

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 WELLBORES

☒ YES

APPLICATION FOR DOWNHOLE COMMINGLING

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

Operator Address
San Juan 28-7 48 L, Sec. 21, 28N & 7W

Rio Arriba

Lease Well No. Unit Lfr. - Sec - Twp - Rge County
005073 016608 30-039-07362 Spacing Unit Lease Types: (check all that apply)
OGRID NO. Property Code API NO. Federal ☒ State ☐ (and/or Foreign)

The following facts are submitted in support of downhole commingling:	Upper Zone	Middle Zone	Lower Zone
1. Pool Name and Pool Code	Basin Fruitland Coal 71629	Blanco Pictured Cliff South 72439	Blanco Mesaverde 72319
2. Top and Bottom of Pay Section (Perforations)	2630 - 2660 Proposed	2430 - 2621 Proposed	4282 - 4874
3. Type of production (Oil or Gas)	Gas expected	Gas expected	Gas
4. Method of Production (Flowing or Artificial Lift)	Expected to flow	Expected to flow	Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 432psi b. (Original) 1167psi	a. 360psi b. 1119psi	a. 540psi b. 1250psi
6. Oil Gravity (EAPI) or Gas BTU Content	1045	1189	1250
7. Producing or Shut-In?	To be completed	To be completed	Producing
Production Marginal? (yes or no) * If Shut-In, give date and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Yes Date: Rates: est. 150-250 MCFD	Yes Date: Rates: est. 200-300 MCFD	 Date: Rates: Approx. Current 75MCFD
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	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

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 other? ☒ 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. 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 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 1/4/00

TYPE OR PRINT NAME Deborah Moore TELEPHONE NO. (281) 293-1005

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State of New Mexico
Energy, Minerals & Natural Resources

Form C-102
Revised March 17, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe. NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-07362	² Pool Code 71629/72439/72319	³ Pool Name Basin Fruitland Coal, Blanco PC South, Blanco Mesaverde
⁴ Property Code 016608	⁵ Property Name San Juan 28-7	⁶ Well Number 48
⁷ OGRID No. 005073	⁸ Operator Name Conoco Inc.	⁹ Elevation

¹⁰ Surface Location

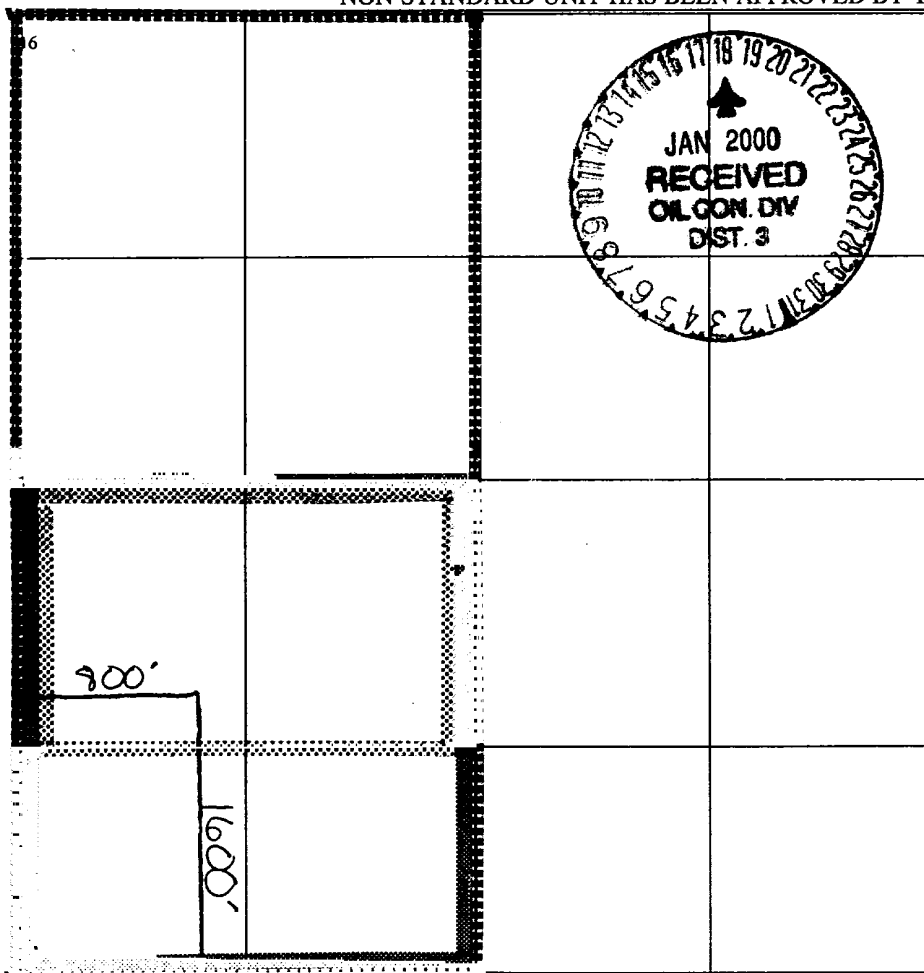
UL or lot no. L	Section 21	Township 28N	Range 7W	Lot Idn	Feet from the 1600'	North/South line South	Feet from the 800'	East/West line West	County Rio Arriba
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¹¹ Bottom Hole Location If Different From Surface

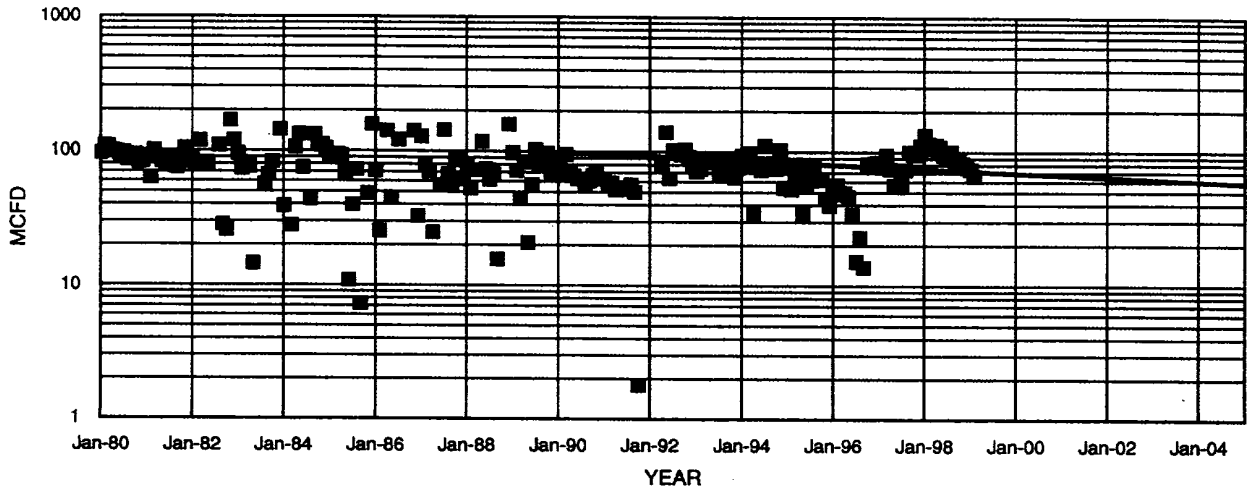
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 20/160/80	¹³ Joint or Infill I	¹⁴ Consolidation Code U	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <u>Deborah Moore</u> Printed Name Deborah Moore Title Regulatory Analyst Date <u>1/5/00</u>
	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 Surveyer: Certificate Number

**SJ 28-7 #48 MESAVERDE PRODUCTION
SECTION 21L-28N-07W, RIO ARRIBA COUNTY, NEW MEXICO**



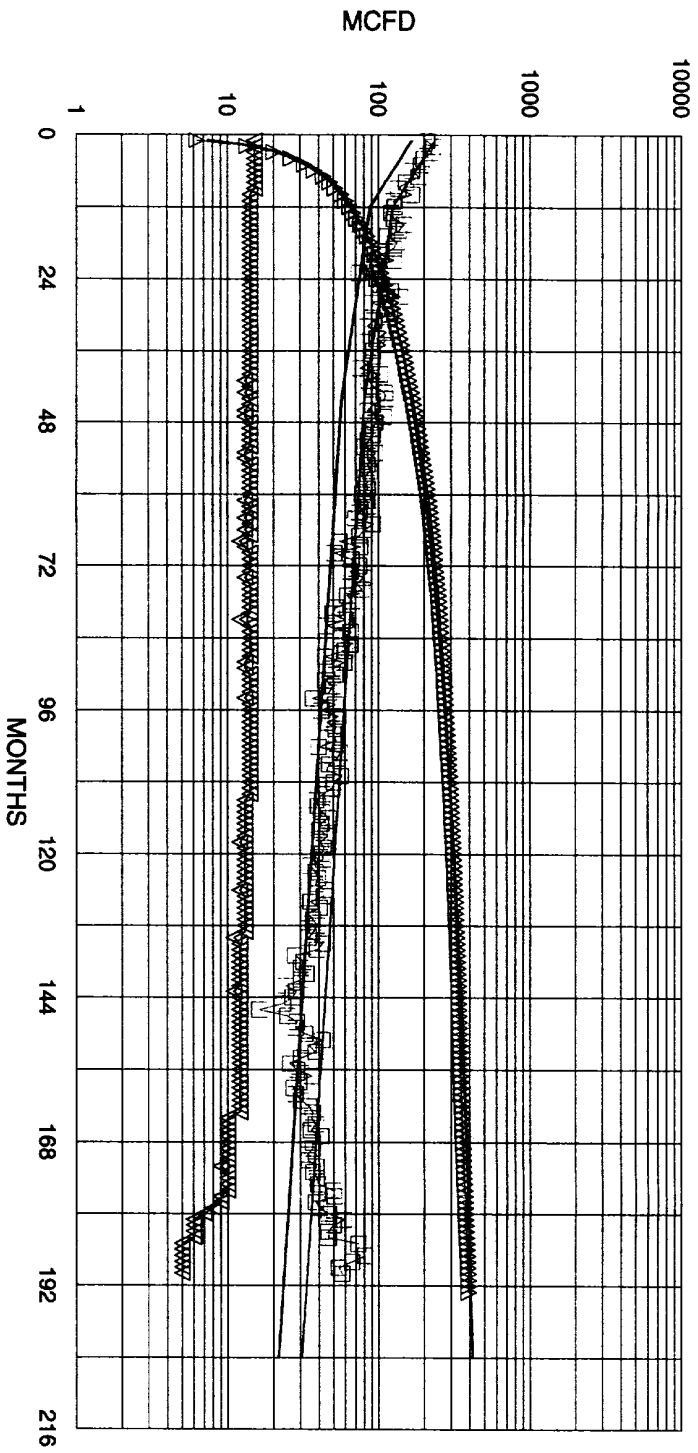
■ MESAVERDE MCFD — FIT MCFD

MESAVERDE PRODUCTION		1ST PROD: 05/56		MESAVERDE PROJECTED DATA	
OIL CUM:	3.75	MBO		Jan.00 Qi:	70 MCFD
GAS CUM:	1616.4	MMCF		DECLINE RATE:	3.5% (EXPONENTIAL)
OIL YIELD:	0.0023	BBL/MCF		API #30-039-07362	

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
2000	69	0
2001	66	0
2002	64	0
2003	62	0
2004	60	0
2005	58	0
2006	56	0
2007	54	0
2008	52	0
2009	50	0
2010	48	0
2011	46	0
2012	45	0
2013	43	0
2014	42	0
2015	40	0
2016	39	0
2017	38	0
2018	36	0
2019	35	0
2020	34	0
2021	33	0
2022	31	0
2023	30	0
2024	29	0
2025	28	0
2026	27	0
2027	26	0

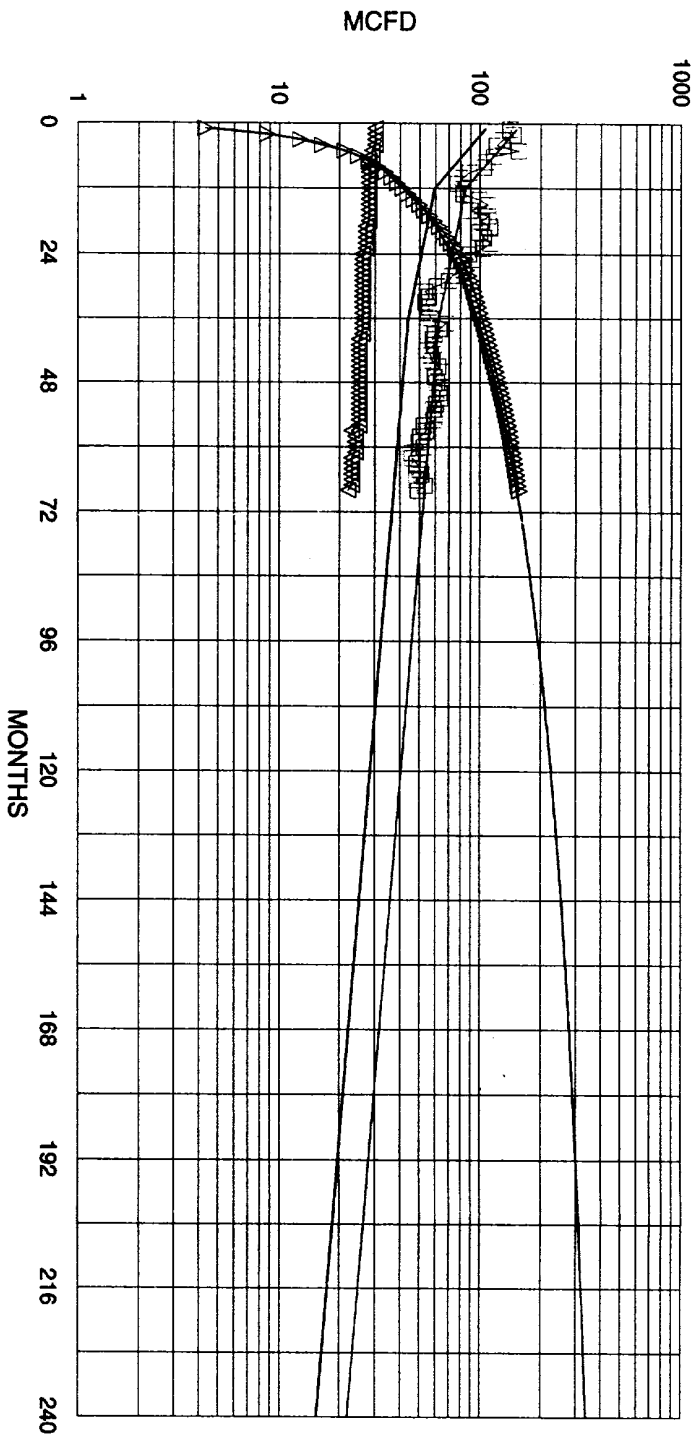
NORMALIZED PICTURED CLIFFS PRODUCTION
PROD. SINCE 1980; 15 PC WELLS LOCATED IN 28N-7W AND 27N-7W (Secs. 1:12)



Normalized plot for supporting SJ 28-7 PC recompletions

NORMALIZED AVG:		RISKED AVG:	
522 MMCF EUR	250 MCFD IP	350 MMCF EUR	30% RISK
524 MMCF/33.5YRS	50% DECLINE, 1ST 12 MONTHS	349 MMCF/27.8 YRS	175 MCFD IP
10 MCFD E.L.	15% DECLINE, NEXT 36 MONTHS	10 MCFD E.L.	50% DECLINE, 1ST 12 MONTHS
0.000158 bbl/mcf oil yield	7% FINAL DECLINE	0.000158 bbl/mcf oil yield	15% DECLINE, NEXT 36 MONTHS
			7% FINAL DECLINE

NORMALIZED FRUITLAND COAL PRODUCTION
30 WELLS SINCE 1990; 28N-7W & 27N-7W



Normalized plot for supporting SJ 28-7 FC recompletions

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

NORMALIZED AVG:

408 MMCF EUR
337 MMCF IN 20 YRS
10 MCFD E.L.
0.0000 bbl/mcf oil yield

RISKED AVG:

30% RISK

160 MCFD IP
47% DECLINE, 1ST 12 MONTHS
14% DECLINE, NEXT 24 MONTHS
6% FINAL DECLINE

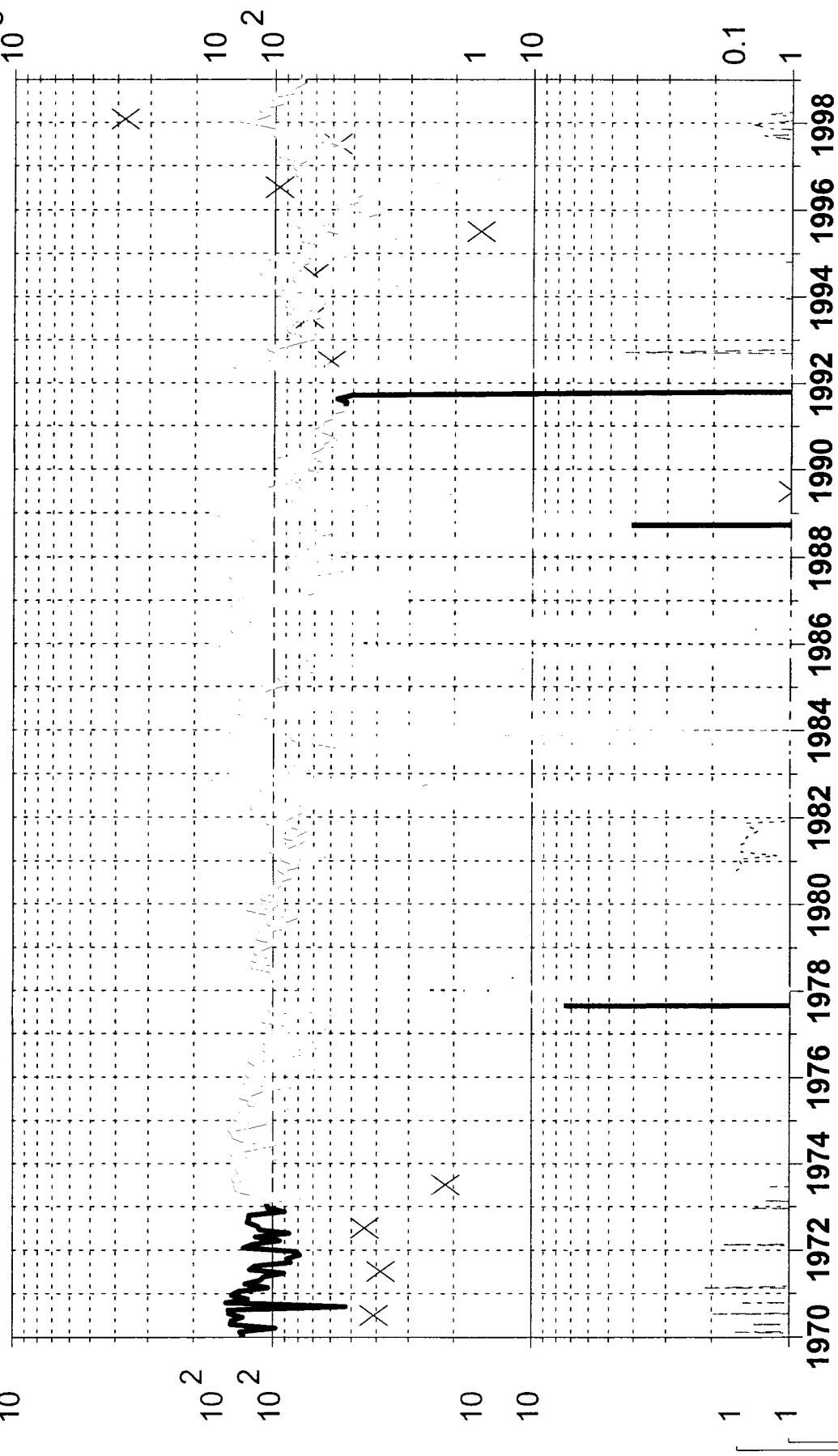
268 MMCF EUR
237 MMCF IN 20 YRS
10 MCFD E.L.
0.0000 bbl/mcf oil yield

112 MCFD IP
47% DECLINE, 1ST 12 MONTHS
14% DECLINE, NEXT 24 MONTHS
6% FINAL DECLINE

Lease: SAN JUAN 28 7 UNIT (48)

Dwights
11/12/99

Retrieval Code: 251,039,28N07W21L00MV



Gas (mcf/day)	Operator: CONOCO INC	F.P. Date: 05/56	Water (bbl/day)
Oil (bbl/day)	Location: 21L 28N 7W	Oil Cum: 3747 bbl	Yield (bbl/mmcf) Av
	Field: BLANCO (MESAVARDE)	Gas Cum: 1616 mmcf	
	Reservoir: MESAVARDE	L.P. Date: 02/99	

Lease: SAN JUAN 28 7 UNIT
 Field: BLANCO (MESAVERDE) MV
 Operator: CONOCO INC
 RCI #: 251,039,28N07W21L00MV
 API #: 30-039-07362-00

Well #: 48
 Location: 21L 28N 7W
 Liquid Cum: 3,747 bbls
 Gas Cum: 1,616,377 mcf
 Status: ACT GAS

FP Date: 56-05
 LP Date: 99-02
 Lq Since: FPDATE
 Gas Since: FPDATE

DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
03/1998	37	3,231	0	1
04/1998	27	3,441	0	1
05/1998	23	3,308	0	1
06/1998	23	2,881	0	1
07/1998	11	3,071	0	1
08/1998	10	3,066	0	1
09/1998	25	2,630	0	1
10/1998	4	2,649	0	1
11/1998	13	2,510	0	1
12/1998	5	2,356	0	1
01/1999	2	2,263	0	1
02/1999	0	2,016	0	1
Total	180	33,422	0	

