

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 San Juan Unit 28-7 Well No #109M Unit Ltr Sec Twp Rge Section 18, T-27-N, R-7-W, D County Rio Arriba

OGRID NO. 005073 Property Code 16608 API NO. 30-039-25794 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)	4562-5521'		7247-7494'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow		To Flow
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a (Current) 457 b(Original) 1230	RECEIVED APR - 9 1998 OIL CON. DIV. DIST. 3	a. 713 b. 2946
6. Oil Gravity (°API) or Gas BT Content	1352		1238
7. Producing or Shut-In?	To be Completed		To be Completed
Production Marginal? (yes or no)	Yes (expected)		Yes (expected)
• If Shut-In give date and oil/gas/water rates of last production <small>Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.</small>	Date Rates	Date Rates	Date Rates
• If Producing, date and oil/gas/water rates of recent test (within 60 days)	Date Rates 160 MCFD Anticipated 1st Yr average	Date Rates	Date Rates 210 MCFD Anticipated 1st Yr Average
8. Fixed Percentage Allocation Formula - % of 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 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. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). R-10476 B

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.

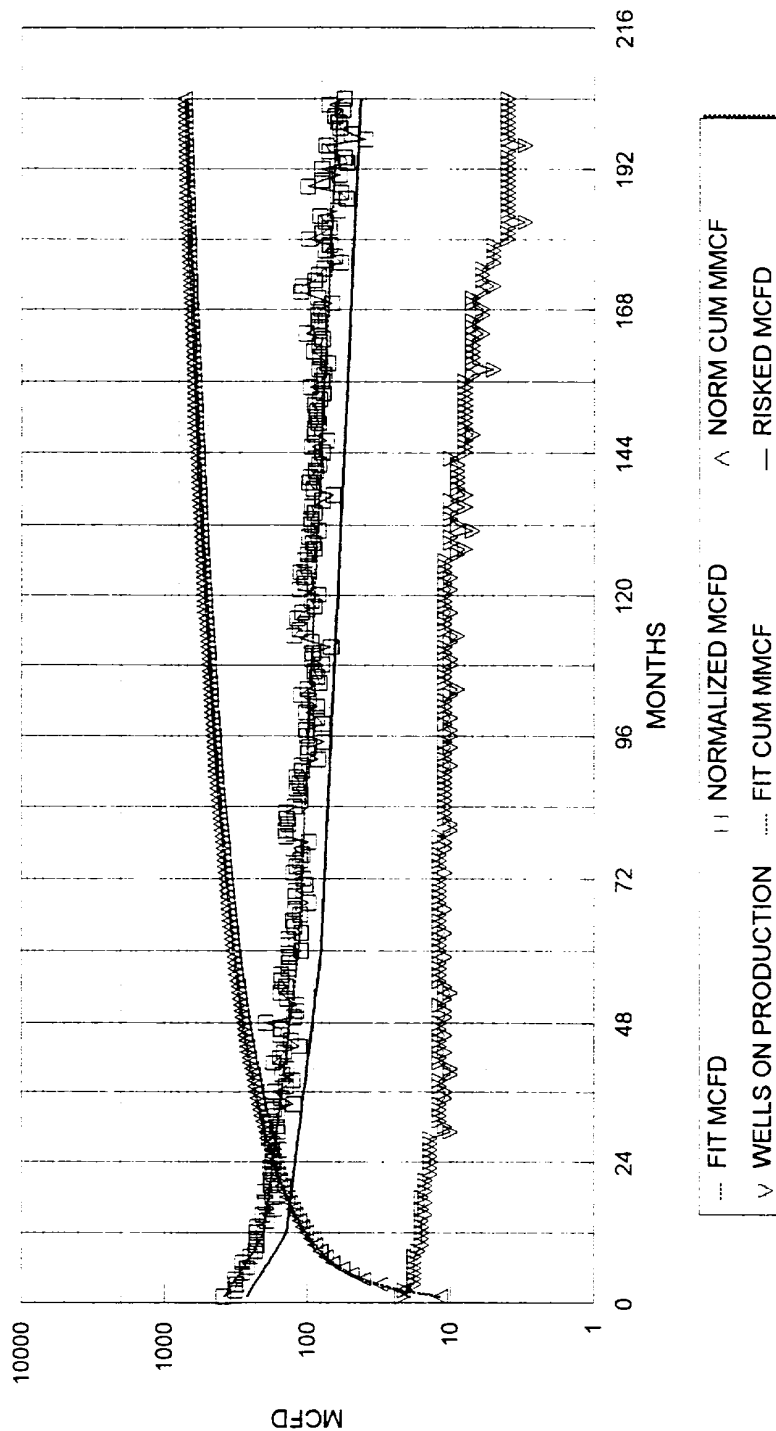
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kay Maddox TITLE Regulatory Agent DATE 4/6/98

TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

NORMALIZED MESAVERDE PRODUCTION

PROD. SINCE 1972; 22 MV WELLS LOCATED IN 27N-7W AND 27N-8W



Expected Mesaverde Production - #237M, 98M, 109M
Expected Avg. Rate for Yr. 1 = 289 MCFD

Oil Conservation Division

OIL CONSERVATION DIVISION

PO Box 2088

Santa Fe, NM 87504-2088

Instructions on Oil
Conservation Division
State Lease - 4 Copies
Fee Lease - 3 Copies

Oil Conservation Division
PO Box 2088 Santa Fe, NM 87504-2088

Oil Conservation Division
PO Box 2088 Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAN

*API Number		*Pool Code		*Pool Name					
		72319/71599		Blanco Mesaverde/Basin Dakota					
*Property Code		*Property Name						*Well Number	
016608		SAN JUAN 28-7 UNIT						109M	
*OSPID No		*Operator Name						*Elevation	
005073		CONOCO, INC.						5554'	
10 Surface Location									
UL or lot no	Section	Township	Range	Lot 10	Feet from the	North/South line	Feet from the	East/West line	County
D	18	27N	7W		1090	North	980	West	RIO ARriba
11 Bottom Hole Location If Different From Surface									
UL or lot no	Section	Township	Range	Lot 10	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			
320.36		Y		U					

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

				<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>Mike L. Mankin</i></p> <p>Signature</p> <p>Mike L. Mankin</p> <p>Printed Name</p> <p>Right of Way Agent</p> <p>Title</p> <p>2-12-98</p> <p>Date</p>	
<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plan 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>OCTOBER 22, 1997</p> <p>Date of Survey</p> <p>Signature and Seal of Registered Professional Surveyor</p> <p>NEALE C. EDWARDS</p> <p>NEW MEXICO</p> <p>6857</p> <p>REGISTERED PROFESSIONAL SURVEYOR</p>				<p>19</p>	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 08-10-2001 BY 60322
REVERSE SIDE

FORM APPROVED
OMB NO 1004-0136
Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN			
1. TYPE OF WORK a. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> TIEBACK ZONE <input checked="" type="checkbox"/> NEW ZONE <input type="checkbox"/>			
2. NAME OF OPERATOR Conoco Inc. 5073			
3. ADDRESS AND TELEPHONE NO 10 Desta Dr. Ste 430E, Midland, Tx. 79705-4500			
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *) At surface 1090' FNL & 980' FWL At proposed prod. zone 1090' FNL & 980' FWL			
5. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*			
5. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		16 NO OF ACRES IN LEASE	17 NO. OF ACRES ASSIGNED TO THIS WELL
8. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		19. PROPOSED DEPTH	20. ROTARY OR CABLE TOOLS
21. ELEVATIONS (Show whether DF, RT, GR, etc.)		22. APPROX. DATE WORK WILL START*	
This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.		6554' GR 3/15/98	
PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12-1/4"	K-55, 9-5/8"	36#	250'
8-3/4"	K-55, 7"	23#	3247'
6-1/4"	K-55, 4-1/2"	9.5#	7494'
GENERAL REQUIREMENTS			
145 sxs, circ.			
430 sxs, circ.			
535 sxs, toc @ 3100'			

It is proposed to drill a vertical wellbore to the Blanco Mesaverde and Basin Dakota Pools. An NOS was filed 10/13/97. The well will be drilled and equipped according to the following additional attachments:

1. Well Location & Acreage Dedication Plat (C-102).
2. Proposed Well Plan Outline.
3. Cementing Plan.
4. Blowout Preventer Hookup.
5. Surface Use Plan with Production Facility layout.
6. Pipeline Tie Specifications with plat.

This application includes ROW's for the well pad, access road, cathodic protection and pipeline.

RECEIVED
MAR - 2 1998
OIL CON. DIV.
DIST. 3

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OIL CON. DIV.
MAR 13 PM 1:32

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Jo Ann Johnson TITLE Property Analyst DATE 2-12-98
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE FEB 25 1998

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY

APPROVED BY B/Duane W. Spencer TITLE _____ DATE FEB 25 1998

*See Instructions On Reverse Side

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.

NMOCD

April 6, 1998

San Juan Unit 28-7 # 109M
Section 18, T-27-N, R-7-W, D
Rio Arriba County, TX

RE: Application C-107A to Downhole Commingle

Notification of Offset Operators:

Burlington Resources
PO Box 4289
Farmington, NM 87499

Bledsoe Petroleum
1717 Main STE 5850
Dallas, TX 75201

Western Oil & Minerals
PO Drawer 1228
Farmington, NM 87499

Chateau Oil & Gas
5802 US HWY 64
Farmington, NM 87401

Amoco
PO Box 800
Denver, CO 80201

A copy of the C-107A has been sent to the above listed parties
