

DISTRICT I  
P.O. Box 1930 Hobbs NM 88241 1980  
DISTRICT II  
911 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

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

San Juan 28-7 Unit # 110 M Section 19, T-27-N, R-7-W, E Rio Arriba  
Lease Well No Unit Ltr Sec Twp Rge County

OGRID NO 005073 Property Code 016608 API NO. 30-039-25884  
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)	5173-5540'		7261-7502'
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)	a	a
Oil Zones - Artificial Lift	558		736
Gas & Oil - Flowing	b (Original)	b	b
All Gas Zones	1161		255
Estimated Or Measured Original			
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 1st 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	Oil Gas	Oil Gas	Oil Gas

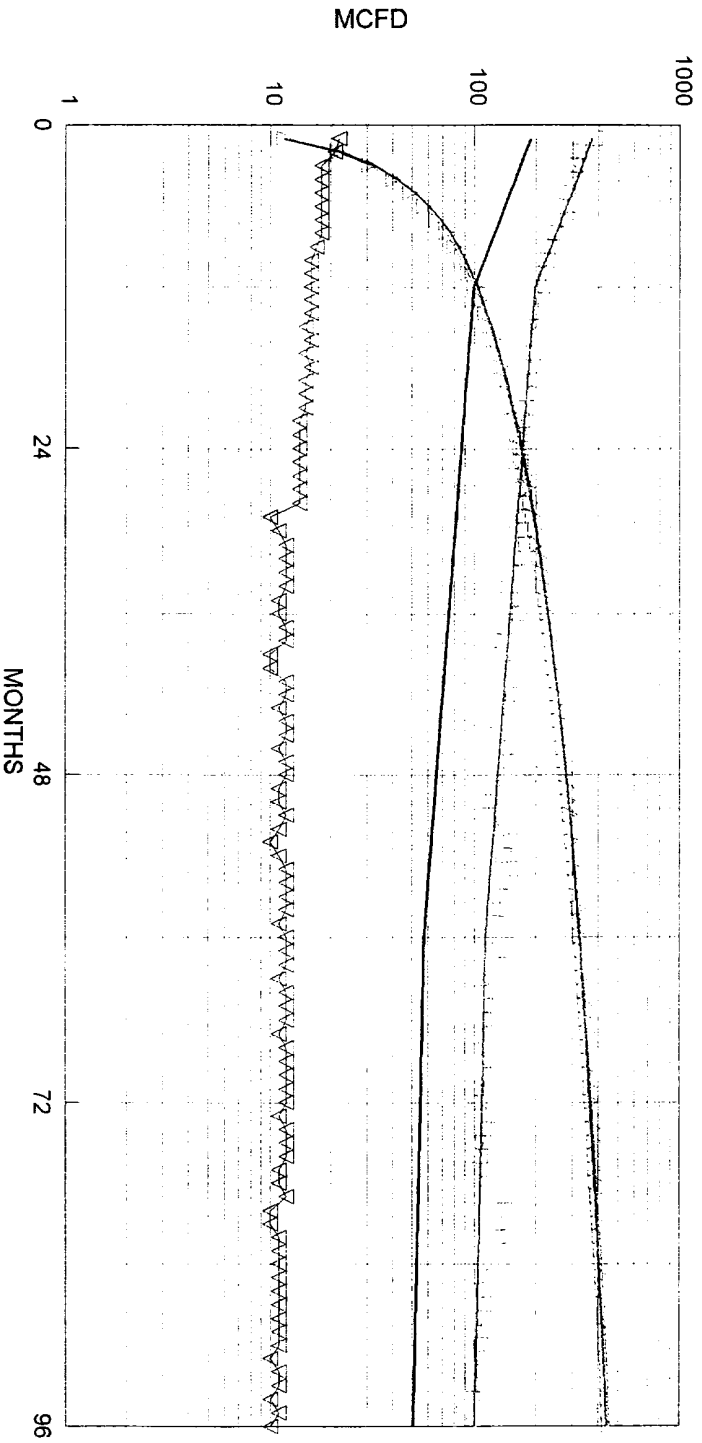
9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical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



Expected MV Prod - #98M, 100M, 101M, 110M, 111M, 113M, 153E  
 Expected 1st Yr. Avg. Rate = 144MCFD Wells are expected to follow "50% risk case"

NORMALIZED AVG:

1130 MMCF EUR  
 800 MMCF IN 20 YRS  
 25 MCFD E.L.  
 0.0091 bbl/mcf oil yield

RISKED AVG:

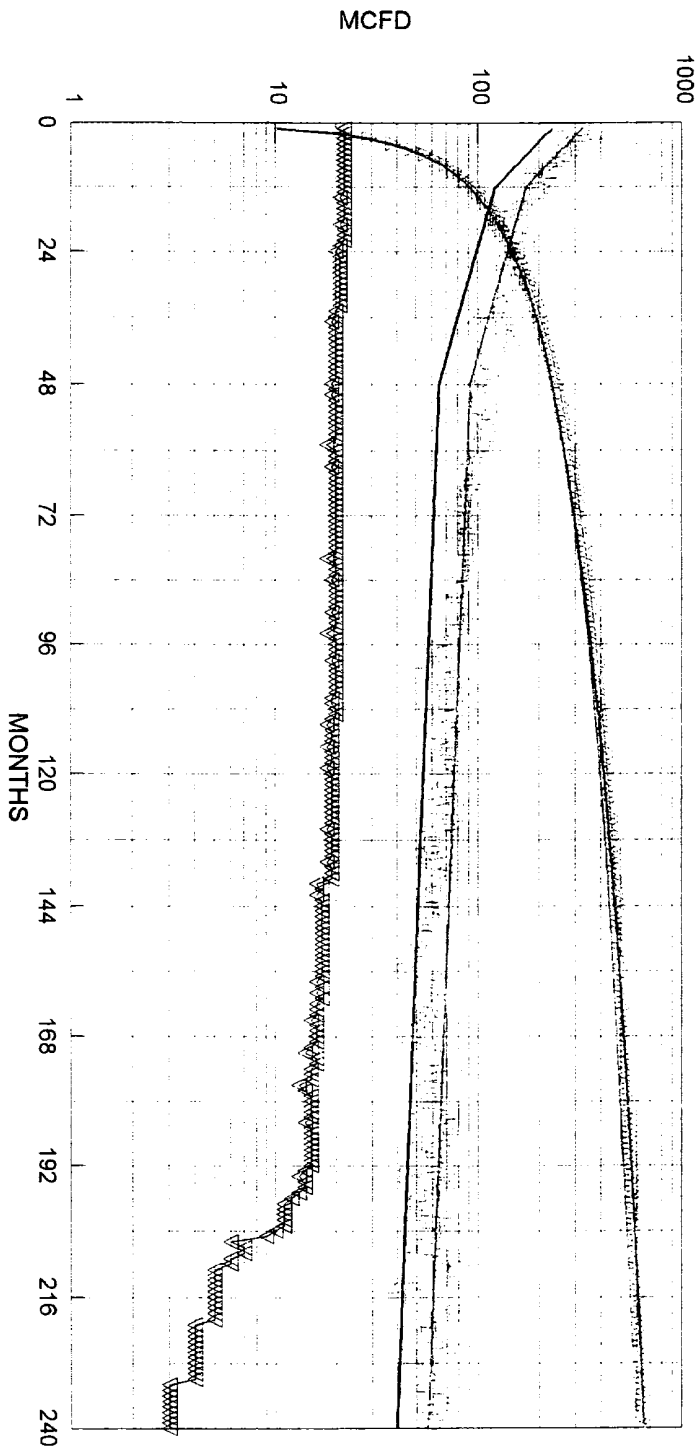
453 MMCF EUR  
 400 MMCF IN 20 YRS  
 25 MCFD E.L.  
 0.0091 bbl/mcf oil yield

50% RISK (Based on actual 99/100/101/110/111)

200 MCFD IP  
 50.0% DECLINE, 1ST 12 MONTHS  
 13.0% DECLINE, NEXT 48 MONTHS  
 4.0% FINAL DECLINE

— FIT MCFD  
 x WELLS ON PRODUCTION  
 — FIT CUM MMCF  
 — NORM CUM MMCF  
 — RISKED MCFD

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



Expected DK Prod - #9M, 100M, 101M, 110M, 111M, 113M, 153E  
Expected 1st Yr Avg. Rate = 252 MCFD Wells expected to follow "Normalized case"

NORMALIZED AVG:		RISKED AVG: 30% RISK	
1049 MMCF EUR	350 MCFD IP	644 MMCF EUR	245 MCFD IP
666 MMCF IN 20 YRS	50% DECLINE, 1ST 12 MONTHS	466 MMCF IN 20 YRS	50.0% DECLINE, 1ST 12 MONTHS
25 MCFD E.L.	19% DECLINE, NEXT 36 MONTHS	25 MCFD E.L.	19.0% DECLINE, NEXT 36 MONTHS
0.0134 bbl/mcf oil yield	3% FINAL DECLINE	0.0134 bbl/mcf oil yield	3.0% FINAL DECLINE

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT(Other instructions on  
reverse side)FORM APPROVED  
OMB NO. 1004-0136  
Expires February 28, 1995

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

RECEIVED

1. TYPE OF WORK a. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> b. NAME OF OPERATOR Conoco Inc. 005073		2. ADDRESS AND TELEPHONE NO. 10 Desta Dr. Ste 430E, Midland, Tx. 79705-4500		3. LEASE DESIGNATION AND SERIAL NO. SF 078840	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *) At surface 1845' FNL & 815' FWL At proposed prod. zone 1845' FNL & 815' FWL		5. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if Any) 8. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 21. ELEVATIONS (Show whether OF, RT, GR, etc.) Action is subject to technical and regulatory review pursuant to 43 CFR 3185.3 appeal pursuant to 43 CFR 3185.4.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 1845' FNL & 815' FWL		16. NO. OF ACRES IN LEASE 7502'		17. NO. OF ACRES ASSIGNED TO THIS WELL 321.15	
15. PROPOSED DEPTH 7502'		19. PROPOSED DEPTH 7502'		20. ROTARY OR CABLE TOOLS Rotary	
22. APPROX. DATE WORK WILL START* 6/30/98		12. COUNTY OR PARISH Rio Arriba		13. STATE NM	

RECEIVED

OIL CON. DIV.  
DIST. 3

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#	3186'	390 sxs, circ.
6-1/4"	K-55, 4-1/2"	9.5#	7502'	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.

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

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

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

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.

24. 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 Errol G. Becker TITLE Acting Manager 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 to any matter within its jurisdiction.

District I  
PO Box 1160, Hobbs, NM 88241-1960

District II  
PO Drawer CD, 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		110M
*GRID No.	*Operator Name		*Elevation
005073	CONOCO, INC.		6588'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot 10	Feet from the	North/South line	Feet from the	East/West line	County
E	19	27N	7W		1845	North	815	West	RIO ARriba

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
321.15	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

<div><p><sup>16</sup></p><p>1331.22'</p><p>1328.58'</p><p>2657.82'</p><p>1845'</p><p>815'</p><p>5272.08'</p><p>19</p><p>1336.50'</p><p>1319.34'</p><p>1319.34'</p><p>5283.30'</p></div>	<div><p><b>RECEIVED</b></p><p>JUL 2 1998</p><p><b>OIL CON. DIV.</b></p><p><b>DIST. 3</b></p></div>	<div><p><sup>17</sup> 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>Kay Maddox</i></p><p>Signature <u>KAY MADDOX</u></p><p><u>Mike L. Mankin</u></p><p>Printed Name <u>Regulatory Agent</u></p><p><u>Right Of Way Agent</u></p><p>Title</p><p>Date</p></div> <div><p><sup>18</sup> 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>NOVEMBER 7, 1997</p><p>Date of Survey</p><p>Signature and Seal of Professional Surveyor</p><p><b>NEALE C. EDWARDS</b></p><p>NEW MEXICO</p><p>6857</p><p>0857</p><p>Certificate Number</p></div>
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San Juan 28-7 Unit # 110 M  
Section 19, T-27-N, R-7-W, E  
Rio Arriba , New Mexico  
API # 30-039-25884

RE: Application to Downhole Commingle (C 107 A)

**OFFSET OPERATOR:**

Burlington Resources  
PO Box 4289  
Farmington, NM 87499

Bledsoe Petroleum Corp.  
1717 Main STE 5850  
Dallas, TX 75201