

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
BLM

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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.

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

CONOCO INC.

3. Address and Telephone No.

10 DESTA DR. STE. 100W, MIDLAND, TX. 79705-4500 (915) 686-5424

4. Location of Well (Footage, Sec., T. R. M. or Survey Description)

1760' FSL & 1080' FEL, I
Sec 12, T-27-N, R-7-W

5. Lease Designation and Serial No.

SF 079298B

6. If Indian, Allottee or Tribe Name

Unit or CA, Agreement Designation

8. Well Name and No.

San Juan 28-7 Unit # 128M

9. API Well No.

30-039-25419

10. Field and Pool or Leasehold Area

Blanco Mesaverde
Basin Dakota

11. County or Parish, State

Rio Arriba

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Repon
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Downhole Commingle

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracrunng
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Repon results of multiple completion WdI Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all 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.)*

It is proposed to downhole commingle the Basin Dakota with the Blanco Mesaverde according to the attached C-107A

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DIST. 3

14. I hereby certify that the foregoing is true and correct

Signed

Kay Maddox

Kay Maddox

Title Regulatory Agent

Date

Nov 7, 1997

(This space for Federal or State office use)

Approved by

/s/ Duane W. Spencer

Title

Date

AUG - 7 1998

Conditions of approval if any

BLM(6), NMOC(1), SHEAR, PONCA, COST ASST, FILE ROOM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

FARMINGTON COPY NMOC(1)

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 87505-6429Form 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

Operator

Address

San Juan 28-7 Unit

128 M

Section 12, T-27-N, R-7-W, 1

Rio Arriba

Lease

Well No

Unit Ltr Sec Twp Rgs

County

OGRID NO. 005073 Property Code 016608 API NO. 30-039-25419

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 Mesaverde 72319		Basin Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	4874-5755'		7508-7712'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure	a (Current)	a.	
Oil Zones - Artificial Lift:	336 psi		361 psi
Gas & Oil - Flowing:			
Measured Current			
All Gas Zones:	b (Original)	b.	
Estimated Or Measured Original	1190 psi		2900 psi
6. Oil Gravity (*API) or Gas BT Content	1229		1239
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 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 Est 1/98 189 MCFD, .85 BOPD, 5 BWPD	Date Rates	Date Rates Est 1/98 582 MCFD, 5.9 BOPD, 4 BWPD
8. Fixed Percentage Allocation Formula - % for each zone	Oil 13 % Gas 25 %	Oil % Gas %	Oil 87 % Gas 75 %

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DIST. 3

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 ☐ No11. 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 ☐ No13. 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) _____

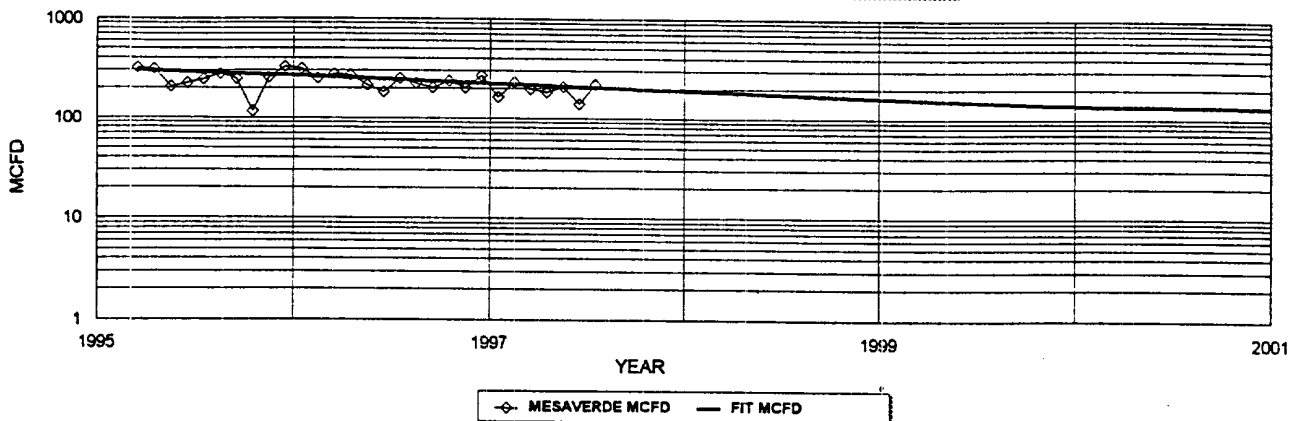
16. ATTACHMENTS

- * 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 Kay Maddox TITLE Regulatory Agent DATE November 7, 1997TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

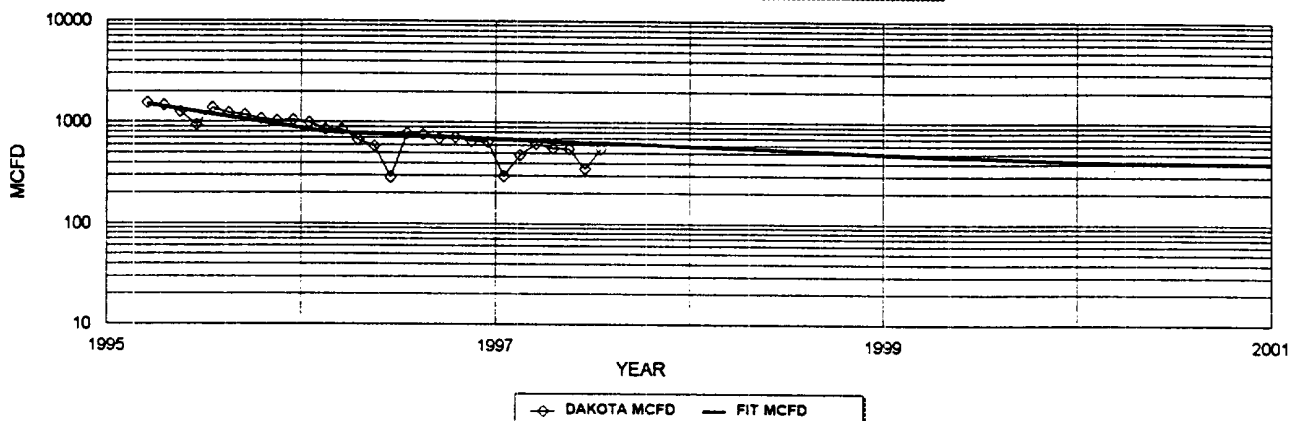
**SAN JUAN 28-7 UNIT NO. 128M MESAVERDE PRODUCTION
SECTION 12I-27N-07W**



MESAVERDE HISTORICAL DATA: 1ST PROD: 3/95
 OIL CUM: 0.92 MBO
 GAS CUM: 204.4 MMCF
 OIL YIELD: 0.0045 BBL/MCF

MESAVERDE PROJECTED DATA
 1/1/98 Q1: 189 MCFD
 DECLINE RATE: 15.0% THROUGH 1/2000
 3.5% FINAL DECLINE

**SAN JUAN 28-7 UNIT NO. 128M DAKOTA PRODUCTION
SECTION 12I-27N-07W**



DAKOTA HISTORICAL DATA 1ST PROD: 3/95
 OIL CUM: 7.4 MBO
 GAS CUM: 729.0 MMCF
 OIL YIELD: 0.0101 BBL/MCF

DAKOTA PROJECTED DATA
 1/1/98 Q1: 582 MCFD
 DECLINE RATE: 15.0% THROUGH 1/2000
 3.5% FINAL DECLINE

FIXED COMMINGLE ALLOCATION FACTORS:

	GAS	OIL
DAKOTA	75%	87%
MESAVERDE	25%	13%

GAS ALLOCATION BASED ON TABLE AT RIGHT
 OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS

	YRLY AVG DK MCFD	YRLY AVG MV MCFD	% DAKOTA	% MV
YRLY AVG:				
1996	541	178	75%	25%
1997	460	150	75%	25%
1998	414	135	75%	25%
1999	389	130	75%	25%
2000	385	125	75%	25%
2001	374	122	75%	25%

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGY DATA

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 30-039-25419		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 016608		5 Property Name San Juan 28-7 Unit			6 Well Number 128 M
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation

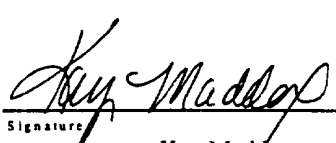
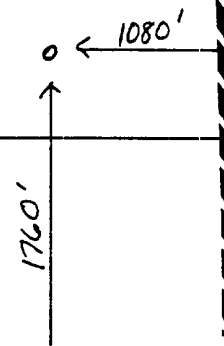
10 Surface Location

UL or lot no. I	Section	Township 27N	Range 7W	Lot Idn	Feet from the 1769	North/South line South	Feet from the 1080	East/West line East	County Rio Arriba
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11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code		15 Order No.					

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 RECEIVED AUG 10 1998 OIL CON. DIV. DIST. 3	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Kay Maddox Printed Name Regulatory Agent Title November 7, 1997 Date			
	18 SURVEYOR CERTIFICATION 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. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number			
				

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

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-25419		2 Pool Code 71599	3 Pool Name Basin Dakota	
4 Property Code 016608	5 Property Name San Juan 28-7 Unit			6 Well Number 128 M
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation

10 Surface Location

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	' Feet from the	East/West line	County
I		27N	7W		1769	South	1080	East	Rio Arriba

11 Bottom Hole Location If Different From Surface

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
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

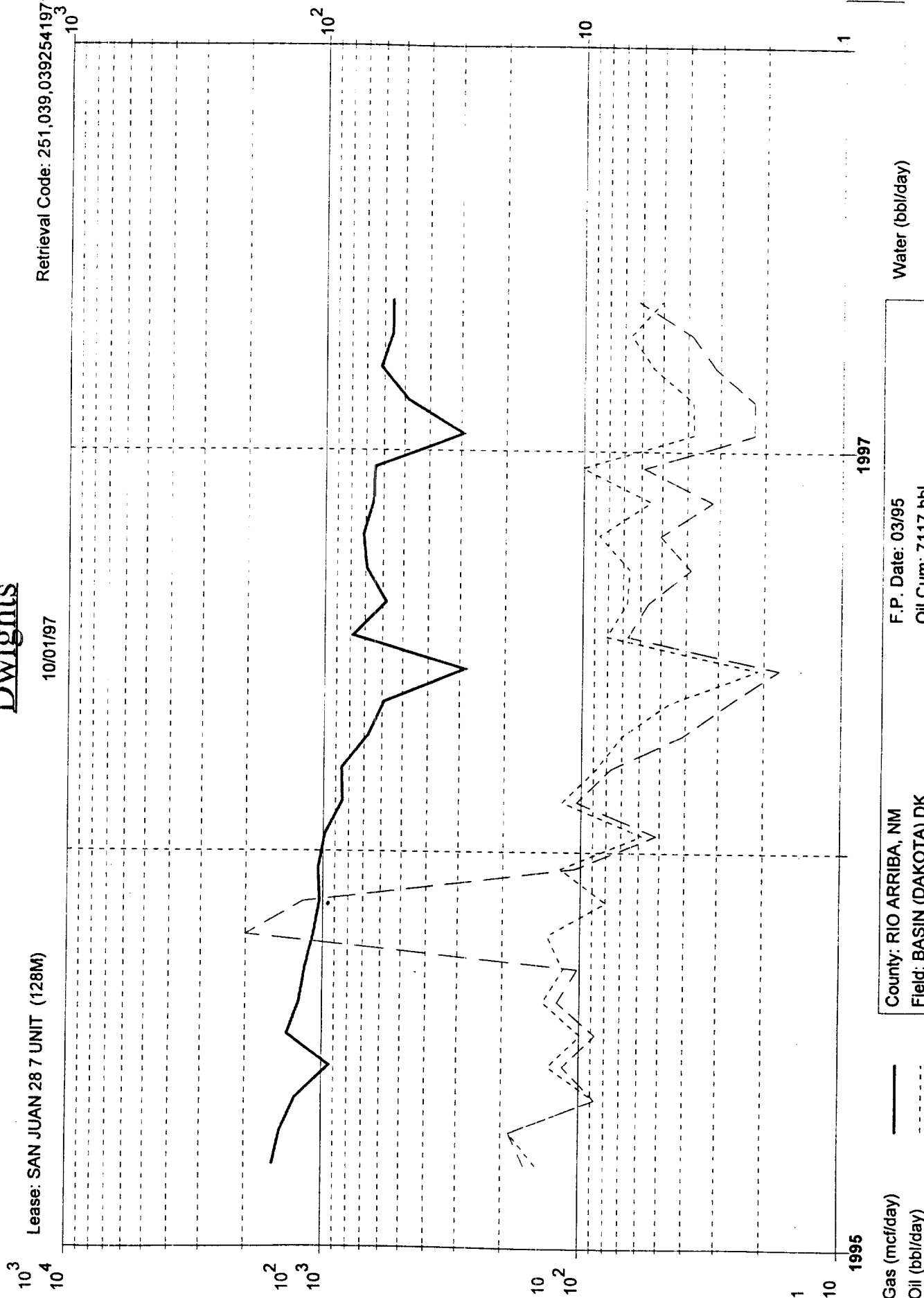
16	<div data-bbox="1048 962 1473 999" style="text-align: right;">THE DIVISION</div> <div data-bbox="1048 999 1473 1048">17 OPERATOR CERTIFICATION</div> <div data-bbox="1048 1048 1473 1095"><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></div> <div data-bbox="1048 1095 1473 1218"><div data-bbox="1048 1095 1473 1218"><i>Kay Maddox</i></div><div data-bbox="1048 1218 1473 1236">Signature</div></div> <div data-bbox="1048 1236 1473 1265"><div data-bbox="1048 1236 1473 1265">Kay Maddox</div><div data-bbox="1048 1265 1473 1285">Printed Name</div></div> <div data-bbox="1048 1285 1473 1312"><div data-bbox="1048 1285 1473 1312">Regulatory Agent</div><div data-bbox="1048 1312 1473 1332">Title</div></div> <div data-bbox="1048 1332 1473 1361"><div data-bbox="1048 1332 1473 1361">November 7, 1997</div><div data-bbox="1048 1361 1473 1379">Date</div></div>
<div data-bbox="801 1541 999 1815"><div data-bbox="801 1541 999 1588">← 1080'</div><div data-bbox="801 1588 999 1815">↑ 1760'</div></div>	<div data-bbox="1048 1436 1473 1473">18 SURVEYOR CERTIFICATION</div> <div data-bbox="1048 1473 1473 1598"><i>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.</i></div> <div data-bbox="1048 1598 1473 1627"><div data-bbox="1048 1598 1473 1627">Date of Survey</div><div data-bbox="1048 1627 1473 1653">Signature and Seal of Professional Surveyor:</div></div> <div data-bbox="1048 1653 1473 1682"><div data-bbox="1048 1653 1473 1682"></div><div data-bbox="1048 1682 1473 1710">Certificate Number</div></div>

Dwights

Lease: SAN JUAN 28 7 UNIT (128M)

10/01/97

Retrieval Code: 251,039,0392541971599



Gas (mcf/day)
Oil (bbl/day)

Water (bbl/day)

County: RIO ARRIBA, NM
Field: BASIN (DAKOTA) DK
Reservoir: DAKOTA
Operator: CONOCO INC

F.P. Date: 03/95
Oil Cum: 7117 bbl
Gas Cum: 696.4 mmcf
Location: 121 27N 7W

San Juan Unit 28-7 Well # 128M

Offset Operators:

Burlington resources
PO Box 4289
Farmington, NM 87499

Union Of California
PO Box 850
Bloomfield, NM 87413

Amoco
PO Box 800
Denver, CO. 80201

BLM CONDITIONS OF APPROVAL

Operator Conoco Inc.

Well Name 128M San Juan 28-7 Unit

Legal Location 1760' FSL/1080' FEL

Sec. 12, T. 27 N, R. 7 W.

Lease Number SF-079298-B

Field Inspection Date n/a

The following stipulations will apply to this well unless a particular Surface Managing Agency or private surface owner has supplied to the BLM and the operator a contradictory environmental stipulation. The failure of the operator to comply with these requirements may result in the assessments or penalties pursuant to 43 CFR 3163.1 or 3163.2. A copy of these conditions of approval shall be present on the location during construction, drilling and reclamation activity.

An agreement between operator and fee land owner will take precedence over BLM surface stipulations unless (In reference to 43 CFR Part 3160) 1) BLM determines that operator's actions will affect adjacent Federal or Indian surface, or 2) operator does not maintain well area and lease premises in a workmanlike manner with due regard for safety, conservation and appearance, or 3) no such agreement exists, or 4) in the event of well abandonment, minimal Federal restoration requirements will be required.

STANDARD STIPULATIONS FOR ALL WORKOVERS: All surface areas disturbed during workover activities and not in use for production activities, will be reseeded the first July-September period after the well has been put back into production. This should occur in the first 12 months after completion of workover activities.

SPECIAL STIPULATIONS FOR THIS SITE:

1. Pits will be fenced during work-over operation.
2. All disturbance will be kept on existing pad.
3. Empty and reclaim pit after work completed.
4. Pits will be lined with an impervious material at least 8 mils thick.

Conditions of Approval

Conoco Inc.

San Juan 28-7, 128 M

1760' FSL and 1080' FEL

Sec 12-27N-7W

- 1) After a review of the supporting data for the "reference case" classification for San Juan 28-7 unit wells and the recently conducted well tests for the referenced well, we concur with your established allocation factors.

Commingled production from each zone must be reported in accordance with the allocation factors identified below:

<u>Formation</u>	<u>Gas</u>	<u>Oil</u>
Mesaverde	25%	13%
Dakota	75%	87%

- 2) The effective date of commingling will be the date commingling of production first occurs.