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 :
_X_ Administrative ___Hearing

EXISTING WELLBORE
YES ___x_ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Burlington Resources Oil & Gas Company — PO Box 4289, Farmington, NM 87499
Operator — Address

San Juan 28-4 Unit | 31M | F 32-28N-04W | Rio Arriba
Lease | Well No. | Unit Ltr. - Sec - Twp - Rge | County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. ____14538___ Property Code ____7459___ API NO. 30-039-not assigned 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		Basin Dakota - 71599
2. Top and Bottom of Pay Section (Perforations)	will be supplied upon completion		will be supplied upon completion
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) 703 psi (see attachment)	a.	a. 1244 psi (see attachment)
	b. (Original) 1384 psi (see attachment)	b.	b. 3194 psi (see attachment)
6. Oil Gravity (API) or Gas BTU Content	BTU 1172		BTU 1011
7. Producing or Shut-In?	shut in		shut in
Production Marginal? (yes or no)	no		yes
* If Shut-In 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: n/a Rates:	Date: Rates:	Date: n/a Rates:
* If Producing, give data and oil/gas/water water of recent test (within 60 days)	Date: n/a Rates:	Date: Rates:	Date: n/a Rates:
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: % Gas: % will be supplied upon completion	Oil: % Gas: %	Oil: % Gas: % will be supplied upon completion

RECEIVED
JUL 1 1998
OIL CON. DIV.
DIST. 3

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? _x_Yes _____No
Have all offset operators been given written notice of the proposed downhole commingling? _x_Yes ____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. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). ___Reference Order _____

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.

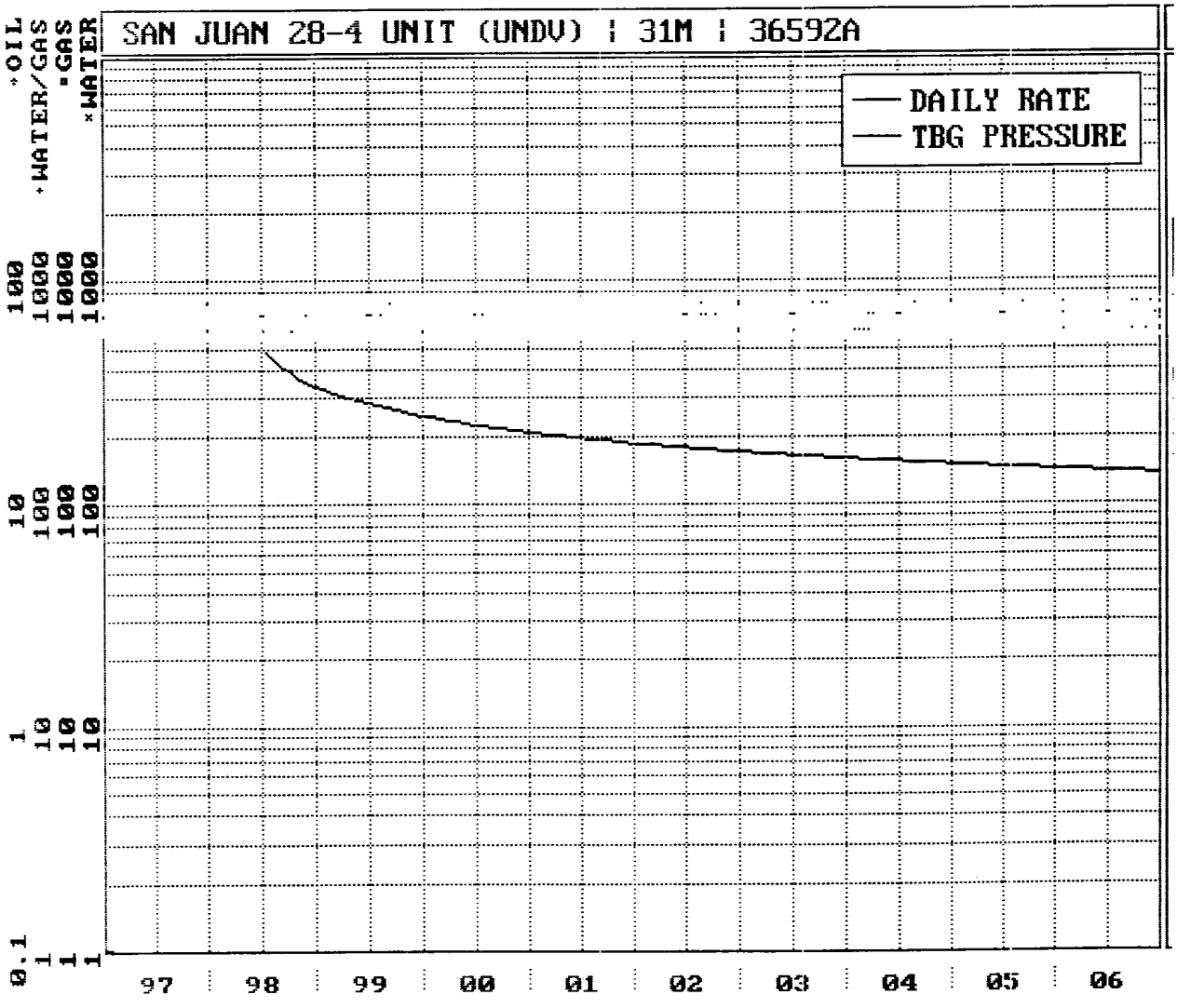
SIGNATURE Sean Woolverton for SCW TITLE: Resrvoir Engineer DATE: 06-26-98

TYPE OR PRINT NAME Sean Woolverton TELEPHONE NO. (505) 326-9700

San Juan 28-4 Unit #31M

Expected Production Curve

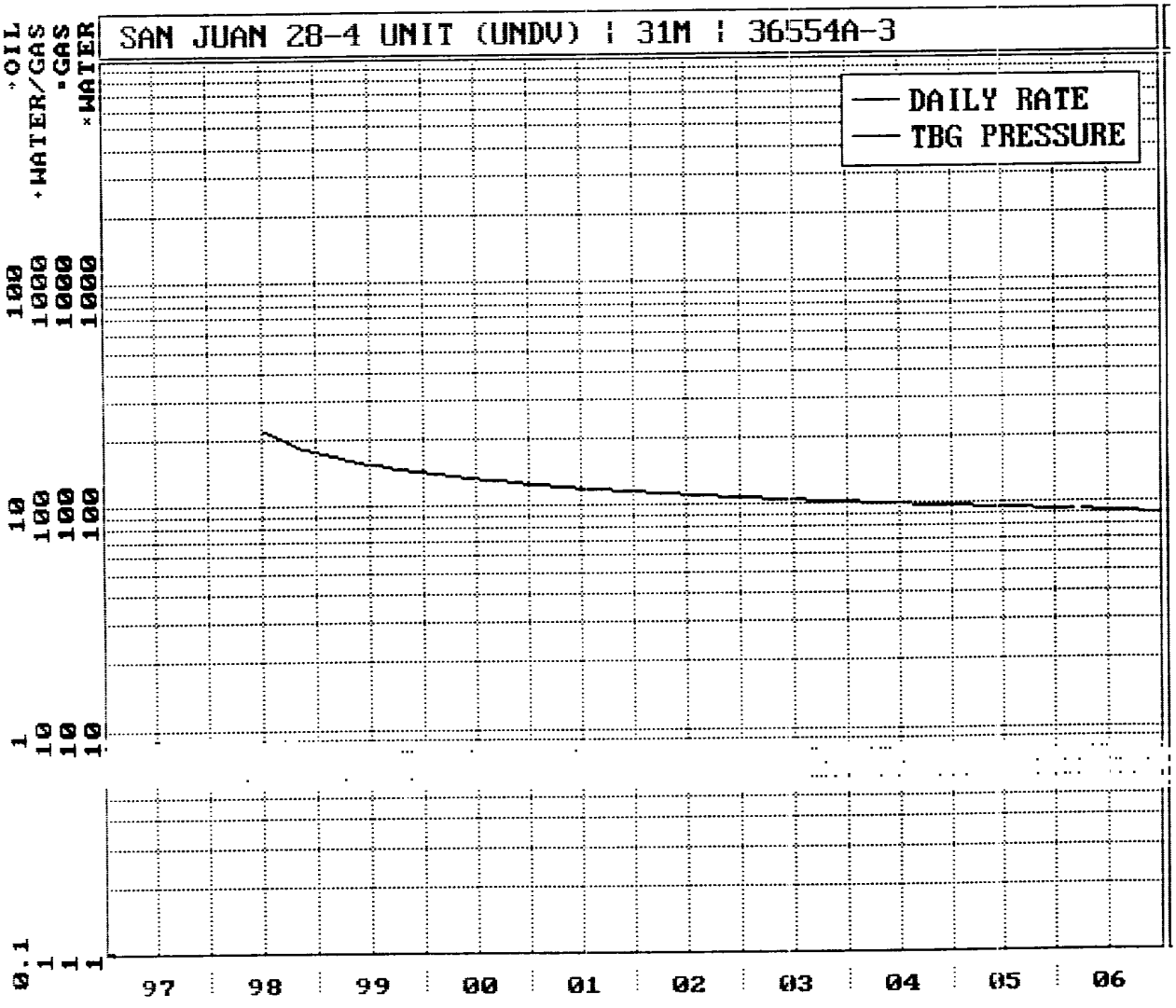
Blanco Mesaverde



San Juan 28-4 Unit #31M

Expected Production Curve

Basin Dakota



SJ 28-4 Unit #31M

Bottom Hole Pressures

Flowing and Static BHP

Cullender and Smith Method

Version 1.0 3/13/94

Mesaverde

MV-Current

GAS GRAVITY	0.689
COND. OR MISC. (C/M)	C
%N2	0.36
%CO2	1.02
%H2S	0
DIAMETER (IN)	2
DEPTH (FT)	6101
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	137
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	601
BOTTOMHOLE PRESSURE (PSIA)	703.4

MV-Original

GAS GRAVITY	0.689
COND. OR MISC. (C/M)	C
%N2	0.36
%CO2	1.02
%H2S	0
DIAMETER (IN)	2
DEPTH (FT)	6101
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	137
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	1164
BOTTOMHOLE PRESSURE (PSIA)	1383.9

Dakota

DK-Current

GAS GRAVITY	0.596
COND. OR MISC. (C/M)	C
%N2	0.2
%CO2	1.82
%H2S	0
DIAMETER (IN)	2.375
DEPTH (FT)	8238
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	198
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	1043
BOTTOMHOLE PRESSURE (PSIA)	1244.1

DK-Original

GAS GRAVITY	0.596
COND. OR MISC. (C/M)	C
%N2	0.2
%CO2	1.82
%H2S	0
DIAMETER (IN)	2.375
DEPTH (FT)	8238
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	198
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	2657
BOTTOMHOLE PRESSURE (PSIA)	3193.9

Page No.: 1
Print Time: Thu Feb 12 10:13:40 1998
Property ID: 3907
Property Name: SAN JUAN 28-4 UNIT | 9 | 49871A-1
Table Name: K:\ARIES\RR98PDP\TEST.DBF

San Juan 28-4 Unit #31M

Mesaverde Offset

--DATE--	M_SIWHP Psi	
09/18/56	1164.0	-original
07/22/58	859.0	
10/22/59	907.0	
09/22/60	761.0	
06/13/61	688.0	
07/31/62	741.0	
01/07/63	733.0	
11/23/64	664.0	
01/26/65	661.0	
08/01/66	662.0	
08/04/67	695.0	
05/10/68	681.0	
10/17/69	652.0	
06/09/70	649.0	
05/03/71	627.0	
05/30/72	596.0	
08/07/74	660.0	
06/25/76	658.0	
08/02/78	690.0	
07/01/80	689.0	
05/20/82	725.0	
06/21/84	757.0	
10/21/86	841.0	
09/17/89	932.0	
02/18/91	782.0	
08/20/91	794.0	
05/31/93	601.0	-current

Page No.: 1
Print Time: Thu Feb 12 10:12:08 1998
Property ID: 1755
Property Name: SAN JUAN 28-4 UNIT | 31 | 51708A-1
Table Name: K:\ARIES\RR98PDP\TEST.DBF

San Juan 28-4 Unit #31M

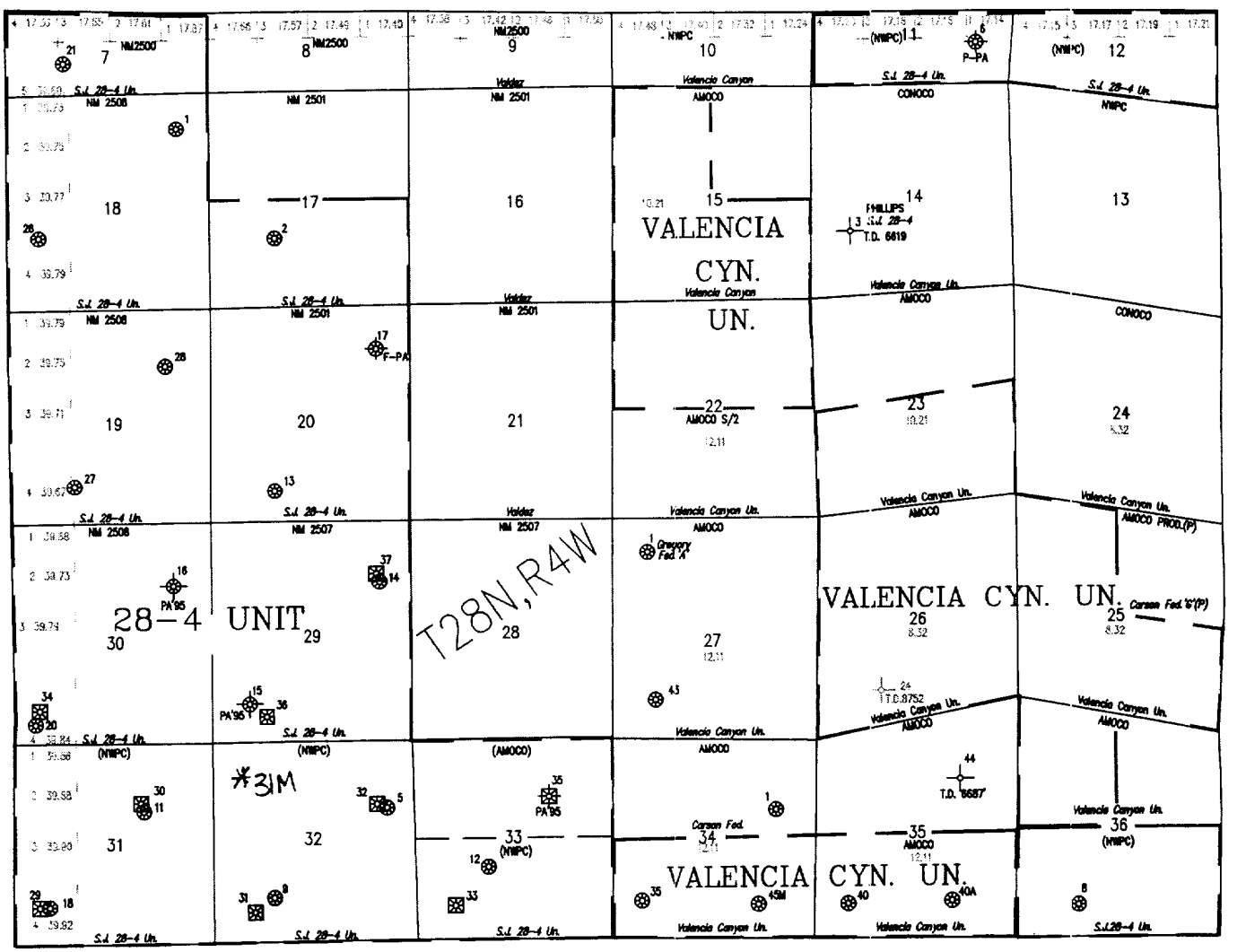
Dakota Offset

--DATE--	M_SIWHP Psi	
02/14/68	2657.0	-original
08/14/68	2057.0	
05/09/69	1774.0	
06/09/70	1877.0	
05/03/71	1426.0	
10/04/72	1502.0	
05/16/73	1333.0	
02/01/74	1321.0	
06/23/75	1191.0	
07/06/77	1141.0	
05/01/79	1229.0	
11/04/81	1234.0	
09/22/83	1196.0	
11/06/85	1264.0	
05/18/88	1346.0	
05/29/90	1043.0	-current

San Juan 28-4 Unit #31M

Blanco Mesaverde / Basin Dakota

28N-04W-32



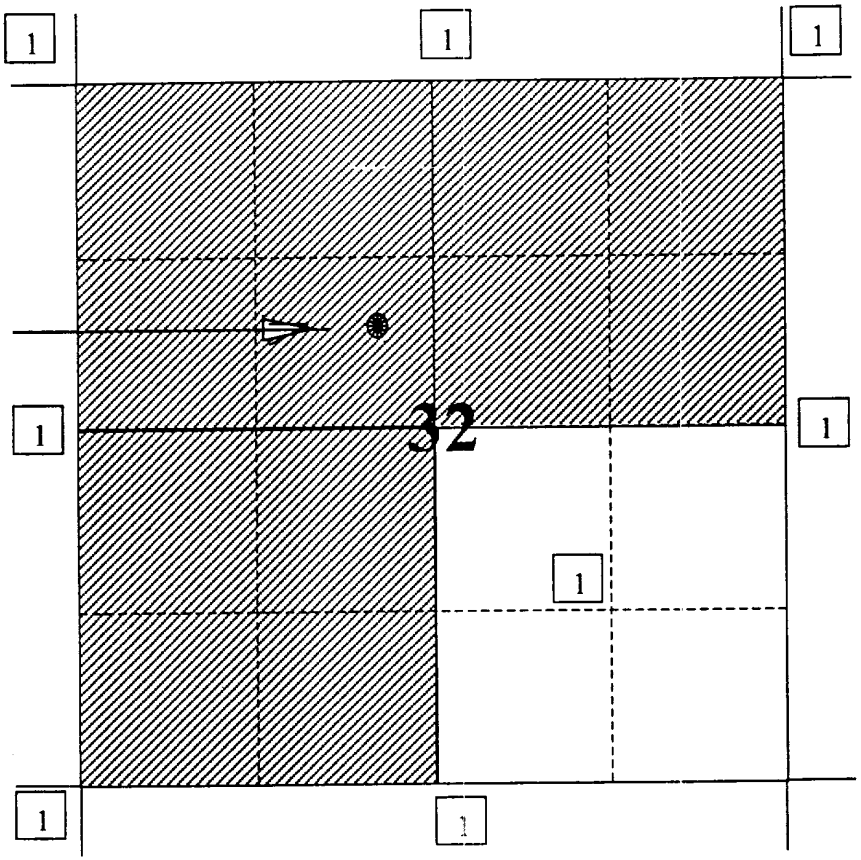
BURLINGTON RESOURCES OIL AND GAS COMPANY

San Juan 28-4 Unit #31M

OFFSET OPERATOR/OWNER PLAT

Mesaverde (N/2) / Dakota (W/2) Formations Commingle Well

Township 28 North, Range 4 West



1620' FNL
2010' FWL

1) Burlington Resources