

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 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

Operator

Address

San Juan Unit 28-7

#249 M

Section 30, T-28-N, R-7-W, O

Rio Arriba

Lease

Well No

Unit Ltr Sec Twp Rge

County

OGRID NO 005073 Property Code 016608 API NO.

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)	4104-5079'		6723-6968'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	To Flow		To Flow
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a (Current) 457 b(Original) 1230	<div>RECEIVED APR - 9 1998 OIL CON. DIV. DIST. 3</div>	a. 713 b. 2946
6. Oil Gravity (°API) or Gas BT Content	1250		1253
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 Note For new zones with no production history applicant shall be required to attach production estimates and supporting data	Date Rates	Date Rates	Date Rates
• If Producing, date and oil/gas/water rates of recent test (within 60 days)	Date Rates 350 MCFD Anticipated 1st Yr average	Date Rates	Date Rates 330 MCFD Anticipated 1st Yr Average
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 NSL 3952

16. ATTACHMENTS

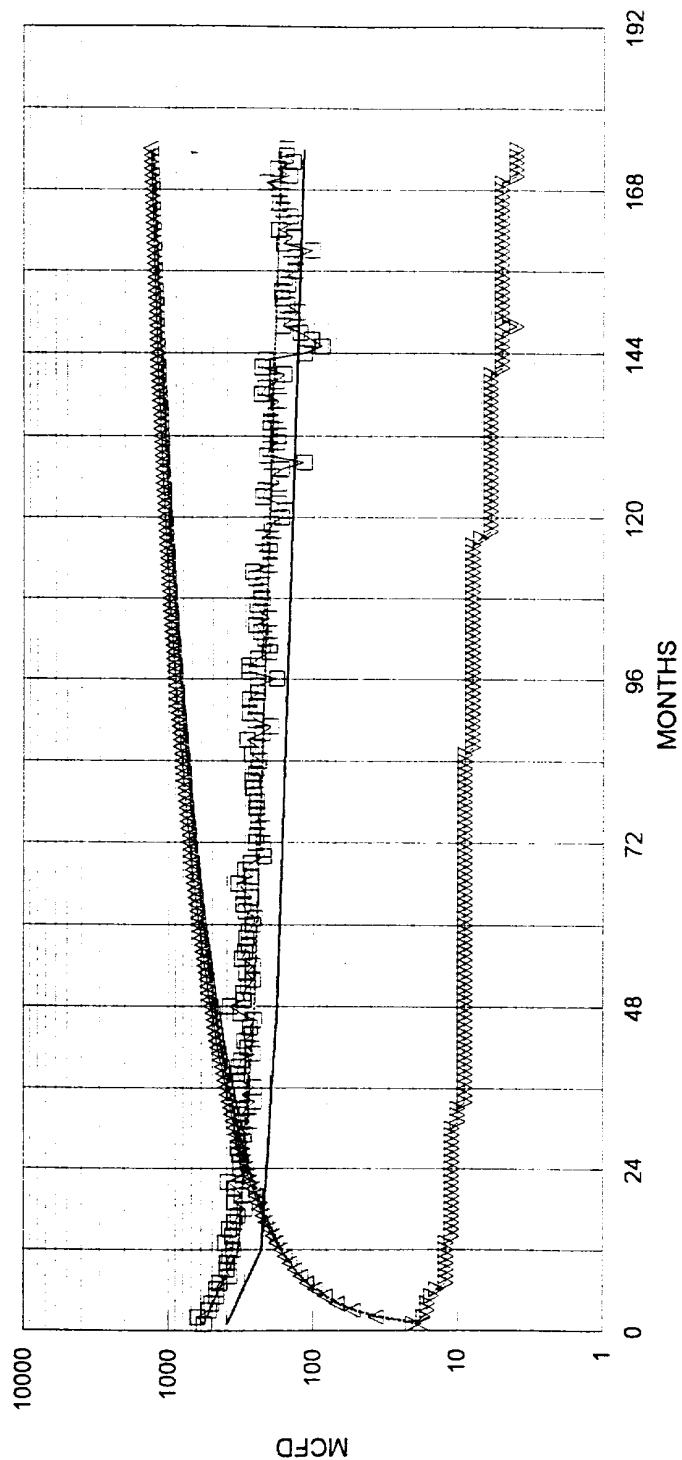
- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation 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 4/6/98

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

NORMALIZED MESAVERDE PRODUCTION
 PROD. SINCE 1975; 20 MV WELLS LOCATED IN W 2/3 OF 28N-7W AND N/3 OF 27N-7W



--- FIT MCFD () NORMALIZED MCFD ^ NORM CUM MMCF
 ▽ WELLS ON PRODUCTION --- FIT CUM MMCF --- RISKED MCFD

Expected Mesaverde Production - #145M, 156M, 199E, 214M, 215M, 249M
 Expected Avg. Rate for Yr. 1= 452MCFD

District II
PO Drawer 30, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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

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☐ AMENDED REPORT

WELL LOCATION AND AREA 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		249M
*GRID No.	*Operator Name		*Elevation
005073	CONOCO, INC.		5941'

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
0	30	28N	7W		855	South	2365	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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
320	Y	U	Non-standard Location (to be applied for)

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

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Mike L. Mankin Printed Name Right of Way Agent Title 2.12.98 Date	
	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. NOVEMBER 6, 1997 Date of Survey Signature and Seal NEALE C. EDWARDS NEW MEXICO 6857 REGISTERED PROFESSIONAL SURVEYOR 6857 Certificate Number	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. SF 078500-A	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Conoco Inc.			7. UNIT AGREEMENT NAME San Juan 28-7	
3. ADDRESS AND TELEPHONE NO. 10 Desta Dr. Ste 430E, Midland, Tx. 79705-4500			8. FARM OR LEASE NAME WELL NO. 249M	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *) At surface 855' FSL & 2365' FEL At proposed prod. zone 855' FSL & 2365' FEL			9. API WELL NO.	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*			10. FIELD AND POOL, OR WILDCAT B Mesaverde/Basin Dakota	
5. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if Any)			11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA Sec.30, T28N, R7W	
16. NO. OF ACRES IN LEASE			12. COUNTY OR PARISH Rio Arriba	
17. NO. OF ACRES ASSIGNED TO THIS WELL 320			13. STATE NM	
8. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.			20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) This action is subject to technical and procedural review pursuant to 43 CFR 3165.2 and appeal pursuant to 43 CFR 3165.4. 5941' GR			22. APPROX. DATE WORK WILL START* 3/15/98	

PROPOSED CASING AND CEMENTING PROGRAM				DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED GENERAL REQUIREMENTS	
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.	174 #
8-3/4"	K-55, 7"	23#	2749'	365 sxs, circ.	717 #
6-1/4"	K-55, 4-1/2"	9.5#	6968'	525 sxs, toc @ 2600'	750 #

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 application includes ROW's for the well pad, access road, cathodiic protection and pipeline.

RECEIVED
BLM
98 FEB 13 PM 1:24
070 FARMINGTON, NM

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.

SIGNED Jo Ann Johnson TITLE Property Analyst DATE 2-12-98

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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 James L. [Signature] TITLE Team Leader DATE 2/6/98

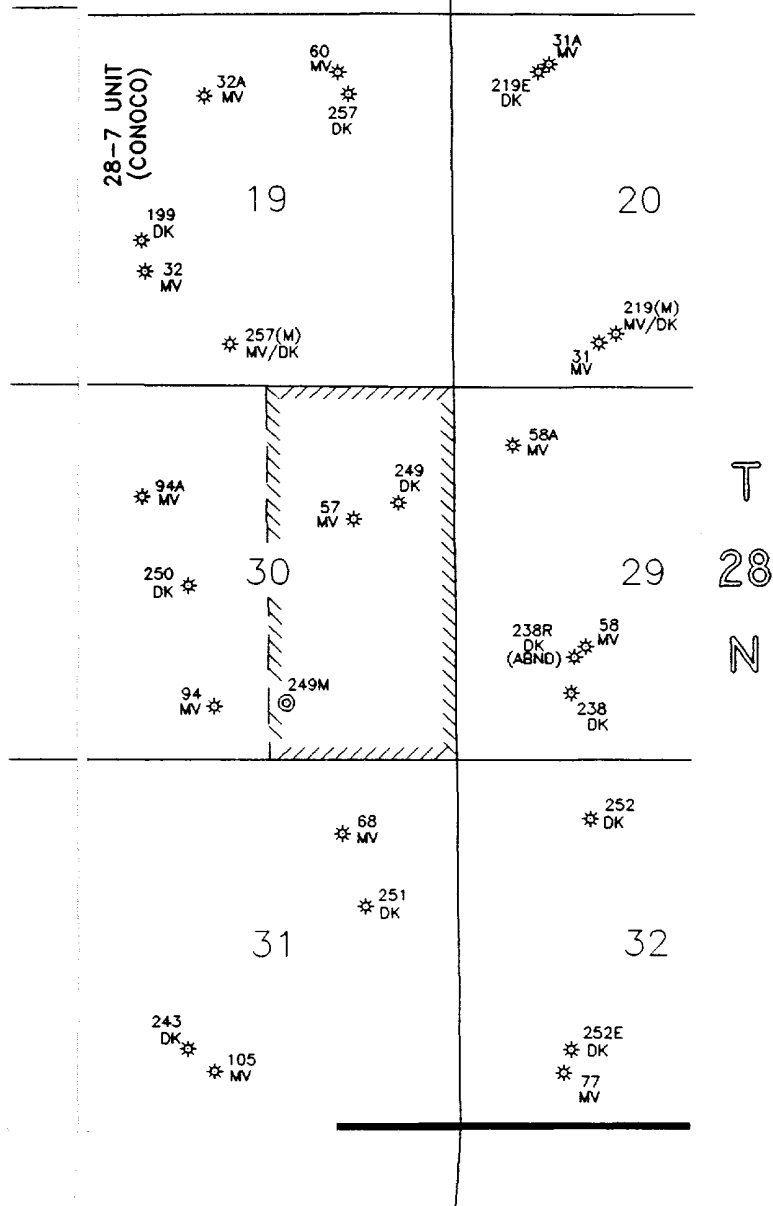
*See Instructions On Reverse Side

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 in any matter within its jurisdiction.

OPERATOR

R 8 W

R 7 W



SAN JUAN 28-7 UNIT **RIO ARRIBA CO., N.M.**

NOTES		EPNGNA MIDLAND DIVISION		
CONOCO OPERATES ALL MESAVERDE AND DAKOTA WELLS WITHIN THE 28-7 UNIT. MAP SHOWS ONLY MESAVERDE AND DAKOTA WELLS	DATE: 02/06/98	CONOCO 28-7 UNIT MESAVERDE & DAKOTA PRODUCERS San Juan 28-7 Unit #249M Non-Standard Location		
	DRAWN BY: GLG			
	CHECKED BY:			
	APPROVED BY:			
	SCALE: 1" = 2640'	STATE ^{API} COUNTY		DRAWING
		039 \ 30		28-7_249
	STATE PLANE COORDINATES REFERRED TO NAD27 - N.M. WEST STATE PLANE COORDINATES ZONE - 3003	CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705		

April 6, 1998

RE: Application C-107A to Downhole Commingle

Notification Of Offset Operators:

Conoco, Inc. is the only offset operator