly oil and gas production.

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The allocation method established herein may be altered at some time subsequent to initiating downhole commingling operations upon request by the operator and for good cause shown.

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

Pursuant to Rule 303.C.(1)(b)(ii), the bottomhole pressure of the highest pressured commingled zone can not exceed the original reservoir pressure of any other commingled zone in the wellbore, adjusted to common datum.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 27th day of October, 1999.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

hou Westerbery & Duc

LORI WROTENBERY

Director

SEAL

LW/MWA/kv

cc: Oil Conservation Division - Aztec

Bureau of Land Management-Farmington

RECEIVED	
BLM	

	LAND MANAGEMENT	Expires: March 3 1 ,1993
BUREAU OF	LAND MANAGEMENT	5. Lease Designation and Serial No.
Do not use this form for proposals to d	AND REPORTS ON WELLS rill or to deepen or reentry & additionent reservoir. OR PERMIT—" for such proposals	D290-28 6. If Indian, Allottes or Tribe Name
SUBMI	T IN TRIPLICA TE 070 FARMINGTON, WIN	7. If Unit or CA, Agreement Designation 8910004590
1. Type of Well Off XXX Ges Well Other		8. Weil Name and No.
2. Name of Operator Conoco Inc		San Juan 28-7 #103 9. API Well No.
L.U. DUX LIJI	iston, TX 77252-2197 (281)	30-039-07209 10. Field and Pool, or Exploratory Area P. 1
Al, Sec. 6, T-27N, R-7W 816' FNL & 1041' FEI	•	Blanco Mesaverde/Blanco S 11. County or Parish, State Rio Arriba, NM
CHECK APPROPRIATE BOX	X(s) TO INDICATE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
XXX Notice of Intent Subsequent Report Final Abandonment Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other Add Pay ?	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water Note: Report results of multiple completion on Water Completion or Recompletion Report and Log farm.)
13. Describe Proposed or Completed Operations (Clearly sta	e all pertinent details, and give pertinent dates, including estimated date of starting	any proposed work. If well is directionally drilled,

Conoco, Inc. proposes to add pay prior to the DHC as per attached procedure.



14. I hereby portify that the foregoing is true and correct	Regulatory Analyst 281 293-1005	- ACCEPTED/FOR RECORD
(This space for Federal or State office use) Approved by Conditions of approval if any:	Title	Date OCT 2 6 1999
BLM(6), NMOCD(1), SHEAR, PONCA, COST ASST, I Title 18 U.S.C. Section 1001, makes it a crime for any person kn or representations as to any matter within its jurisdiction.	FILE ROOM owingly and willfully to make to any department or egency of the United .	3YY
(F)	*See Instruction on Reverse Side NMOCD	

San Juan 28-7 Unit, Well # 103 Mesaverde Menefee Pay Add & DHC MV/PC August 22, 1999

AFE#____

Well Data

API# 30-039-0720900

Location: T-27N, R-7W, Sec-3, 816' FNL, 1041' FEL.

Spud Date -6/59 TD - 5222'

GL-6161'

KB -6171'

Surface casing: 10.75", 32.75#,. set @ 171', 165 sx, cmt circ to surface.

Intermediate Casing: 7.625", 26.4#, J-55 set @ 2941', 120 sx, TOC @ 2605' by Temp Survey

Production Liner:5.5" OD, 4.95" ID, 15.5#, J-55, set from 2901'-5220', 386 sx., TOC @ TOL by Temp Survey

Tubing size: 2.375" OD, 1.9961" ID, 4.7#, @ 5018', and GUIBERSON "AG" pkr @ 4396' For PC, 1 1/4", 2.4# EUE tbg, set @ 2806'.

Perforations : Mesavede Cliff House perforations @ 4480'-4500', 4516'-24', 4532'-40', 4546'-54', w/2 SPF -50M#

frac stim

Mesaverde Point Lookout perforations @5004'-14', 5028'-38', 5052'-62', 5072'-5082', 5106'-5116', w/2

SPF-50M#

PC perforations @ 2766'-80', 2790'-2806', 2834'-2844', 2850'-60'(2 SPF) - 40,000# frac stim; 10/20

sand

Proposed Perfs:

The recommended Mesaverde Menefee perforated intervals are (1 shot/3 ft):

4638'-4664'

4673'-4680'

4697'-4733'

4756'-4762'

4776'-4785'

4793'-4806'

4816'-4820'

4838'-4844'

4920'-4930'

Completion details and well history contained in Wellview files and schematics

NOTES:

No records or copies of cased hole logs in file (only cased hole logs run were temp logs).

Note Guiberson permanent packer in well (dual completion). Will need to mill-out using packer-plucker (similar tool as used for Model D's). The AD model is 32" OA length, with no tailpipe assembly. ID of 2.812". For further details, contact John w/ Halliburton @ 505-324-3115.

Procedure

- Move in workover rig, hold safety meeting, note prevailing wind direction at location, designate muster point, review procedure, identify potential hazards, isolate lines and facilities, blow down lines, lock out tag out, spot equipment, rig up, WORK SAFELY! Also, review all procedure w/ major contractor reps, and cost/time goals. MAKING COST TARGETS IMPERATIVE!! If problem or oversight in cost estimate seen, notify Craig Moody.
- 2) Kill ZONE BY PUMPING DOWN tubing strings with minimum amount of KCI water. POOH w/ short string. On long string, set down & pull point over, attempting to jar rust/debris. Attempt straight pull for releasing tbg (may be straight seal assembly). If unsuccessful, go through procedure for "latch-type" packer, making 10 12 turns to right, then pull point over. both strings of tubing and lay-down. When tbg free, POOH, and RIH w/ packer-plucker/mill arrangement (ensure plucker length greater than 32"),and mill packer/slips. Retrieve.
- 3) PU 2 7/8" frac string and make bit and scraper run for 5 ½" liner to PBTD. POOH and set RBP @ 4970' in 5 ½". (NOTE: No GR/Collar log was found in Houston wellfile. If unavailable, run prior to setting plug a GR/collar log from 5000' up for minimum interval or TOL). Pressure test plug to 3000# (via setting packer just above plug, @ approx 4950'). POOH.
- 4) RU wireline and lubricator and perforate Menefee at following intervals (1shot per 3 feet) w/ 3 1/8" cased hole gun:

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4638'-4664'

4673'-4680'

4697'-4733'

4756'-4762'

4776'-4785'

4793'-4806'

4816'-4820'

4838'-4844'

4920'-4930'
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46 total perfs.

Exact perfs: 4638', 41', 44', 47', 50, 53', 56', 59', 62'; 4673', 76', 79', 4697', 4700', 03', 06', 09', 12', 15', 18', 21', 24', 27', 30', 33' 4756', 59', 62', 4776', 79', 82', 85', 4793', 96', 99', 4802', 05' 4816', 19', 4838', 41', 43', 4920', 23', 26', 29'

Rig down wireline.

Note: Limited entry with ball off break down and stimulation.

- 4) Pick up 2.875" tubing frac string and RIH with 5.5" treating packer. RU BJ and spot/break-down by balling-off menefee perfs, as per BJ procedure (set packer at 4590' for injection).
- 5) Release packer and RIH knock off balls and pull back up and set packer @ 4590'. Note: monitor backside carefully during frac, to see if any break-through occurs. REMEMBER THAT 2 SETS OF OPEN PERFS ON BACKSIDE.
- 6) Pressure test equipment to 5000#, and proceed to **frac** as per svc company procedure . Pump at maximum rate allowable @ maximum safe pressure. Have choke manifold for immediate flowback.

- 7) Flow back immediately and clean up if possible, or until it dies.
- 8) Release packer, POOH packer and 2.875" frac string laying down.
- 9) RIH with RBP retrieving tool on 2.375" tubing string, pull RBP @ 4970' and POOH.
- 10) RIH with 2.375" mule shoe and SN on bottom, and 2.375", 4.7#, J-55, EUE production tubing, clean out to PBTD; blow well dry and land tubing @ 5000' + or a joint. Drop rabbit to check for tight spots, be careful not to over torque. Run drift with sand line before rigging down. Perform commingled test, and using subtraction method, determine new MV production rate, and submit MV test to Marc Shannon and Trigon for DHC application.
- 11) RD BOP's, RU tree, swab in if necessary, rig down move off. Upon obtaining regulatory approval, put well on production (notifying operator to put on plunger lift production, if necessary). If production rate from MV high enough and no plgr required, may be able to produce up both casing and tbg, with tbg/casing controller.

San Juan East Team (DRW/CM)

Cc: Central Records, Linda Farmington Project Leads.