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
___ YES __X_ NO

APPLICATION FOR DOWNHOLE COMMINGLING

BURLINGTON RESOURCES OIL & GAS COMPANY — PO BOX 4289, FARMINGTON, NM 87499
Operator — Address

HARDIE E — 1B — J 16-28N-08W — San Juan
Lease — Well No. — Unit Ltr. - Sec - Twp - Rge — County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO._____14538_____ Property Code_____7089_____ API NO._30-039-XXXXX_____ 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	Otero CHACRA – 82329		BLANCO MESAVERDE – 72319
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) 429 psi (see attachment)		a. (Current) 555 psi (see attachment)
	b. (Oriiginal) 1130 psi (see attachment)		b. (Oriiginal) 1202 psi (see attachment)
6. Oil Gravity (EAPI) or Gas BTU Content	BTU 1182		BTU 1269
7. Producing or Shut-In?	SHUT-IN		SHUT-IN
Production Marginal? (yes or no)	NO		YES
* 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: N/A Rates:	Date: N/A Rates:	Date: N/A Rates:
* If Producing, give date andoil/gas/ water rates of recent test (within 60 days)	Date: N/A Rates:	Date: N/A Rates:	Date: N/A Rates:
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equa 100%)	Oil: % Gas: % WILL BE SUPPLIED UPON COMPLETION	Oil: % Gas: % WILL BE SUPPLIED UPON COMPLETION	Oil: % Gas: % WILL BE SUPPLIED UPON COMPLETION

RECEIVED
DEC 17 1999
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? _X_ Yes ___ No
If not, have all working, overriding, and royalty interests been notified by certified mail? ___ 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).

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 Wayne Fletcher TITLE PRODUCTION ENGINEER DATE: 12/107/99

TYPE OR PRINT NAME B. WAYNE FLETCHER TELEPHONE NO. 505-326-9700

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

1 API Number	2 Pool Code	3 Pool Name
30-045-	82329/72319	Otero Chacra/Blanco Mesaverde

4 Property Code	5 Property Name	6 Well Number
7089	HARDIE E	1B

7 OGRID No.	8 Operator Name	9 Elevation
14538	BURLINGTON RESOURCES OIL & GAS COMPANY	5818'

10 Surface Location

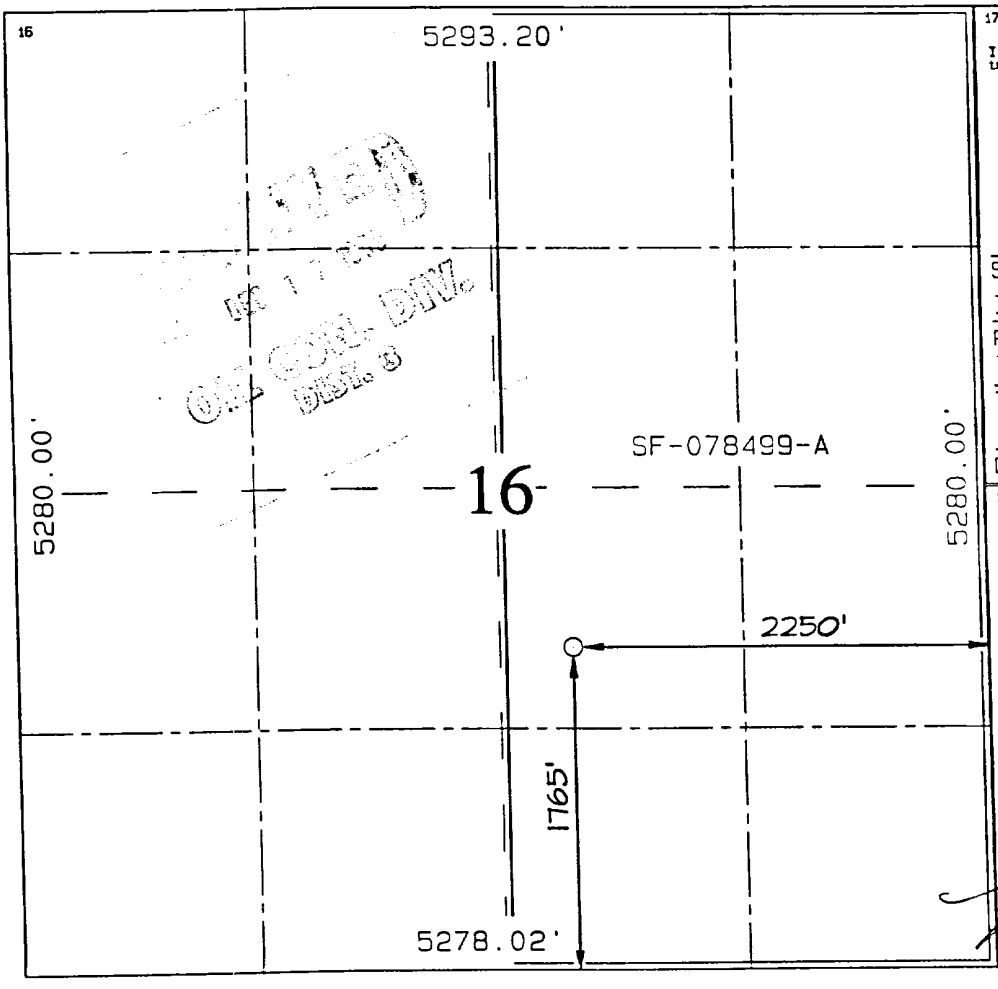
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	16	28N	8W		1765	SOUTH	2250	EAST	SAN JUAN

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.
Cha-160 MV-E/320			

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
Peggy Cole
Printed Name
Regulatory Administrato
Title
Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this pla 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 18, 1999
Date of Survey
Signature and Seal of Professional Surveyor

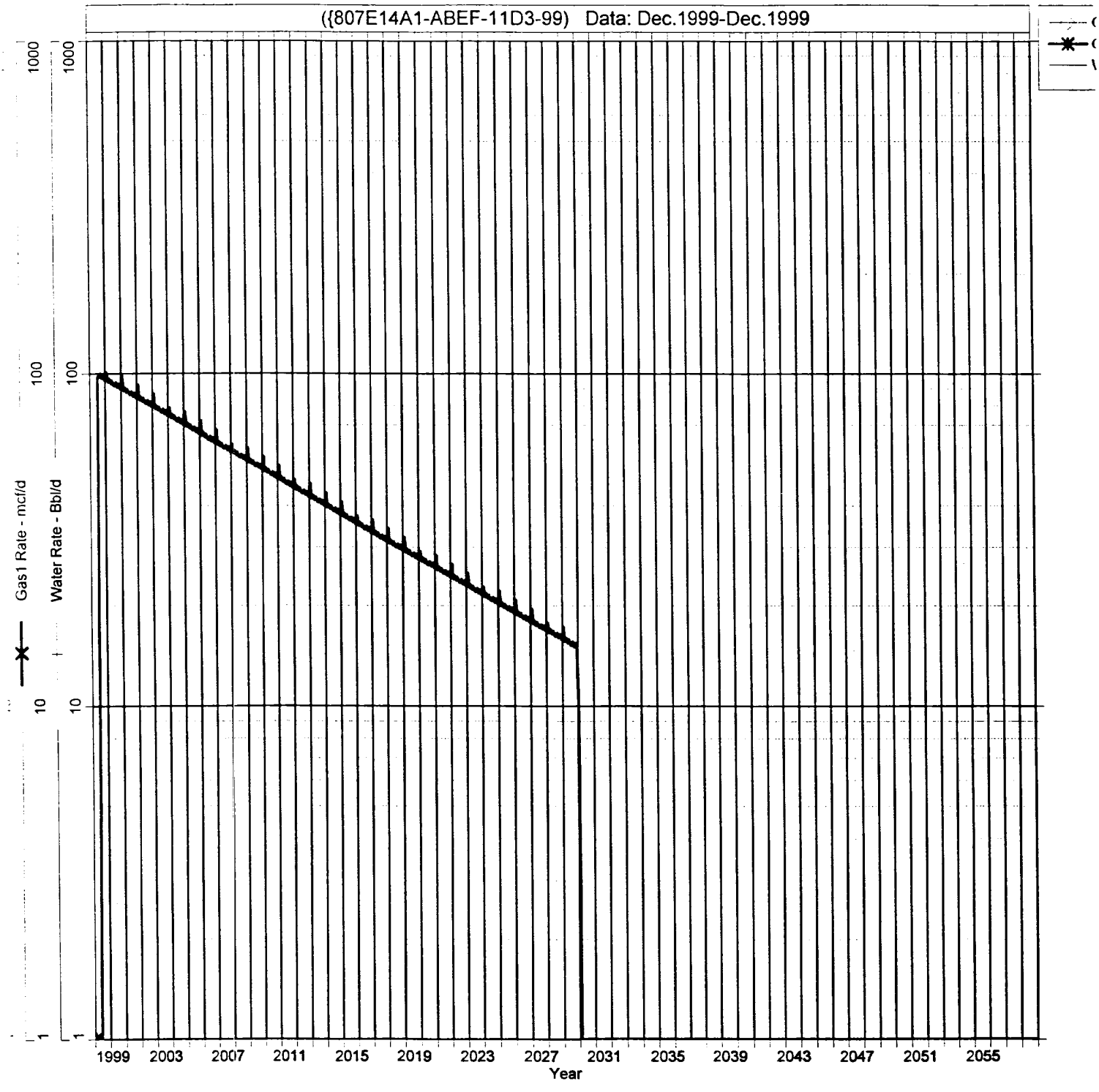
NEALE C. EDWARDS
NEW MEXICO
6857
REGISTERED PROFESSIONAL SURVEYOR

Certificate Number 6857

Hardie E #1B

Expected Production

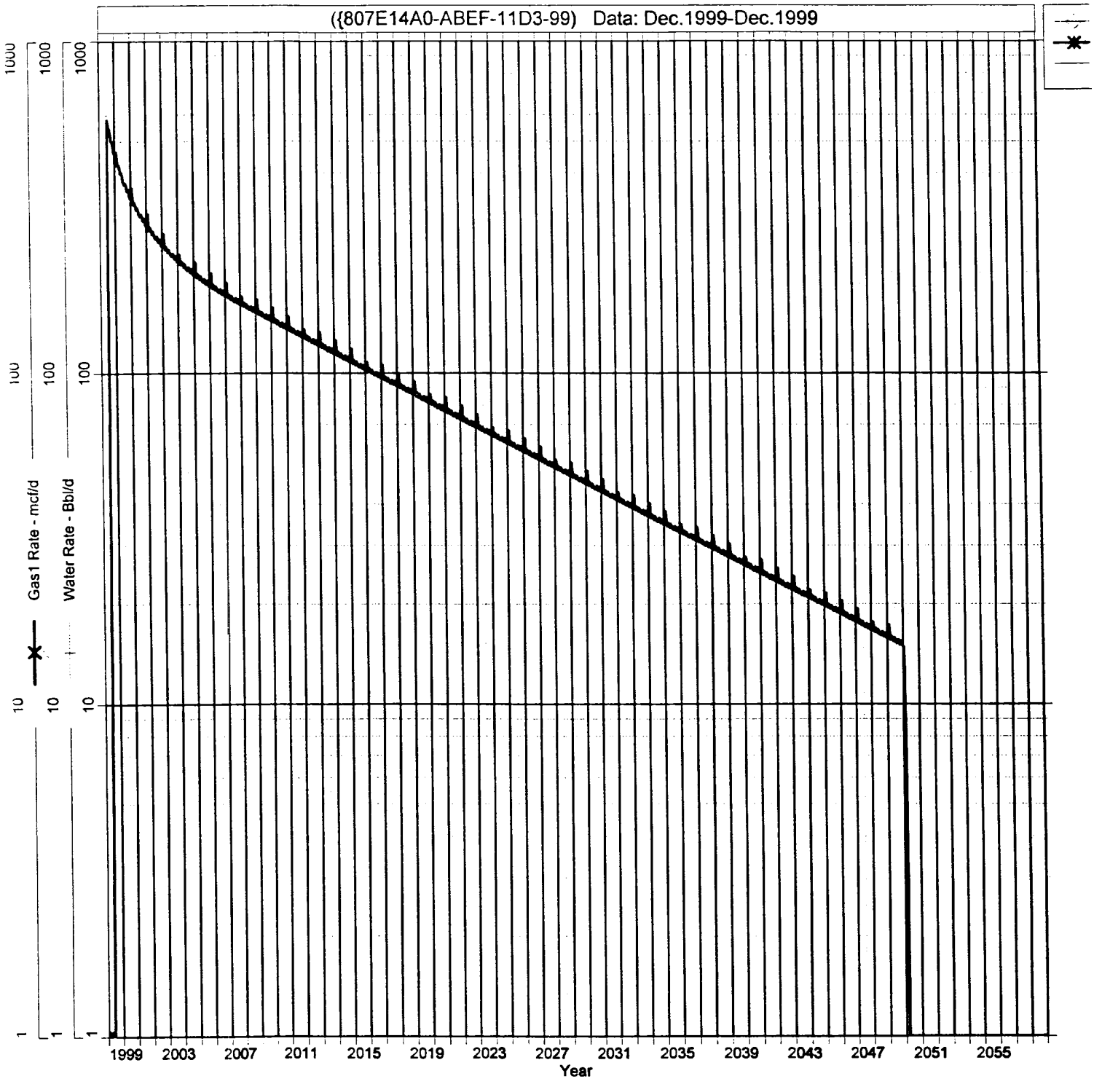
Chacra Formation



Hardie E #1B

Expected Production

Mesaverde Formation



Hardie E #1B

Bottom Hole Pressures

Flowing and Static BHP

Cullender and Smith Method

Version 1.0 3/13/94

Chacra

CH-Current

GAS GRAVITY	0.67
COND. OR MISC. (C/M)	C
%N2	0.32
%CO2	0.27
%H2S	0
DIAMETER (IN)	2.875
DEPTH (FT)	3248
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	137
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	397
BOTTOMHOLE PRESSURE (PSIA)	429.2

CH-Original

GAS GRAVITY	0.67
COND. OR MISC. (C/M)	C
%N2	0.32
%CO2	0.27
%H2S	0
DIAMETER (IN)	2.875
DEPTH (FT)	3248
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	137
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	1036
BOTTOMHOLE PRESSURE (PSIA)	1129.9

Mesaverde

MV-Current

GAS GRAVITY	0.733
COND. OR MISC. (C/M)	C
%N2	0.43
%CO2	0.67
%H2S	0
DIAMETER (IN)	2.375
DEPTH (FT)	5197
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	198
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	486
BOTTOMHOLE PRESSURE (PSIA)	554.5

MV-Original

GAS GRAVITY	0.733
COND. OR MISC. (C/M)	C
%N2	0.43
%CO2	0.67
%H2S	0
DIAMETER (IN)	2.375
DEPTH (FT)	5197
SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	198
FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	1041
BOTTOMHOLE PRESSURE (PSIA)	1202.3

Hardie E #1B

Chacra Offset

Well Name	Date	CUM	Pressure
HANCOCK A 10	12/18/74	0	1,036
HANCOCK A 10	01/03/75	1,387	1,049
HANCOCK A 10	04/11/75	2,371	775
HANCOCK A 10	04/14/76	6,346	489
HANCOCK A 10	06/28/77	9,468	459
HANCOCK A 10	04/05/93	29,712	397

Hardie E #1B

Mesaverde Offset

Well Name	Date	CUM	Pressure
Hardie E #1	07/20/57	0	1,041
Hardie E #1	05/22/58	12,828	785
Hardie E #1	03/29/59	19,435	752
Hardie E #1	02/14/60	30,275	713
Hardie E #1	12/13/61	48,633	616
Hardie E #1	09/04/62	50,647	700
Hardie E #1	2/19/63	55,977	660
Hardie E #1	3/9/64	62,329	696
Hardie E #1	2/24/65	69,829	677
Hardie E #1	8/30/66	81,144	622
Hardie E #1	3/10/67	84,478	628
Hardie E #1	4/29/68	91,878	612
Hardie E #1	8/14/69	102,002	555
Hardie E #1	4/27/70	106,873	538
Hardie E #1	6/25/71	116,534	483
Hardie E #1	6/19/72	124,966	462
Hardie E #1	6/14/73	131,635	513
Hardie E #1	7/2/74	140,918	477
Hardie E #1	5/12/76	152,906	522
Hardie E #1	5/19/78	162,519	462
Hardie E #1	7/24/80	171,361	440
Hardie E #1	6/10/82	175,990	469
Hardie E #1	8/10/84	179,218	530
Hardie E #1	6/18/86	182,696	508
Hardie E #1	5/16/89	189,456	507
Hardie E #1	2/18/91	197,754	451
Hardie E #1	3/30/93	199,198	486

Hardie E #1B

Chacra / Mesaverde

28N – 8W – 16