DISTRICT 1

DISTRICT II

DISTRICT III

P.O. Box 1980, Hobbs, NM 88241-1980

811 South First St., Artesia, NM 88210-2835

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:

APPLICATION FOR DOWNHOLF COMMINGLING 1000 Rio Brazos Rd., Aztec/NM 87410-1693

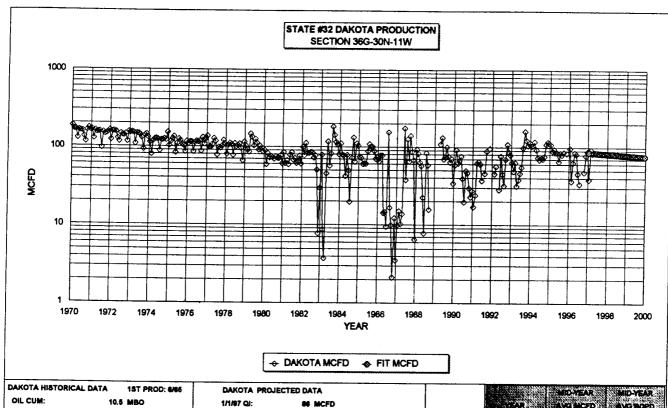
Administrative Hearing EXISTING WELLBORE

perator	1(Desta Dr., Ste 100W, Midla	and, TX 79705-4500
State	32	O-36-T30N-R11W	San Juan
0250		it Ltr Sec Twp Rge	County
OGRID NO. 005073 Property C	ode API NO	30 045 13369 Federa	ing Unit Lease Types: (check 1 or more) 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	Mesa Verde 72319		Dakota 71599
TOP and Bottom of Pay Section (Perforations)	4288-4882'(Proposed)		6761-6860'
Type of production (Oil or Gas)	Gas		Gas
Method of Production (Flowing or Artificial Litt)	To Flow	management in a superior del transmission del	Flowing
5. Bottom hole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing:	a (Current) 557 PSIA	a.	a. 558 PSIA
Measured Current All Gas Zones: Estimated Or Measured Original	b (Original)	MEGETVE DI	ь. 2535 PSIA
6. Oil Gravity (*API) or Gas BTU Content	1200 BTU Est.	and cons. Di	1234 BTU
7. Producing or Shut-In?	new zone	DIST. 3	Producing
Production Marginal? (yes or no)	YES		YES
If Shut-In give date and oil/gas/ water rates of last production	Date NEW ZONE Rates	Date Rates:	Date Rates
applicant shall be required to attach production settimates and supporting datu. If Producing, give date and billgas/water rates of recent test (within 60 days)	Date Incremental Production Rates by subtraction	Date Rates	Cate 6/15/97, 68 mcfd Rates .01 bopd/.1 bwpd
B. Fixed Percentage Allocation Formula -% for each zone	oal: % Gas %	odi: Gae	Oil: % Gas %
Are all working, overriding, an If not, have all working, overridave all offset operators been will cross-flow occur? X Y flowed production be recovered. Are all produced fluids from all will the value of production be lf this well is on, or communition United States Bureau of Land NMOCD Reference Cases for FATTACHMENTS * C-102 for each zone Production curve for For zones with no per series.	d royalty interests identical in a ding, and royalty interests been given written notice of the propes. No If yes, are fluids cond, and will the allocation formul commingled zones compatible decreased by commingling? Zed with, state or federal lands Management has been notified Rule 303(D) Exceptions: Set to be commingled showing its reach zone for at least one year oduction history, estimated procession method or formula.	Il commingled zones? In notified by certified mail? In notified by certified mail. In notified by certified mail? In notified by certified mail? In notified by certified mail. In notifie	X Yes No Yes No Yes No Yes No Yes No Yes No No Yes No No No (If No, attach explanation) Yes No No (If No, attach explanation) Public Lands or the X Yes No No (If No, attach explanation) No (If No, attach explanation) No (If No, attach explanation) Public Lands or the X Yes No (If No, attach explanation) No (If No,
* Notification list of all * Notification list of w	orking overriding and royalty is	nterests for uncommon inter	est cases.
* Notification list of all * Notification list of w. * Any additional state	orking, overriding and royalty in ments, data, or documents requ	uired to support commingling	
* Notification list of all * Notification list of w	orking, overriding and royalty in ments, data, or documents required by above is true and complete to	uired to support commingling	

NE. MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.			
Cherator PUBCO PETROLEUM CO.		STATE	Date Breaker 10, 196
Well No. 32 Unit Letter O	Saatian	ease	•
TOUCH TOUCH		- 40	ip 30 N Range 11 W NMP
Sounty San Juan G. I Name of Producing Formation	• Elevation 59	78 (ungradededic	ated Acreage_E= (320) Acre
1. Is the Operator the only o	wner* in the de	PoolPool_	Basin Outlined on the plant in the
Yes No No 2. If the answer to question		and a discarde	oddfined on the plat below?
If the answer to question consolidated by communitiz	one is "no," na ation agreement	ve the interest:	of all the owners been YesNo If answer is
"yes," Type of Consolidation. 3. If the answer to question.	on_Gomestate	otion Agreement	. If answer is
below:	two is "no," li	st all the owner	s and their respective interests
<u>Owner</u>	•		
<u>owner</u>	,	<u>Land De</u>	scription
			· .
-	:		
	· · · · · · · · · · · · · · · · · · ·		
Section B			
			·
1			
		1	This is to certify that the
1	·	1	information in Section A above is true and complete
1		1	to the best of my knowledge
		1	and belief.
		 -	Prince Prince Corn.
		1	(Operator)
		1	Dan Chem land
		I	(Representative)
		i İ	P.G. Son thin array
SECTIO	36		Address
i			
1	ĺ		This is to certify that the
	!		well location shown on the plat in Section B was plotted
1	ļ		from field notes of actual
<u>-</u>			surveys made by me or under my supervision and that the
-			same is true and correct to
	0-	15801	the best of my knowledge and
!			belief. Date SurveyedNov. 4, 1964.
and the	990 !	-	otephen H taicing
	-		Registered Profession 12
320 660			Engineer and/or Land dryeyor.
350 660 390 1920 1050 1950 2310 2640	2000 (500	1000 500 O	Constitution of the Consti



 GAS CUM:
 1232.0 MMCF
 DECLINE RATE:
 4.25% (EXPONENTIAL)

 OIL YIELD:
 0.0085 BBL/MCF
 OIL YIELD:
 0.0036 BBL/MCF, LAST 3 YEARS

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

	Marie Land	**NAME OF COMME
1967	84	0.3
1906	81	0.5
1999	77	0.3
2000	74	0.3
2001	71	0.2
2002	•	0.2
2003	95	0.2
2004	62	0.2
2005	69	0.2
2006	67	0.2
2007	66	0.2
2008	52	0.2
2008	50	0.2
2010	48	0.2
2011	46	0.2
2012	44	0.2
2013	42	0.1
2014	40	0.1
2015	39	0.1
2016	37	0.1
2017	35	0.1
2018	34	. 0.1
2019	32	0.1
2020	31	0.1
2021	30	0.1
2022	28	0.1
2023	27	0.1
2024	26	0.1
2025	25	0.1
2026	24	0.1

Conoco, Inc.
State, Well #32
San Juan County, New Mexico
Attachment to Form C-107-A

Offset Operators-other than Conoco:

Burlington O & G Resources Co. P.O. Box 4289 Farmington, NM 87499

Amoco Production Co. P.O. Box 800 Denver, CO 80201

Dugan Production Corp. P.O. Box 420 Farmington, NM 87499-0420

Copies of C-107-A and attachments sent to above 8-12-97.