

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 1893

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 28-7 Unit Well No #246 Section 7, T-28-N, R-7-W P County San Juan

OGRID NO. 005073 Property Code 016608 API NO. 30-039-21649 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)	5136-5874'		7723-7984'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing Measured Current All Gas Zones: Estimated Or Measured Original	a (Current) 457 b(Original) 1230	<b>RECEIVED</b> APR 16 1999 <b>OIL CON. DIV.</b> BOL 3	751 b. 2946
6. Oil Gravity (*API) or Gas BT Content	1265		1189
7. Producing or Shut-in?	To be Completed		Producing
Production Marginal? (yes or no)	Expected Yes		Yes
* If Shut-in give date and oil/gas/water rates of last production <small>Note: For new zones with no production history applicant must 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)	Estimated 350-450 MCFD Allocation by Subtraction See attached chart	Date Rates	2/1/99 42 MCFD
8. Fixed Percentage Allocation Formula - % for 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. NMOC Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). R - 10476 - B

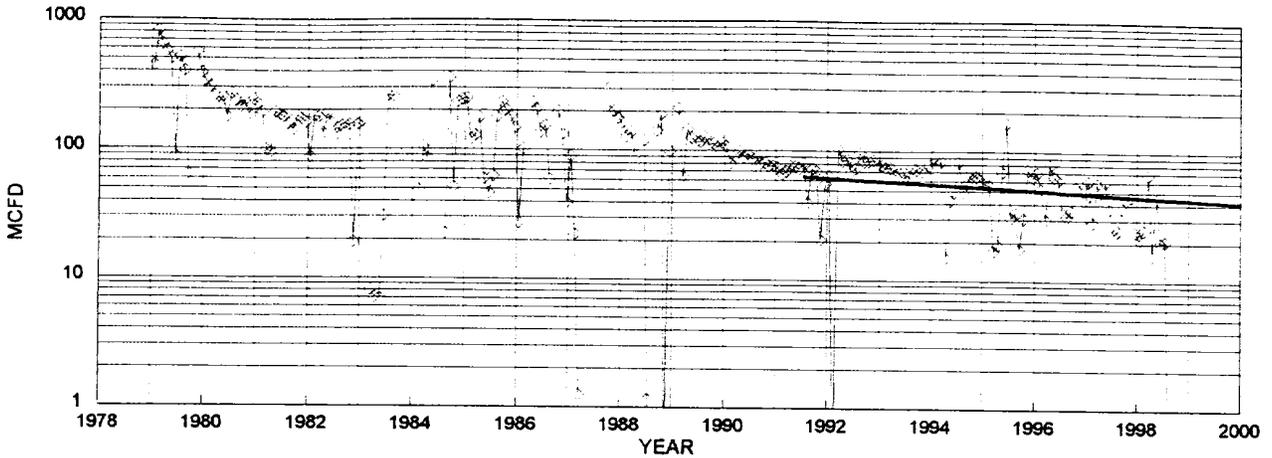
16. ATTACHMENTS
- \* C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
  - \* Production curve for each zone for at least one year. (If not available, attach explanation.)
  - \* For zones with no production history, estimated production rates and supporting data.
  - \* 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 April 13, 1999

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

**SAN JUAN 28 7 UNIT #246 DAKOTA PRODUCTION  
SECTION 7P-28N-07W**



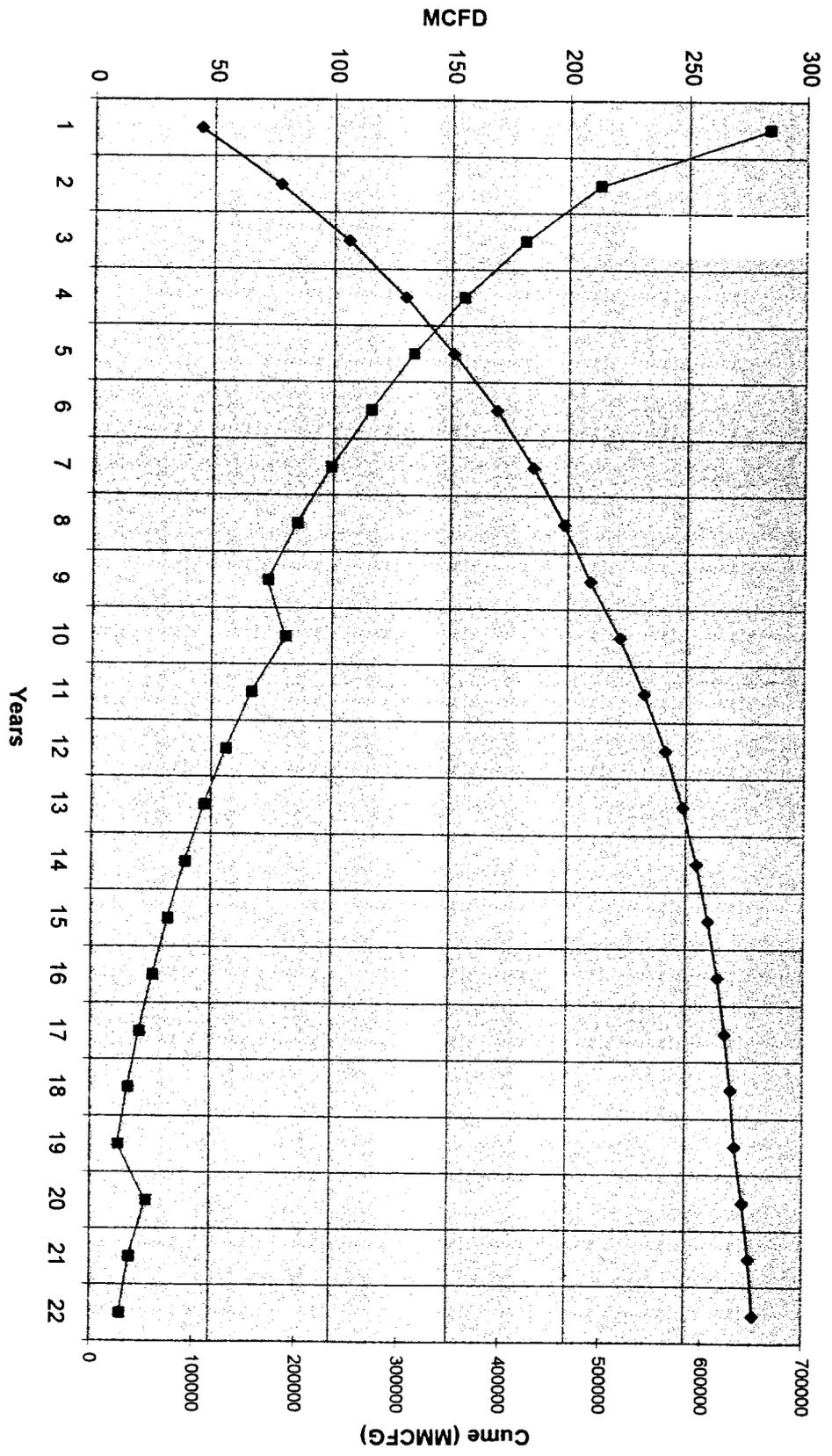
→ DAKOTA MCFD    — FIT MCFD

<b>DAKOTA HISTORICAL DATA:</b>		<b>1ST PROD: 1/79</b>		<b>DAKOTA PROJECTED DATA</b>	
OIL CUM:	4072.00	MBO		1/1/99 Qi:	43 MCFD
GAS CUM:	811606.0	MMCF		DECLINE RATE:	5.0% (EXPONENTIAL)
CUM OIL YIELD:	0.0050	BBL/MCF			
OIL YIELD:	0.0050	BBL/MCF, LAST 3 YRS			
AVG. USED:	0.0050	BBL/MCF			

YEAR	MID-YEAR	
	AVG. MCFD	AVG. BOPD
1999	42.2	0.2
2000	40.1	0.2
2001	38.1	0.2
2002	36.2	0.2
2003	34.4	0.2
2004	32.7	0.2
2005	31.1	0.2
2006	29.5	0.1
2007	28.0	0.1
2008	26.6	0.1
2009	25.3	0.1
2010	24.0	0.1
2011	22.8	0.1
2012	21.7	0.1
2013	20.6	0.1
2014	19.6	0.1
2015	18.6	0.1
2016	17.7	0.1
2017	16.8	0.1
2018	15.9	0.1
2019	15.1	0.1
2020	14.4	0.1
2021	13.7	0.1
2022	13.0	0.1
2023	12.3	0.1
2024	11.7	0.1
2025	11.1	0.1
2026	10.6	0.1
2027	10.0	0.1
2028	9.5	0.0
2029	9.1	0.0
2030	8.6	0.0
2031	8.2	0.0
2032	7.8	0.0
2033	7.4	0.0

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

Expected MV Performance - SJ 28-7 #246

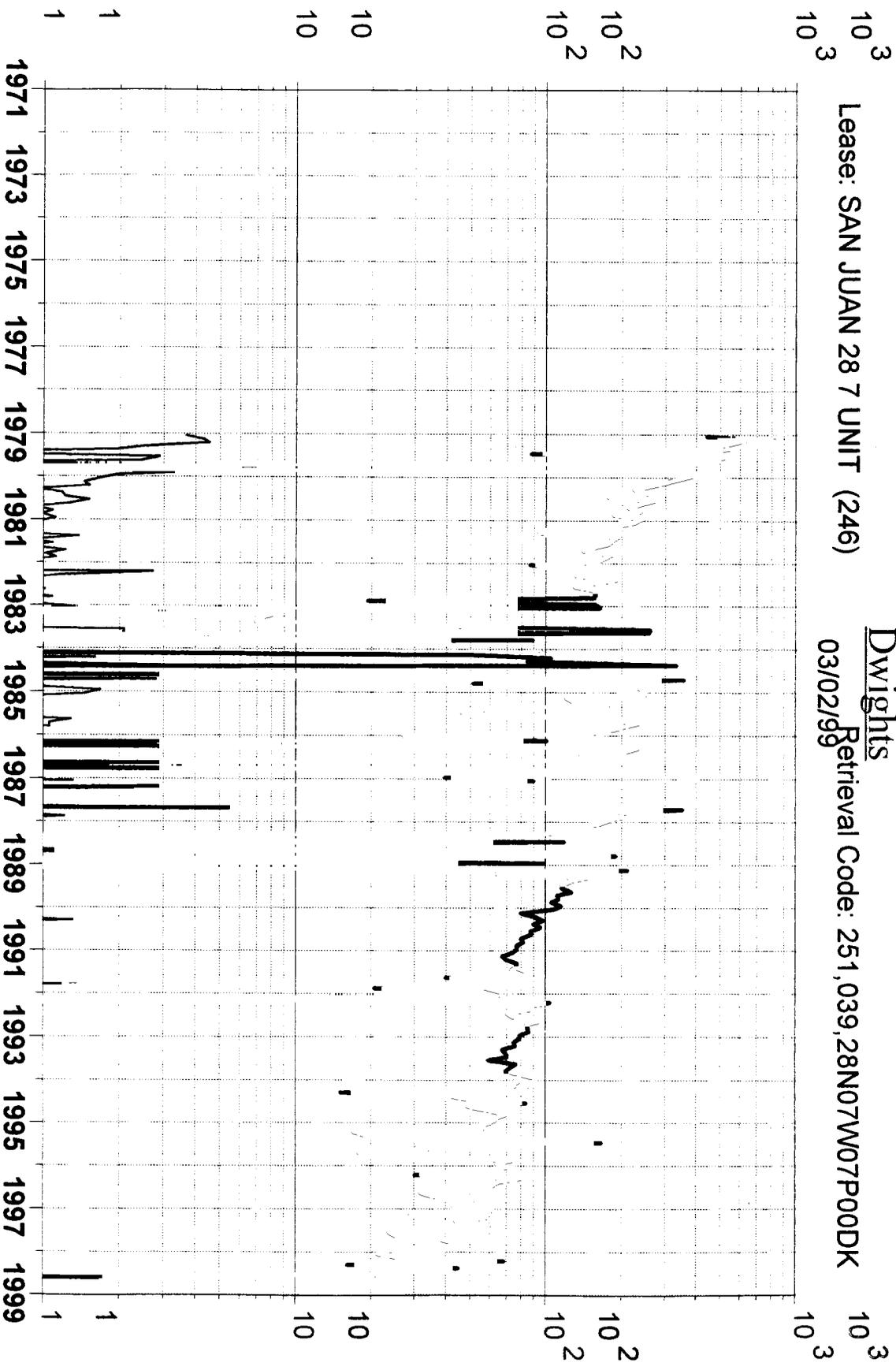


Predicted MV Rate
  Predicted MV Cumulative

Lease: SAN JUAN 28 7 UNIT (246)

Dwights  
03/02/99

Retrieval Code: 251,039,28N07W07P00DK



Gas (mcf/day)  
Water (bbl/day)

County: RIO ARRIBA, NM  
Field: BASIN (DAKOTA) DK  
Reservoir: DAKOTA  
Operator: CONOCO INC

F.P. Date: 01/79  
Oil Cum: 4072 bbl  
Gas Cum: 811.5 mmcf  
Location: 7P 28N 7W

Oil (bbl/day)  
Well Count

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator <b>El Paso Natural Gas Company</b>		Lease <b>San Juan 23-7 Unit (SF-078497)</b>		Well No. <b>246</b>
Unit Letter <b>P</b>	Section <b>7</b>	Township <b>28N</b>	Range <b>7W</b>	County <b>Rio Arriba</b>
Actual Footage Location of Well: <b>1150</b> feet from the <b>South</b> line and <b>245</b> feet from the <b>East</b> line				
Ground Level Elev: <b>6852</b>	Producing Formation <b>Dakota</b>	Pool <b>Basin Dakota</b>		Dedicated Acreage: <b>313.00</b> Acres

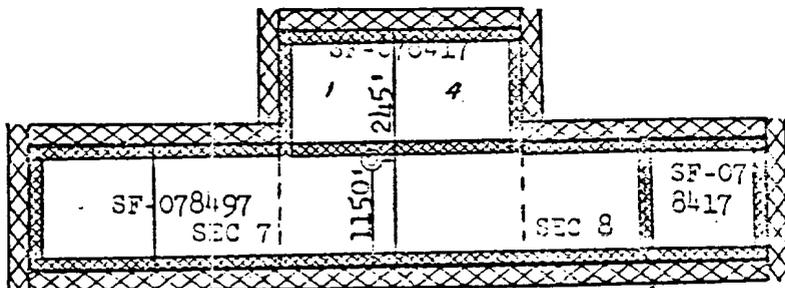
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

DEDICATION PER N.M.O.C.C. ORDER R-2948  
AUGUST 6, 1965



SCALE: 1"=2000'

CERTIFICATION

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

*A. G. Guico*

Name  
**Drilling Clerk**

Position  
**El Paso Natural Gas Co.**

Company  
**January 31, 1978**

Date

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 knowledge and belief.

Date Surveyed  
**November 30, 1977**

Registered Professional Engineer  
and Land Surveyor  
*Fred B. Kerr Jr.*  
**Fred B. Kerr Jr.**

Certificate No.  
**3950**

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

District II  
PO Drawer DD, 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

A PI Number 30-039-21649		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 016603		5 Property Name San Juan 28-7 Unit			6 Well Number # 246
7 OGRID No 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 6852'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	7	28N	7W		1150	South	245	East	Rio Arriba

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 313	13 Joint or Infill	14 Consolidation Code	15 Order No. R-10987-A
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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

<p>16</p> <p>990' → * mv # 29 30-039-07459</p> <p>800' → * 900' ↑ * 1550' ↑ * mv + DK # 242M 30-039-22359</p> <p>1720' ↑ *</p> <p>1490' → *</p> <p>#29A mv 30-039-21944</p> <p>#246 30-039-21649 mv + DK</p> <p>SEC 7</p> <p>SEC 18</p>	<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>Kay Maddox</i></p> <p>Signature</p> <p>Kay Maddox</p> <p>Printed Name</p> <p>Regulatory Agent</p> <p>Title</p> <p>February 24, 1999</p> <p>Date</p>
	<p>18 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>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

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4 Property Code 016608	5 Property Name San Juan 28-7 Unit	6 Well Number # 246
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San Juan 28-7 Unit Well # 246  
Section 7, T-28-N, R-7-W, P  
API # 30-039-21649  
Rio Arriba, NM

RE: Application for Downhole Commingling (C107-A)

**Notification of Offset Operators:**

Amoco  
PO Box 800  
Denver, CO 80201

Burlington Resources  
PO Box 4289  
Farmington, NM 87499

Taurus Exploration  
2101 6<sup>th</sup> Ave N  
Birmingham, AL 35203-2784

Richardson Operating Company  
1700 Lincoln St STE 1700  
Denver, CO 80203-4501

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE  
(See instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R355.6.

5. LEASE DESIGNATION AND SERIAL NO.

SF 078417

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

San Juan 28-7 Unit

5. FARM OR LEASE NAME

San Juan 28-7 Unit

9. WELL NO.

246

10. FIELD AND POOL, OR WILDCAT

Easin Dakota

11. SEC. T. R. M., OR BLOCK AND SURVEY OR AREA

Sec. 7, T-28-N, R-7-W  
NMPM

12. COUNTY OR PARISH

Rio Arriba

13. STATE

NM

18. ELEV. CASINGHEAD

6852 GL

23. INTERVALS DRILLED BY

0-8037'

25. WAS DIRECTIONAL SURVEY MADE  
No

27. WAS WELL CORED  
No

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR.  Other \_\_\_\_\_

2. NAME OF OPERATOR  
EL PASO NATURAL GAS CO.

3. ADDRESS OF OPERATOR  
BOX 289, FARMINGTON, NEW MEXICO

4. LOCATION OF WELL: (Report location clearly and in accordance with any State requirements)\*  
At surface 1150'S, 245'E  
At top prod. interval reported below  
At total depth

RECEIVED  
JLF SD GD BC TJS

14. PERMIT NO. DATE ISSUED

DEC 21 1978

15. DATE SPCCDED 9/29/78  
16. DATE T.D. REACHED 10/11/78  
17. DATE COMPL. (Ready to prod.) 12/11/78

20. TOTAL DEPTH, MD & TVD 8037'  
21. PLUG, BACK T.D., MD & TVD 8020'

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*  
7773-7984 (DK)

26. TYPE ELECTRIC AND OTHER LOGS RUN  
CDL-GR; Ind.-GR; Temp. Survey

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	32.3#	215'	13 3/4"	224 cf.	
7"	20#	3836'	8 3/4"	280 cf.	
4 1/2"	10.5#	8037'	6 1/4"	654 cf.	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
1 1/2"	7958'	

31. PERFORATION RECORD (Interval, size and number)  
7773, 7780, 7788, 7795, 7802, 7867, 7906, 7933, 7950, 7955, 7984 with 1 SPZ

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7773-7984	72,000# 40/60 sand; 82,000 gal. slick water.

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
	After Frac Gauge - 2047 MCF/D	SI					
DATE OF TEST	FOURS TESTED	CHOKES SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
SI 1992	SI 2462						
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

TEST WITNESSED BY  
J. Easley

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED [Signature] TITLE Drilling Clerk DATE 12/14/78

\*(See Instructions and Spaces for Additional Data on Reverse Side)



**LTR**



**Job separation sheet**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**COPY**  
RECEIVED  
BLM  
JUN 17 1999

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NO. <b>SF 078417</b>
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
SUBMIT IN TRIPLICATE		7. UNIT OR CA, AGREEMENT DESIGNATION San Juan 28-7 Unit
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		8. WELL NAME AND NO. San Juan 28-7 Unit #246
2. NAME OF OPERATOR CONOCO INC.		9. API WELL NO. 30-039-21649
3. ADDRESS AND TELEPHONE NO. 10 Desta Drive, Suite. 100W Midland, Texas 79705-4500 (915) 686-5424		10. FIELD AND POOL, OR EXPLORATORY AREA Blanco MV
4. LOCATION OF WELL (Footage, Sec., T., R., M., or Survey Description) 1150' FSL & 245' FEL, UNIT LETTER "P" 7-28N-7W		11. COUNTY OR PARISH, STATE Rio Arriba County, NM
12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION
<input type="checkbox"/> Notice of Intent <input checked="" type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice		<input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other: T & A Dakota <input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)  <p style="font-size: 1.2em;">5-20-99 Temporary Abandon Dakota while Test on Point Lookout is under way. Left Plug over Dakota @6035', only producing Point Lookout.</p>		
14. I hereby certify that the foregoing is true and correct		
SIGNED <u>Verla Johnson</u> (This space for Federal or State office use)		TITLE <u>VERLA JOHNSON, As Agent for Conoco Inc.</u> DATE <u>JUN 15 1999</u>
APPROVED BY _____ Conditions of approval, if any:		DATE <u>JUN 15 1999</u> FARMINGTON FIELD OFFICE BY <u>[Signature]</u>
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.		

\* See Instruction on Reverse Side

*(Handwritten mark)*

NMOC