

DISTRICT I  
700 Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102-A  
New 3-12-96

DISTRICT II  
811 South First St. Artesia NM 88210-2835

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 100W, Midland, Tx. 79705-4500

Applicant

Address

San Juan 28-7 Unit

# 153 E

Section 20, T-27-N, R-7-W, O I

Rio Arriba

Lease

Well No

Unit Ltr Sec Twp Rge

County

OGRID NO 005073

Property Code

016608

API NO

30-039-25883

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)	5197-5560'		7266-7495'
3 Type of production (Oil or Gas)	Gas		Gas
4 Method of Production (Flowing or Artificial Lift)	To Flow		To Flow
5 Bottomhole Pressure	a (Current)		
Oil Zones - Artificial Lift Estimated Current	558		736
Gas & Oil - Flowing Measured Current	b (Original)	b	b
All Gas Zones Estimated Or Measured Original	1161		255
6 Oil Gravity (°API) or Gas BT Content	1347		1319
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	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	Date Rates	Date Rates
	Est 1st Yr Average 144 MCFD-Final to be supplied upon completion		Est 1st Yr Average 252 MCFD-Final to be supplied upon completion
8 Fixed Percentage Allocation Formula - % of each zone			

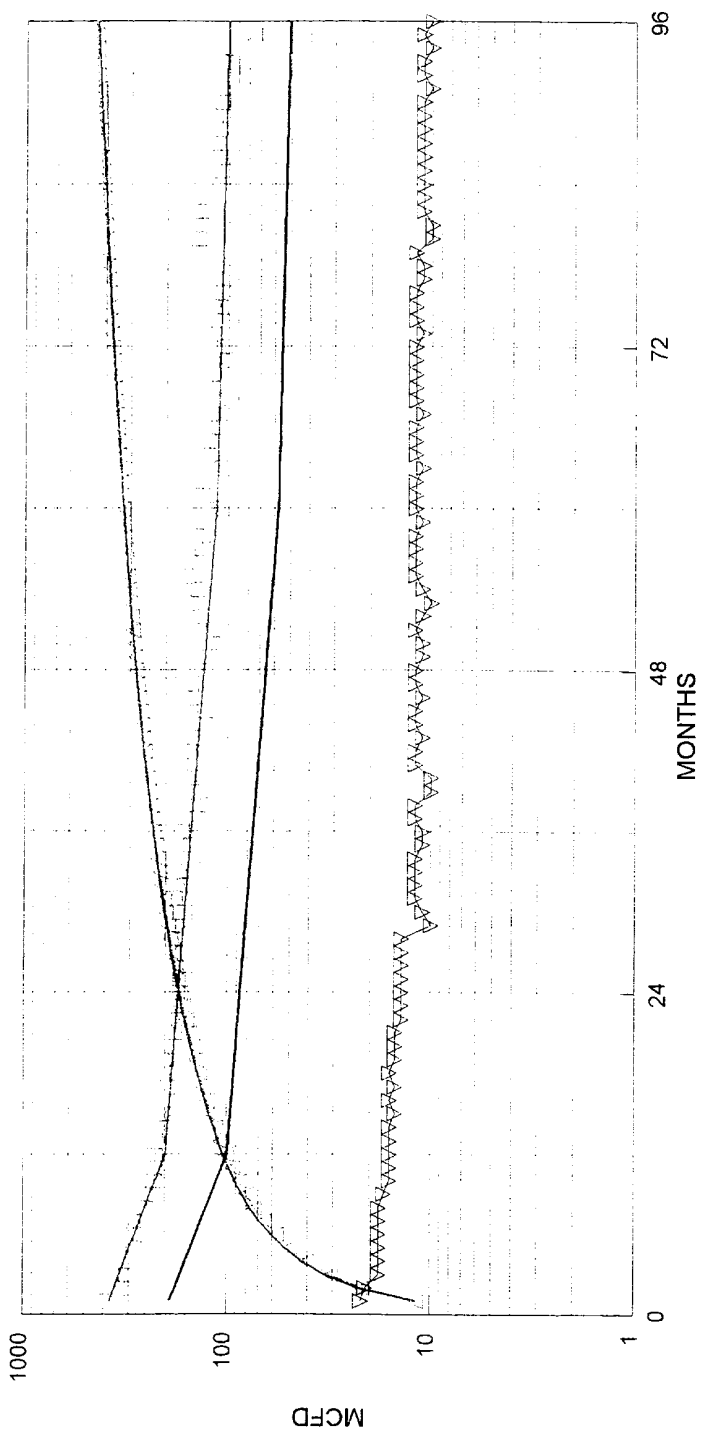
9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical 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 communized 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 June 29, 1990

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 AREA

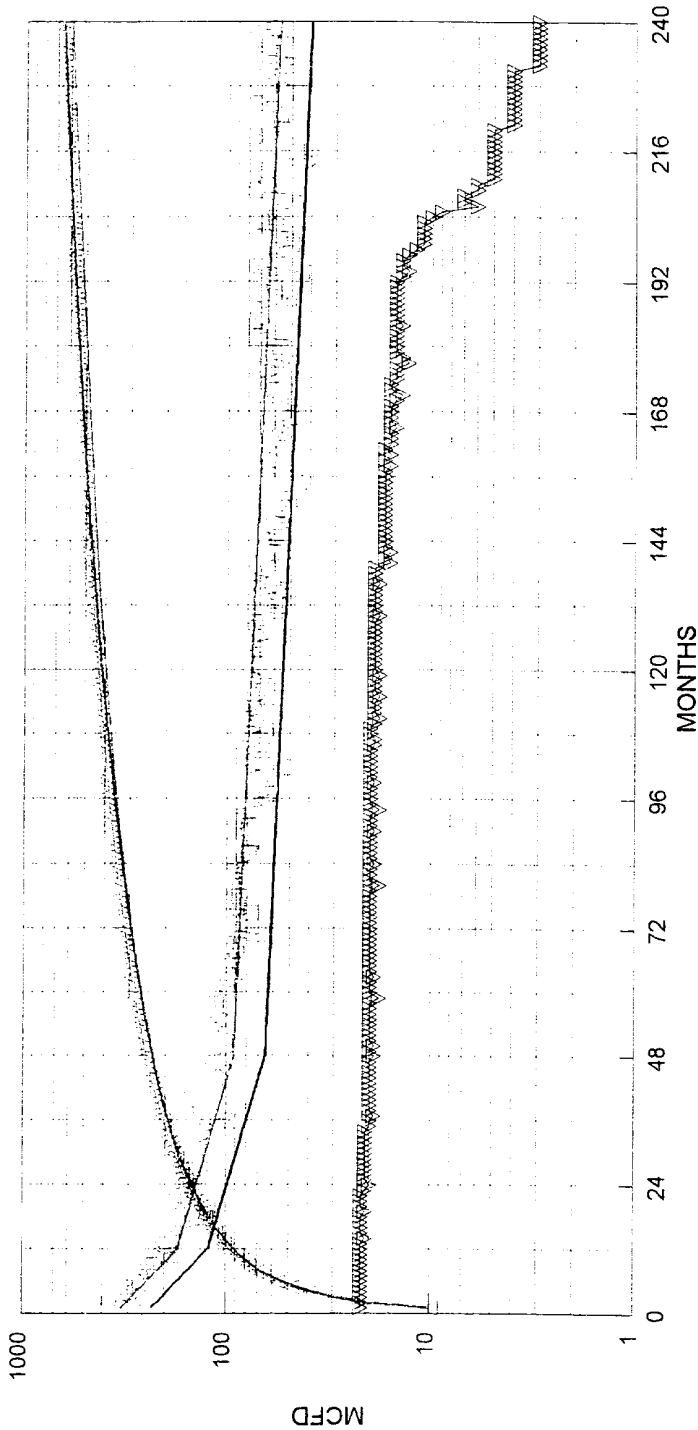


— FIT MCFD      NORMALIZED MCFD      NORM CUM MMCF  
▽ WELLS ON PRODUCTION      — FIT CUM MMCF      — RISKED MCFD

Expected MV Prod - #97M, 100M, 101M, 110M, 111M, 113M, 153E  
Expected 1st Yr. Avg. Rate = 144MCFD Wells are expected to follow "50% risk case"

NORMALIZED AVG:		RISKED AVG:	
1130 MMCF EUR	400 MCFD IP	453 MMCF EUR	200 MCFD IP
800 MMCF IN 20 YRS	50% DECLINE, 1ST 12 MONTHS	400 MMCF IN 20 YRS	50.0% DECLINE, 1ST 12 MONTHS
25 MCFD E.L.	13% DECLINE, NEXT 48 MONTHS	25 MCFD E.L.	13.0% DECLINE, NEXT 48 MONTHS
0.0091 bbl/mcf oil yield	4% FINAL DECLINE	0.0091 bbl/mcf oil yield	4.0% FINAL DECLINE

**NORMALIZED DAKOTA PRODUCTION**  
**PROD. SINCE 1975; 22 DAKOTA COMPLETIONS**



**NORMALIZED AVG:**

1049 MMCF EUR  
666 MMCF IN 20 YRS  
25 MCFD E.L.  
0.0134 bbl/mcf oil yield

**RISKED AVG:**

644 MMCF EUR  
466 MMCF IN 20 YRS  
25 MCFD E.L.  
0.0134 bbl/mcf oil yield

**30% RISK**

245 MCFD IP  
50.0% DECLINE, 1ST 12 MONTHS  
19.0% DECLINE, NEXT 36 MONTHS  
3.0% FINAL DECLINE

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT(Other instructions on  
reverse side)FORM APPROVED  
OMB NO. 1004-0138  
Expires February 28, 1995

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK  
DRILL ☒ DEEPEN ☐ 98 JUN -8 AM 11:25

2. TYPE OF WELL  
OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

3. NAME OF OPERATOR  
Conoco Inc. 005073

4. ADDRESS AND TELEPHONE NO.  
10 Desta Dr. Ste 430E, Midland, Tx. 79705-4500

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements \*)  
At surface 1460' FSL & 795' FEL  
At proposed prod. zone 1460' FSL & 795' FEL

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

7. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if Any)

8. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

9. ELEVATIONS (Show whether DF, RT, GR, etc )  
6566' GR

10. NO OF ACRES IN LEASE

11. NO. OF ACRES ASSIGNED TO THIS WELL  
6/320 6/320

12. ROTARY OR CABLE TOOLS  
Rotary

13. APPROX. DATE WORK WILL START\*  
6/30/98

5. LEASE DESIGNATION AND SERIAL NO  
SF 078640

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
San Juan 28-7 016608

8. FARM OR LEASE NAME WELL NO  
153E

9. API WELL NO  
30-039-25883

10. FIELD AND POOL, OR WILDCAT  
72319 Blanco MV/Basin Dakota 71539

11. SEC. T., R., M. OR BLK. AND SURVEYOR AREA  
I Sec. 20, T27N, R7W

12. COUNTY OR PARISH  
Rio Arriba

13. STATE  
NM

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	K-55, 9-5/8"	36#	250'	145 sxs, circ.
8-3/4"	K-55, 7"	23#	3227'	395 sxs, circ.
6-1/4"	K-55, 4-1/2"	9.5#	7495'	515 sxs, toc @ 3000'

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 action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

RECEIVED  
JUN 12 1998  
OIL CON. DIV.  
DIST. 3

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

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS"

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen give data on present productive zones and proposed new productive zones. 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 Sr. Property Analyst DATE 5-28-98  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE JUN 10 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 [Signature] TITLE [Signature] DATE JUN 10 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 a matter within its jurisdiction.

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer 00, 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
016608	SAN JUAN 28-7 UNIT		153E
*GRID No.	*Operator Name		*Elevation
005073	CONOCO, INC.		6566'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County
I	20	27N	7W		1460	South	795	East	RIO ARriba

<sup>11</sup> Bottom Hole Location If Different From Surface

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

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
320	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

<sup>16</sup>	526'.20'	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature <u>Mike L. Mankin</u> Printed Name <u>Mike L. Mankin</u> Title <u>Right-Of-Way Agent</u> Date _____
	5283.30'	
5283.30'	20	5281.98'
	1460'	
	795'	
	5270.10'	

San Juan 28-7 Unit # 153 E  
Section 20, T-27-N, R-7-W, I  
Rio Arriba , New Mexico  
API # 30-039-25883

RE: Application to Downhole Commingle (C 107 A)

**OFFSET OPERATOR:**

Conoco, Inc. is the only offset operator

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