

DISTRICT I
1625 N French Dr., Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410
DISTRICT IV
2040 S. Pacheco, Santa Fe, NM 87505

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
Revised August 1999

APPROVAL PROCESS:

___ Administrative ___ Hearing

EXISTING WELLBORE

X YES ___ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Conoco Inc.

P.O. Box 2197 Houston, TX 77252-2197

Operator Address
San Juan 28-7 71 L, SEC.34, T28N, R7W Rio Arriba
Lease Well No. Unit Ltr. - Sec - Twp - Rge County
OGRID NO. 005073 Property Code 016608 API NO. 30-039-07244 Spacing Unit Lease Types: (check 1 or more)
Federal X 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		Blanco P.C. South 72439
2. Top and Bottom of Pay Section (Perforations)	4454' - 5140' OA		2782' - 2816' OA
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	FLOWING		Flowing
5. Bottomhole Pressure	a. (Current) 428		a. 308
Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	b. (Original) 1305		b. 1227
6. Oil Gravity (EAPI) or Gas BTU Content	1254		1190
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	Date: 10/99 Rates: 89mcfd	Date: Rates:	Date: 10/99 Rates: 25mcfd
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 100 Gas: 80	Oil: Gas:	Oil: 0 Gas: 20

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 X No
If not, have all working, overriding, and royalty interests been notified by certified mail? ___ Yes X No

11. Will cross-flow occur? X 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. X Yes ___ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? X Yes ___ No

13. Will the value of production be decreased by commingling? ___ Yes X 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. X Yes ___ No

15. NMOC Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). R 10476B

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 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 Deborah Moore TITLE Regulatory Analyst DATE 2/29/00

TYPE OR PRINT NAME Deborah Moore

TELEPHONE NO. (281) 293-1005

Well Location and Acreage Dedication Plat

Section A.

Date **JULY 26, 1960**

Operator **EL PASO NATURAL GAS COMPANY** Lease **SAN JUAN 28-7 UNIT** SF **078496**
 Well No. **71(PM)** Unit Letter **L** Section **34** Township **28-N** Range **7-W** NMPN
 Loc. **1840** Feet From **SOUTH** Line **1150** Feet From **WEST** Line
 County **RIO ARriba** G. L. Elevation **6181** Dedicated Acreage **158.40 & 318.40** Acres
 Name of Producing Formation **PICTURED CLIFF & MESA VERDE** Pool **SO. BLANCO PC. & BLANCO MV**

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?
 Yes ☒ No ☐
2. If the answer to question one is "no", have the interests of all the owners been consolidated by communication agreement or otherwise? Yes ☐ No ☐ If answer is "yes", Type of Consolidation:

3. If the answer to question two is "no", list all the owners and their respective interests below:

OwnerLand Description

Section B.

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

El Paso Natural Gas Company

(Operator)

Original Signed **D. W. Meehan**

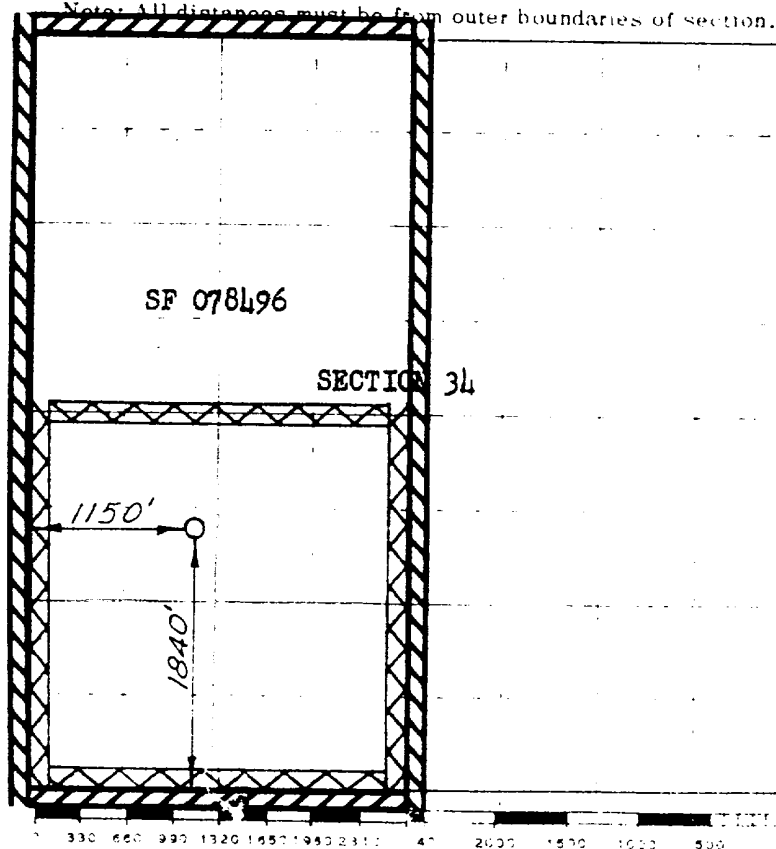
(Representative)

Box 990

(Address)

Farmington, New Mexico

Note: All distances must be from outer boundaries of section.



NOTE: THIS PLAT REISSUED ON NEW FORM TO SHOW PICTURED CLIFF DEDICATION. 7 26 60

This is to certify that the above plat was prepared from field notes of actual survey made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

(Seal)

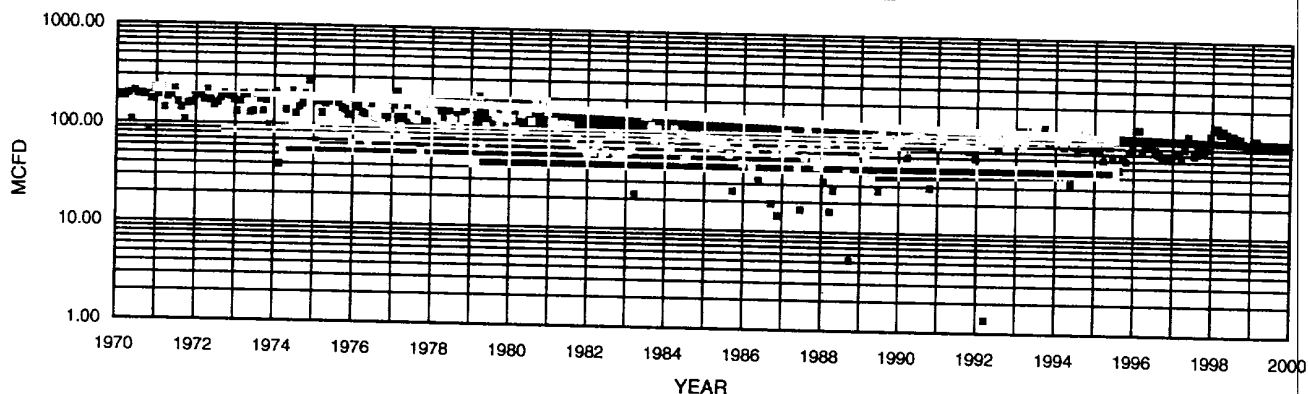
Date Surveyed

FEBRUARY 20, 1957

David O. Kilner
 Registered Professional Engineer No. 11,111 State of New Mexico

Farmington, New Mexico

**SAN JUAN 28-7 #71 MESAVERDE PRODUCTION
SECTION 34L-28N-07W**



—♦— FIT MCFD ■ MCFD

MESAVERDE HISTORICAL DATA:

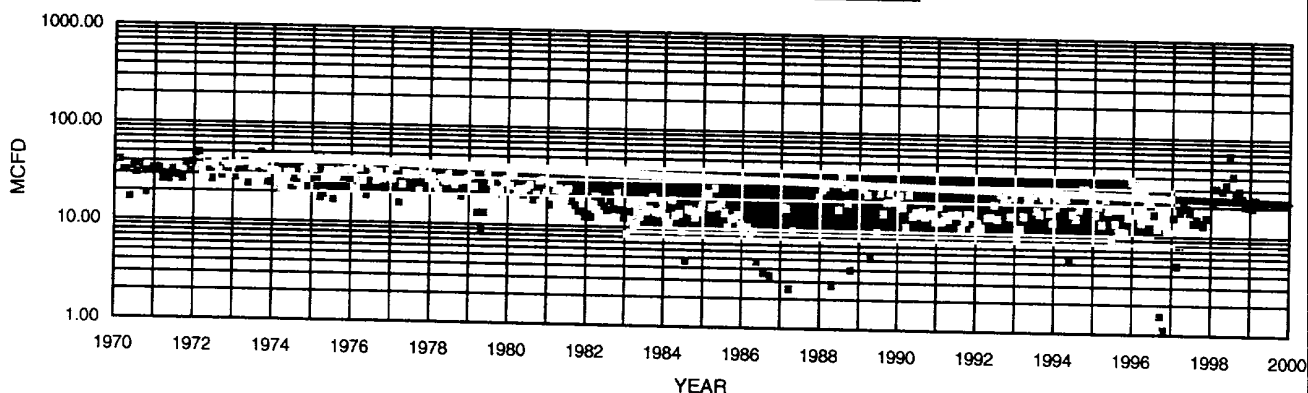
1ST PROD: 07/57

OIL CUM: 18.23 MBO
GAS CUM: 2100.6 MMCF
OIL YIELD: 0.0087 BBL/MCF

MESAVERDE PROJECTED DATA:

01/01/00 Qi: 91 MCFD
DECLINE RATE: 3.0% (EXPONENTIAL)

**SAN JUAN 28-7 #71 PICTURED CLIFFS PRODUCTION
SECTION 34L-28N-07W**



—♦— FIT MCFD ■ MCFD

PICTURED CLIFFS HISTORICAL DATA:

1ST PROD: 02/61

OIL CUM: 0.0 MBO
GAS CUM: 353.2 MMCF
OIL YIELD: 0.0000 BBL/MCF

PICTURED CLIFFS PROJECTED DATA:

01/01/00 Qi: 23 MCFD
DECLINE RATE: 2.6% (EXPONENTIAL)

FIXED COMMINGLE ALLOCATION FACTORS:

	GAS	OIL
MESAVERDE	80%	100%
PICTURED CLIFFS	20%	0%

API # 30-039-07244

GAS ALLOCATION BASED ON PROJECTED 2000 RATES

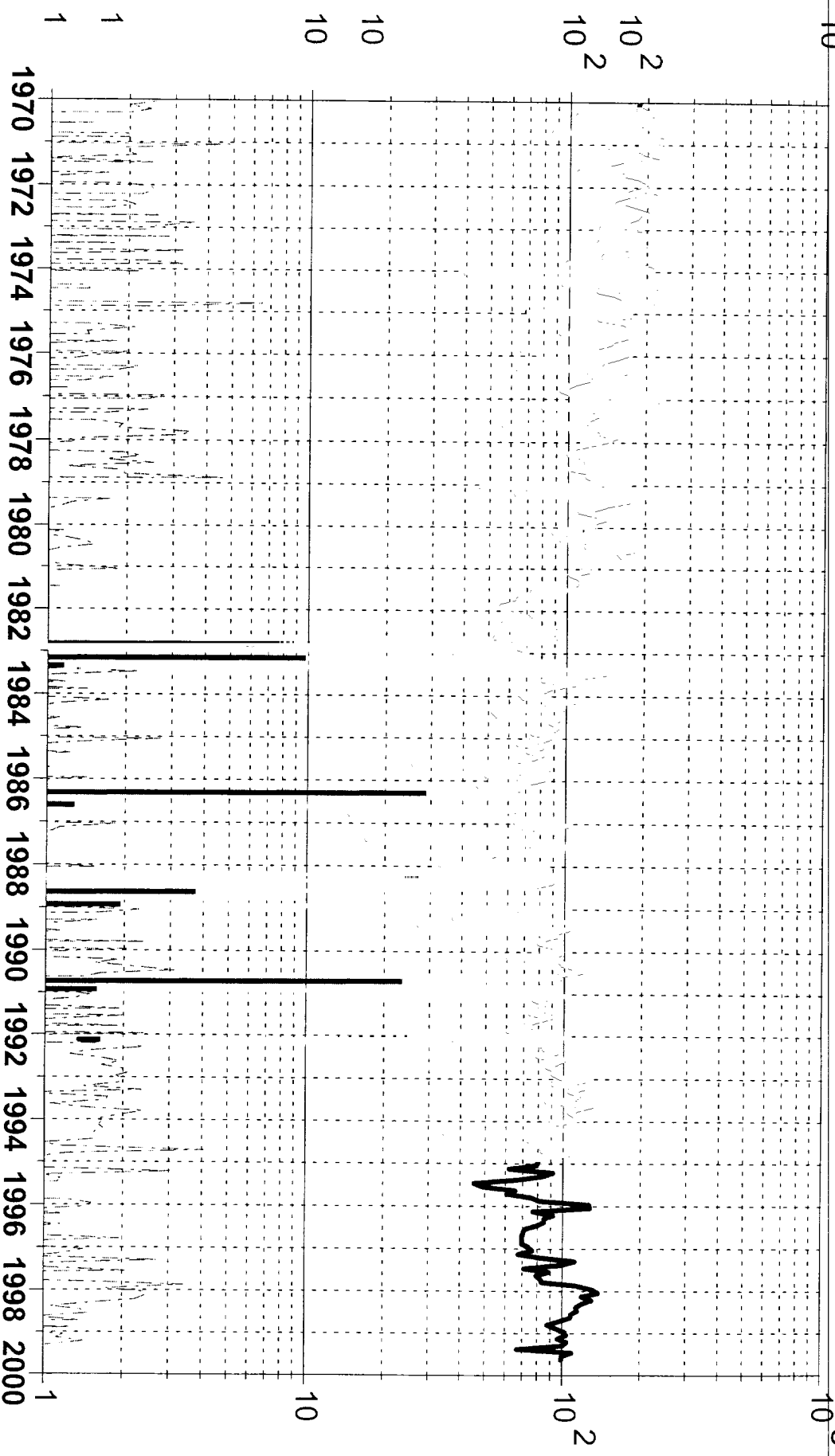
OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGY DATA

Lease: SAN JUAN 28 7 UNIT (71)

Dwights
01/31/00

Retrieval Code: 251,039,28N07W34L00MV



Gas (mcf/day)

Oil (bbl/day)

Operator: CONOCO INC

F.P. Date: 07/57

Location: 34L 28N 7W

Oil Cum: 18.23 mbbl

Upper Perf: 4454 ft

Gas Cum: 2101 mmcf

Lower Perf: 5140 ft

Reservoir: MESAVERDE

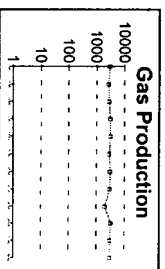
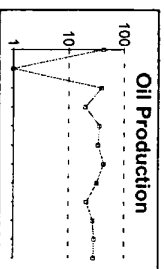
Water (bbl/day)

Lease: SAN JUAN 28 7 UNIT
 Field: BLANCO (MESASVERDE) MV
 Operator: CONOCO INC
 RCI #: 251,039,28N07W34L00MV
 API #: 30-039-07244-00

Well #: 71
 Location: 34L 28N 7W
 Liquid Cum: 18,226 bbls
 Gas Cum: 2,100,629 mcf
 Status: ACT GAS

FP Date: 57-07
 LP Date: 99-08
 Liq Since: FPDATE
 Gas Since: FPDATE

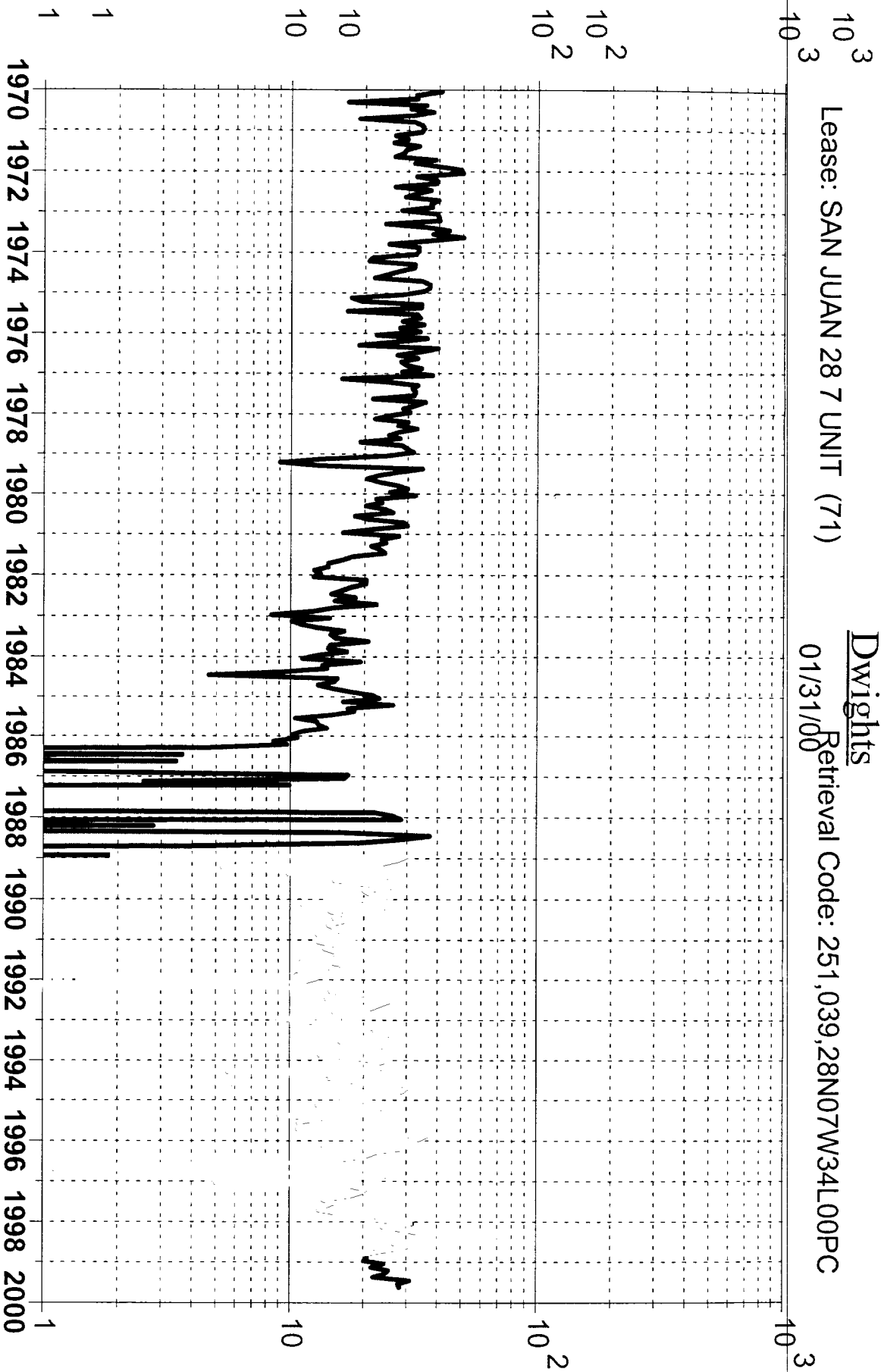
DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
09/1998	42	2,927	0	1
10/1998	0	2,648	0	1
11/1998	39	2,845	0	1
12/1998	20	3,082	0	1
01/1999	36	3,127	0	1
02/1999	34	2,906	0	1
03/1999	43	3,144	0	1
04/1999	32	3,032	0	1
05/1999	21	2,027	0	1
06/1999	27	3,293	0	1
07/1999	29	3,004	0	1
08/1999	28	3,002	0	1
Total	351	35,037	0	



Lease: SAN JUAN 28 7 UNIT (71)

Dwights
01/31/00

Retrieval Code: 251,039,28N07W34L00PC



Gas (mcf/day)

Operator: CONOCO INC

F.P. Date: 02/61

Water (bbl/day)

Oil (bbl/day)

Location: 34L 28N 7W

Oil Cum: 0 bbl

Upper Perf: N/A

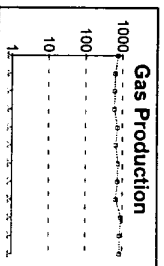
Gas Cum: 353.2 mmcf

Lower Perf: N/A

Reservoir: PICTURE CLIF

Lease:	SAN JUAN 28 7 UNIT	Well #:	71	FP Date:	61-02
Field:	BLANCO SOUTH (PICTURE CLIFFS) PC	Location:	34L 28N 7W	LP Date:	99-08
Operator:	CONOCO INC	Liquid Cum:		Liq Since:	FPDATE
RCI #:	251,039,28N07W34L00PC	Gas Cum:	353,182 mcf	Gas Since:	FPDATE
API #:	30-039-07244-00	Status:	ACT GAS		

DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
09/1998	0	754	0	1
10/1998	0	631	0	1
11/1998	0	627	0	1
12/1998	0	609	0	1
01/1999	0	734	0	1
02/1999	0	653	0	1
03/1999	0	767	0	1
04/1999	0	740	0	1
05/1999	0	666	0	1
06/1999	0	934	0	1
07/1999	0	841	0	1
08/1999	0	850	0	1
Total	0	8,806	0	



DATE IN	SUSPENSE	ENGINEER	LOGGED BY	TYPE
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply**

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Deborah Moore (281) 293-1005
Print or Type Name

Signature

Regulatory Analyst
Title

Date

2/29/00