

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION

1220 South St. Francis Dr., Santa Fe, NM 87505

WELL API NO.

30-045-23272

5. Indicate Type of Lease

STATE FEE

State Oil & Gas Lease No.

Lease Name or Unit Agreement Name:

Lackey

Also filed on BLM Form 3160-5 Federal Lease SF - 077112)

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG A WELL OR TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-103) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Amoco Production Company

Attn: Mary Corley

8. Well No.

1

3. Address of Operator

P.O. Box 3092 Houston, TX 77253

9. Pool name or Wildcat

Basin Dakota & Blanco Mesaverde

4. Well Location

Unit Letter 6 1475 feet from the North line and 1450 feet from the East line

Section 23 Township 28N Range 9W NMPM San Juan County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

6189'

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: Complete Mesaverde & Downhole Commingle ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Amoco Production Company request permission to complete the subject well into the Blanco Mesaverde and commingle production downhole with the existing Basin Dakota Pool as per the attached procedure.

The Basin Dakota (71599) & the Blanco Mesaverde (72319) Pools are Pre-Approved for Downhole Commingling per NMOCD Order R - 11363. The working, overriding, and royalty interest owners in the proposed commingled pools are not identical, therefore, notification of this application is being submitted via certified mail (return receipt). A listing of these interest owners is attached for your information.

Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Dakota. That production shall serve as a base for production subtracted from the total production for the commingled well. The balance of the production will be attributed to the Mesaverde. Attached is the future production decline estimates for the Dakota.

Commingling Production Downhole in the subject well from the proposed pools with not reduce the value of the total remaining production.

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

SIGNATURE Mary Corley TITLE Sr. Regulatory Analyst DATE 07/02/2001

Type or print name Mary Corley Telephone No. 281-366-4491

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUL - 9 2001

Conditions of approval, if any:

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

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

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-23272	² Pool Code 72319	³ Pool Name Blanco Mesaverde
⁴ Property Code 000783	⁵ Property Name Lackey	⁶ Well Number 1
⁷ OGRID No. 000778	⁸ Operator Name Amoco Production Company	⁹ Elevation 6189'

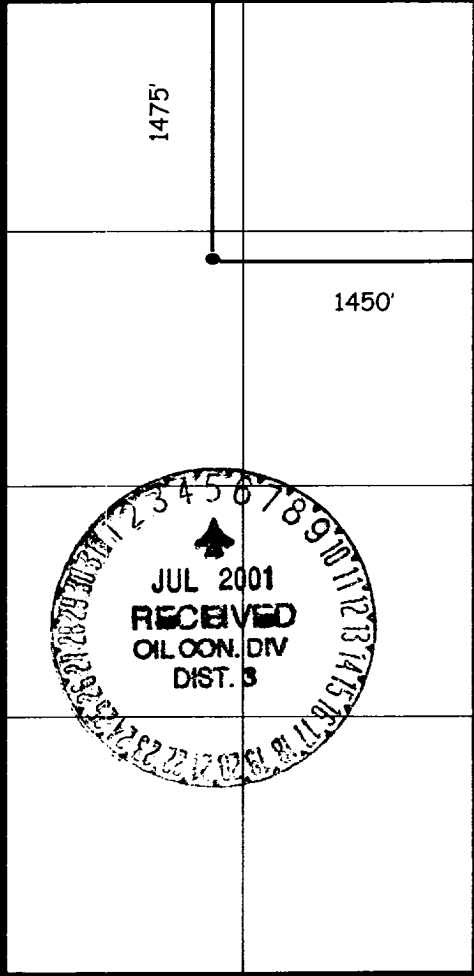
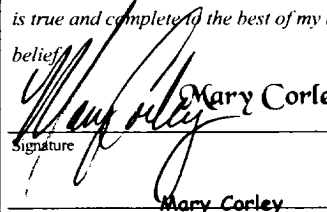
¹⁰ Surface Location

UL or lot no. Unit 6	Section 23	Township 28N	Range 09W	Lot Idn	Feet from the 1475'	North/South line North	Feet from the 1450'	East/West line East	County San Juan
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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
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Printed Name Mary Corley Title Sr. Regulatory Analyst Date 06/14/2001
			¹⁸ SURVEYOR CERTIFICATION <i>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.</i> 10/31/1978 Date of Survey Signature and Seal of Professional Surveyor: Fred B Kerr Jr 3950 Certificate Number

Lackey #1 Recompletion Procedure

Procedure:

1. Check anchors. MIRU workover rig.
2. Check and record tubing, casing, and bradenhead pressures.
3. Blow down well.
4. Nipple down WH. NU BOPs.
5. Tag for fill and tally OH with 2-3/8" production tubing currently set at 7001'.
6. TIH with bit and scraper for 4-1/2" casing to 5300'.
7. TIH with tubing-set 4-1/2" CIBP. Set CIBP at 5300'. Load hole with 2% KCL.
8. RU WL. Run GR/CBL over MV interval (4000' - 5300') to ensure zonal isolation across the MV.
9. Pressure test casing to 1500 psi
10. RIH with 3-1/8" casing guns. Perforate Point Lookout formation.
- *Perforations will be determined based on GR log results.*
11. RU frac equipment and install wellhead isolation tool. Use 2% KCL/N2 foam in fracture stimulation.
12. Spearhead 500 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule.
13. Immediately after frac job, RU WL unit and lubricator.
14. RIH and set CIBP between Point Lookout and Menefee at depth to be determined after logging.
15. RIH with 3-1/8" casing guns. Perforate Menefee formation..
- *Perforations will be determined based on GR log results.*
16. RU frac equipment and install wellhead isolation tool. Use 2% KCL/N2 foam in fracture stimulation.
17. Spearhead 500 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule.
18. Flowback frac immediately.
19. TIH with tubing and bit. Cleanout fill and drill bridge plugs. Cleanout fill to PBTD at 7070'. Blow well dry at PBTD.
22. Land 2-3/8" production tubing at 6675'.
23. ND BOP's. NU WH. Test well for air. Return well to production and downhole commingle MV and DK production.

Lackey #1

Sec 23, T28N R9W

API: 30-045-23272

GL: 6189'

History:

6-1/4" OH drilled with mud

Completed in 4/79

1/91 - rig checked for fill and lowered
tubing

est. TOC @ surface (circ)

9-5/8" 36#, K55 @ 274'

190 sxs cmt (circulated)

est. TOC unknown

DV tool @ 4107'

2nd stage: 775 sxs cmt

est. TOC unknown

Dakota Completion

6868' - 6890' 2 spf

6977' - 6978' 2 spf

7048' - 7056' 2 spf

frac'd w/ 72,000 # sand

Tubing: 2-3/8" 4.7# @ 7001'

4-1/2" liner, 10.5#, K55 @ 7080'

1st stage: 650 sxs cmt

PBTD: 7070'

Notes:

- 1) Severe drilling mud losses occurred in the MV section (1000 bbls mud)
- 2) 600' OH cmt plug was spotted from 4493'-5015' to stop the losses

updated: 4/13/01 jad

Future Production Decline Estimate Dakota

(Monthly

Month	Gas Volume
Jan-2000	57
Feb-2000	58
Mar-2000	60
Apr-2000	60
May-2000	64
Jun-2000	76
Jul-2000	77
Aug-2000	67
Sep-2000	77
Oct-2000	66
Nov-2000	65
Dec-2000	63
Jan-2001	58
Feb-2001	84
Mar-2001	107
Apr-2001	99
May-2001	91
Jun-2001	91
Jul-2001	91
Aug-2001	90
Sep-2001	90
Oct-2001	90
Nov-2001	90
Dec-2001	89
Jan-2002	89
Feb-2002	89
Mar-2002	89
Apr-2002	88
May-2002	88
Jun-2002	88
Jul-2002	88
Aug-2002	87
Sep-2002	87
Oct-2002	87
Nov-2002	87
Dec-2002	87

$\ln(Q_i/Q_j) = -dt$
 $Q_i = 67 \text{ MCFD (08/2000)}$
 $Q_j = 58 \text{ MCFD (12/2001)}$
 $t = 5 \text{ months (.41666 yrs)}$
 $d = 0.32 \text{ annual decline}$
 $0.027 \text{ monthly decline (0.32/12)}$

Corrected Volumes
 $58/67 = 0.86567$
 $.86 * .41666 = .36069$
 0.0300575

Month	Gas Volume
Jan-2003	86
Feb-2003	86
Mar-2003	86
Apr-2003	86
May-2003	85
Jun-2003	85
Jul-2003	85
Aug-2003	85
Sep-2003	85
Oct-2003	84
Nov-2003	84
Dec-2003	84
Jan-2004	84
Feb-2004	83
Mar-2004	83
Apr-2004	83
May-2004	83
Jun-2004	83
Jul-2004	82
Aug-2004	82
Sep-2004	82
Oct-2004	82
Nov-2004	81
Dec-2004	81
Jan-2005	81
Feb-2005	81
Mar-2005	81
Apr-2005	80
May-2005	80
Jun-2005	80
Jul-2005	80
Aug-2005	80
Sep-2005	79
Oct-2005	79
Nov-2005	79
Dec-2005	79

Month	Gas Volume
Jan-2006	78
Feb-2006	78
Mar-2006	78
Apr-2006	78
May-2006	77
Jun-2006	77
Jul-2006	77
Aug-2006	77
Sep-2006	76
Oct-2006	76
Nov-2006	76
Dec-2006	75
Jan-2007	75
Feb-2007	75
Mar-2007	75
Apr-2007	74
May-2007	74
Jun-2007	74
Jul-2007	74
Aug-2007	73
Sep-2007	73
Oct-2007	73
Nov-2007	73
Dec-2007	72
Jan-2008	72
Feb-2008	72
Mar-2008	72
Apr-2008	71
May-2008	71
Jun-2008	71
Jul-2008	71
Aug-2008	70
Sep-2008	70
Oct-2008	70
Nov-2008	70
Dec-2008	69

Lackey #1

7/2/2001

Future Production Decline Estimate Dakota

Month	Gas Volume
Jan-2009	69
Feb-2009	69
Mar-2009	69
Apr-2009	69
May-2009	68
Jun-2009	68
Jul-2009	68
Aug-2009	68
Sep-2009	67
Oct-2009	67
Nov-2009	67
Dec-2009	67
Jan-2010	66
Feb-2010	66
Mar-2010	66
Apr-2010	66
May-2010	66
Jun-2010	65
Jul-2010	65
Aug-2010	65
Sep-2010	65
Oct-2010	64
Nov-2010	64
Dec-2010	64
Jan-2011	64
Feb-2011	64
Mar-2011	63
Apr-2011	63
May-2011	63
Jun-2011	63
Jul-2011	62
Aug-2011	62
Sep-2011	62
Oct-2011	62
Nov-2011	62
Dec-2011	61

Month	Gas Volume	Factor
Jan-2012	61	
Feb-2012	61	
Mar-2012	61	
Apr-2012	61	
May-2012	60	
Jun-2012	60	
Jul-2012	60	
Aug-2012	60	
Sep-2012	60	
Oct-2012	60	
Nov-2012	59	
Dec-2012	59	
Jan-2013	59	
Feb-2013	59	
Mar-2013	59	
Apr-2013	58	
May-2013	58	
Jun-2013	58	
Jul-2013	58	
Aug-2013	58	
Sep-2013	58	
Oct-2013	57	
Nov-2013	57	
Dec-2013	57	
Jan-2014	57	
Feb-2014	57	
Mar-2014	57	
Apr-2014	56	
May-2014	56	
Jun-2014	56	
Jul-2014	56	
Aug-2014	56	
Sep-2014	56	
Oct-2014	55	
Nov-2014	55	
Dec-2014	55	

Month	Gas Volume
Jan-2015	55
Feb-2015	55
Mar-2015	55
Apr-2015	54
May-2015	54
Jun-2015	54
Jul-2015	54
Aug-2015	54
Sep-2015	54
Oct-2015	53
Nov-2015	53
Dec-2015	53
Jan-2016	53
Feb-2016	53
Mar-2016	53
Apr-2016	52
May-2016	52
Jun-2016	52
Jul-2016	52
Aug-2016	52
Sep-2016	52
Oct-2016	52
Nov-2016	51
Dec-2016	51
Jan-2017	51
Feb-2017	51
Mar-2017	51
Apr-2017	51
May-2017	50
Jun-2017	50
Jul-2017	50
Aug-2017	50
Sep-2017	50
Oct-2017	50
Nov-2017	50
Dec-2017	49

Month	Gas Volume
Jan-2018	49
Feb-2018	49
Mar-2018	49
Apr-2018	48
May-2018	48
Jun-2018	48
Jul-2018	48
Aug-2018	47
Sep-2018	47
Oct-2018	47
Nov-2018	47
Dec-2018	47
Jan-2019	46
Feb-2019	46
Mar-2019	46
Apr-2019	46
May-2019	45
Jun-2019	45
Jul-2019	45
Aug-2019	45
Sep-2019	44
Oct-2019	44
Nov-2019	44
Dec-2019	44
Jan-2020	44
Feb-2020	43
Mar-2020	43
Apr-2020	43
May-2020	43
Jun-2020	43
Jul-2020	42
Aug-2020	42
Sep-2020	42
Oct-2020	42
Nov-2020	41
Dec-2020	41

Future Production Decline Estimate Dakota

Month	Gas Volume
Jan-2021	41
Feb-2021	41
Mar-2021	41
Apr-2021	40
May-2021	40
Jun-2021	40
Jul-2021	40
Aug-2021	40
Sep-2021	39
Oct-2021	39
Nov-2021	39
Dec-2021	39
Jan-2022	39
Feb-2022	38
Mar-2022	38
Apr-2022	38
May-2022	38
Jun-2022	38
Jul-2022	38
Aug-2022	37
Sep-2022	37
Oct-2022	37
Nov-2022	37
Dec-2022	37
Jan-2023	36
Feb-2023	36
Mar-2023	36
Apr-2023	36
May-2023	36
Jun-2023	35
Jul-2023	35
Aug-2023	35
Sep-2023	35
Oct-2023	35
Nov-2023	35
Dec-2023	34

Month	Gas Volume
Jan-2024	34
Feb-2024	34
Mar-2024	34
Apr-2024	34
May-2024	34
Jun-2024	33
Jul-2024	33
Aug-2024	33
Sep-2024	33
Oct-2024	33
Nov-2024	33
Dec-2024	32
Jan-2025	32
Feb-2025	32
Mar-2025	32
Apr-2025	32
May-2025	32
Jun-2025	31
Jul-2025	31
Aug-2025	31
Sep-2025	31
Oct-2025	31
Nov-2025	31
Dec-2025	31
Jan-2026	30
Feb-2026	30
Mar-2026	30
Apr-2026	30
May-2026	30
Jun-2026	30
Jul-2026	29
Aug-2026	29
Sep-2026	29
Oct-2026	29
Nov-2026	29
Dec-2026	29

Factor

Month	Gas Volume
Jan-2027	29
Feb-2027	28
Mar-2027	28
Apr-2027	28
May-2027	28
Jun-2027	28
Jul-2027	28
Aug-2027	28
Sep-2027	27
Oct-2027	27
Nov-2027	27
Dec-2027	27
Jan-2028	27
Feb-2028	27
Mar-2028	27
Apr-2028	27
May-2028	26
Jun-2028	26
Jul-2028	26
Aug-2028	26
Sep-2028	26
Oct-2028	26
Nov-2028	26
Dec-2028	25
Jan-2029	25
Feb-2029	25
Mar-2029	25
Apr-2029	25
May-2029	25
Jun-2029	25
Jul-2029	25
Aug-2029	24
Sep-2029	24
Oct-2029	24
Nov-2029	24
Dec-2029	24

Month	Gas Volume
Jan-2030	24
Feb-2030	24
Mar-2030	24
Apr-2030	23
May-2030	23
Jun-2030	23
Jul-2030	23
Aug-2030	23
Sep-2030	23
Oct-2030	23
Nov-2030	23
Dec-2030	23
Jan-2031	22
Feb-2031	22
Mar-2031	22
Apr-2031	22
May-2031	22
Jun-2031	22
Jul-2031	22
Aug-2031	22
Sep-2031	22
Oct-2031	21
Nov-2031	21
Dec-2031	21
Jan-2032	21
Feb-2032	21
Mar-2032	21
Apr-2032	21
May-2032	21
Jun-2032	21
Jul-2032	20
Aug-2032	20
Sep-2032	20
Oct-2032	20
Nov-2032	20
Dec-2032	20