

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  
**APPLICATION FOR DOWNHOLE COMMINGLING**

Form C-107-A  
Revised March 17, 1999  
APPROVAL PROCESS:  
☒ Administrative  
☐ Hearing  
EXISTING WELLBORE  
☒ YES ☐ NO

Conoco Inc. P.O. Box 2197 DU 3066 Houston, TX 77252-2197

Operator **YeagerCom** #1 Address **C Section 6, T-30-N, R-11-W** San Juan  
Lease Well No. Unit Ltr. - Sec - Twp - Rge Spacing Unit Lease Types: (check 1 or more)  
OGRID NO. **005073** Property Code **22426** API NO. **30-045-24015** Federal ☒ State ☐ (and/or) Fee ☐

|                                                                                                                                                                                                                                                                                                                               | Upper Zone                                                                        | Intermediate Zone                  | Lower Zone                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------|------------------------------------------------------------------------------------|
| The following facts are submitted in support of downhole commingling:<br>1. Pool Name and Pool Code                                                                                                                                                                                                                           | Blanco Mesaverde 72319                                                            |                                    | Basin Dakota 71599                                                                 |
| 2. Top and Bottom of Pay Section (Perforations)                                                                                                                                                                                                                                                                               | 4397' - 5221'                                                                     |                                    | 6713' - 6837'                                                                      |
| 3. Type of production (Oil or Gas)                                                                                                                                                                                                                                                                                            | Gas                                                                               |                                    | Gas                                                                                |
| 4. Method of Production (Flowing or Artificial Lift)                                                                                                                                                                                                                                                                          | Flowing                                                                           |                                    | Flowing                                                                            |
| 5. Bottomhole Pressure<br>Oil Zones - Artificial Lift: Estimated Current<br>Gas & Oil - Flowing: Measured Current<br>All Gas Zones: Estimated Or Measured Original                                                                                                                                                            | a. (Current) 752<br>b. (Original) 1211                                            | a. <b>786</b><br>b.                | a. <b>786</b><br>b. 2212                                                           |
| 6. Oil Gravity (EAPI) or Gas BTU Content                                                                                                                                                                                                                                                                                      | 1267                                                                              |                                    | 1237                                                                               |
| 7. Producing or Shut-In?                                                                                                                                                                                                                                                                                                      | Producing                                                                         |                                    | Producing                                                                          |
| Production Marginal? (yes or no)<br>* If Shut-In, give date and oil/gas/water rates of last production<br>Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data<br>* If Producing, give date and oil/gas/water rates of recent test (within 60 days) | Yes<br>Date:<br>Rates: NA<br>Date: 06/01/99<br>Rates: 197 MCFD; 0 BOPD;<br>0 BOPD | Date:<br>Rates:<br>Date:<br>Rates: | Yes<br>Date:<br>Rates: NA<br>Date: 06/01/99<br>Rates: 90 MCFD; 0.3 BOPD;<br>0 BOPD |
| 8. Fixed Percentage Allocation Formula - % for each zone (total of %s to equal 100%)                                                                                                                                                                                                                                          | Oil: 24 % Gas: 71 %                                                               | Oil: % Gas: %                      | Oil: 76 % Gas: 29 %                                                                |

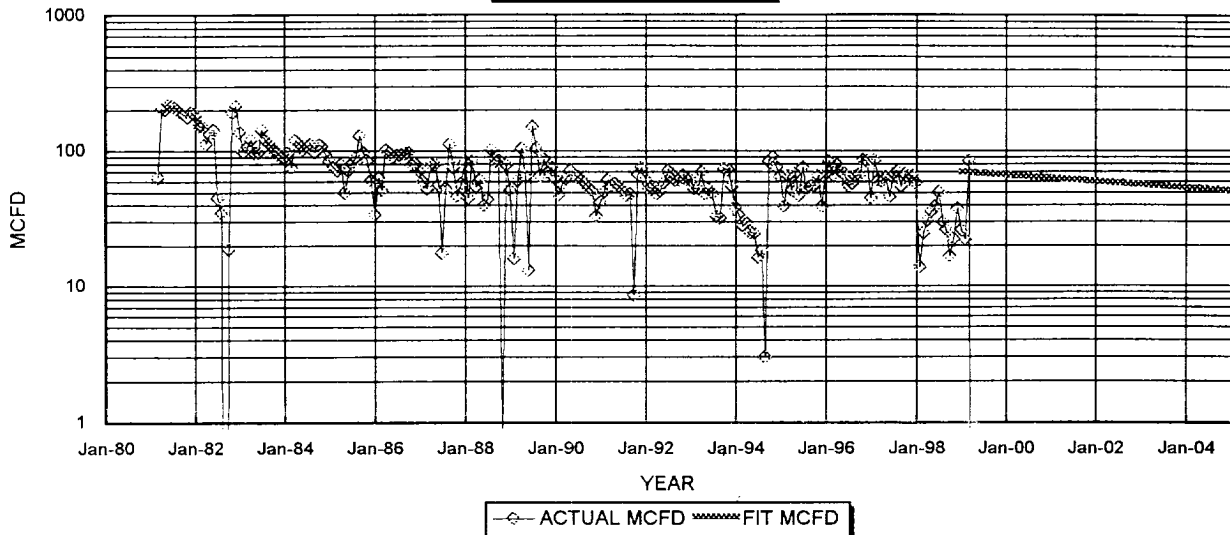
9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical 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 other? ☒ 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. 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 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 Deborah Moore TITLE Regulatory Analyst DATE 08/12/99

TYPE OR PRINT NAME Deborah Moore TELEPHONE NO. (281) 293-1005

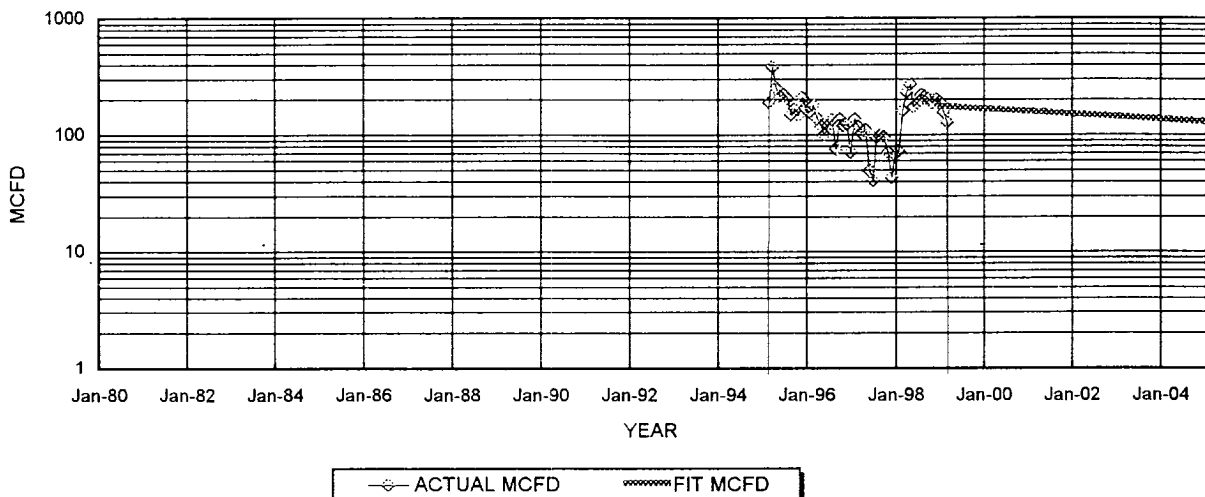
**YEAGER COM 1  
DAKOTA PRODUCTION  
SEC 6C-30N-11W**



|                                |        |                        |
|--------------------------------|--------|------------------------|
| <b>DAKOTA HISTORICAL DATA:</b> |        | <b>1ST PROD: 03/81</b> |
| OIL CUM:                       | 8.59   | MBO                    |
| GAS CUM:                       | 484.4  | MMCF                   |
| OIL YIELD:                     | 0.0177 | BBL/MCF                |

|                              |                    |
|------------------------------|--------------------|
| <b>DAKOTA PROJECTED DATA</b> |                    |
| 1/1/99 Q1:                   | 70 MCFD            |
| DECLINE RATE:                | 5.0% (EXPONENTIAL) |

**YEAGER COM 1  
MESAVERDE PRODUCTION  
SEC 6C-30N-11W**



|                                   |       |                        |
|-----------------------------------|-------|------------------------|
| <b>MESAVERDE HISTORICAL DATA:</b> |       | <b>1ST PROD: 03/95</b> |
| OIL CUM:                          | 0.5   | MBO                    |
| GAS CUM:                          | 222.9 | MMCF                   |
| OIL YIELD:                        | 0.002 | BBL/MCF                |

|                                 |                    |
|---------------------------------|--------------------|
| <b>MESAVERDE PROJECTED DATA</b> |                    |
| 1/1/99 Q1:                      | 175 MCFD           |
| DECLINE RATE:                   | 5.0% (EXPONENTIAL) |

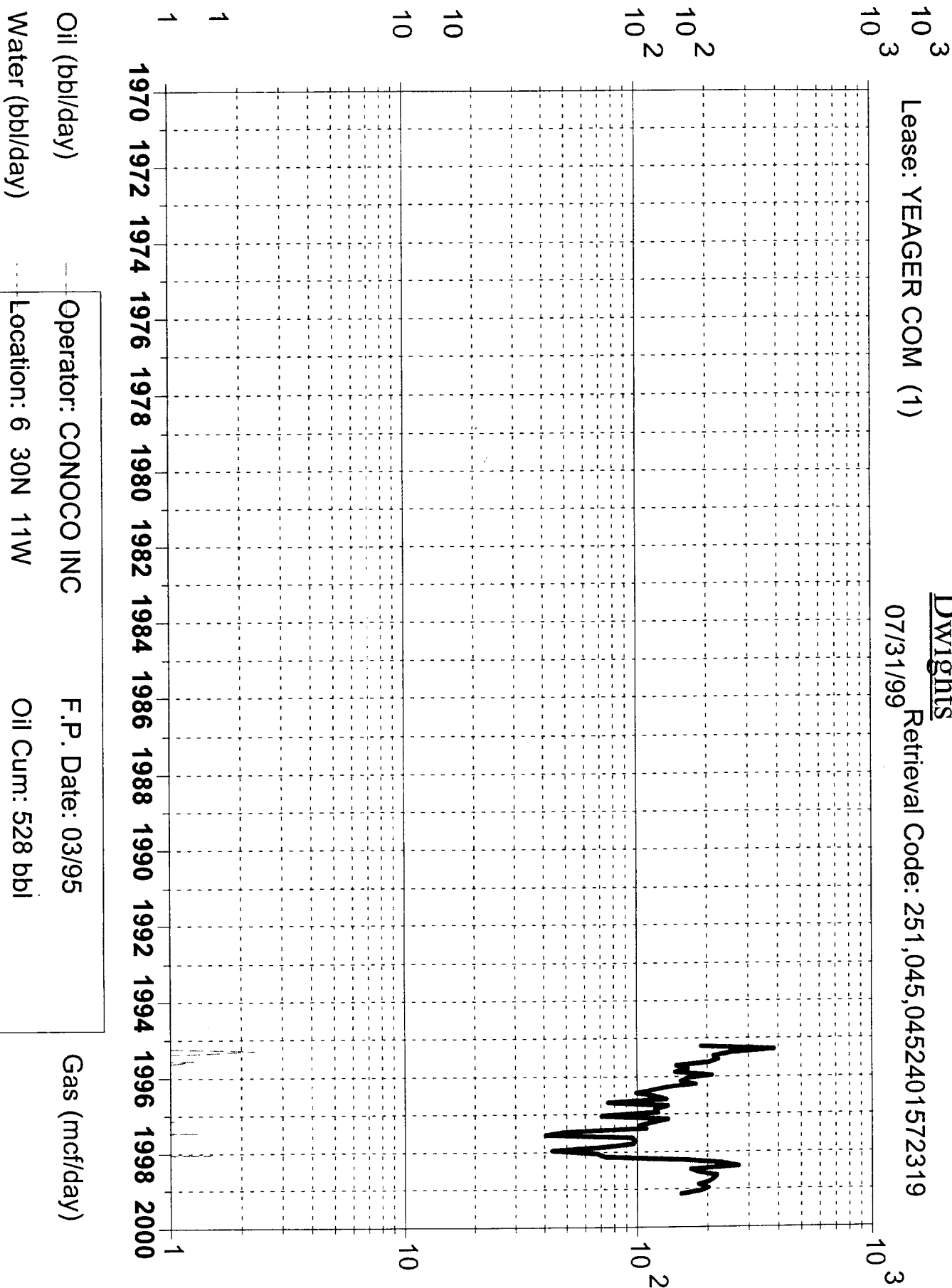
|                                            |            |            |
|--------------------------------------------|------------|------------|
| <b>FIXED COMMINGLE ALLOCATION FACTORS:</b> |            |            |
|                                            | <b>GAS</b> | <b>OIL</b> |
| DAKOTA                                     | 29%        | 76%        |
| MESAVERDE                                  | 71%        | 24%        |

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGY DATA

Dwights

Lease: YEAGER COM (1)

Retrieval Code: 251,045,0452401572319  
07/31/99



Operator: CONOCO INC

Location: 6 30N 11W

F.P. Date: 03/95

Oil Cum: 528 bbl

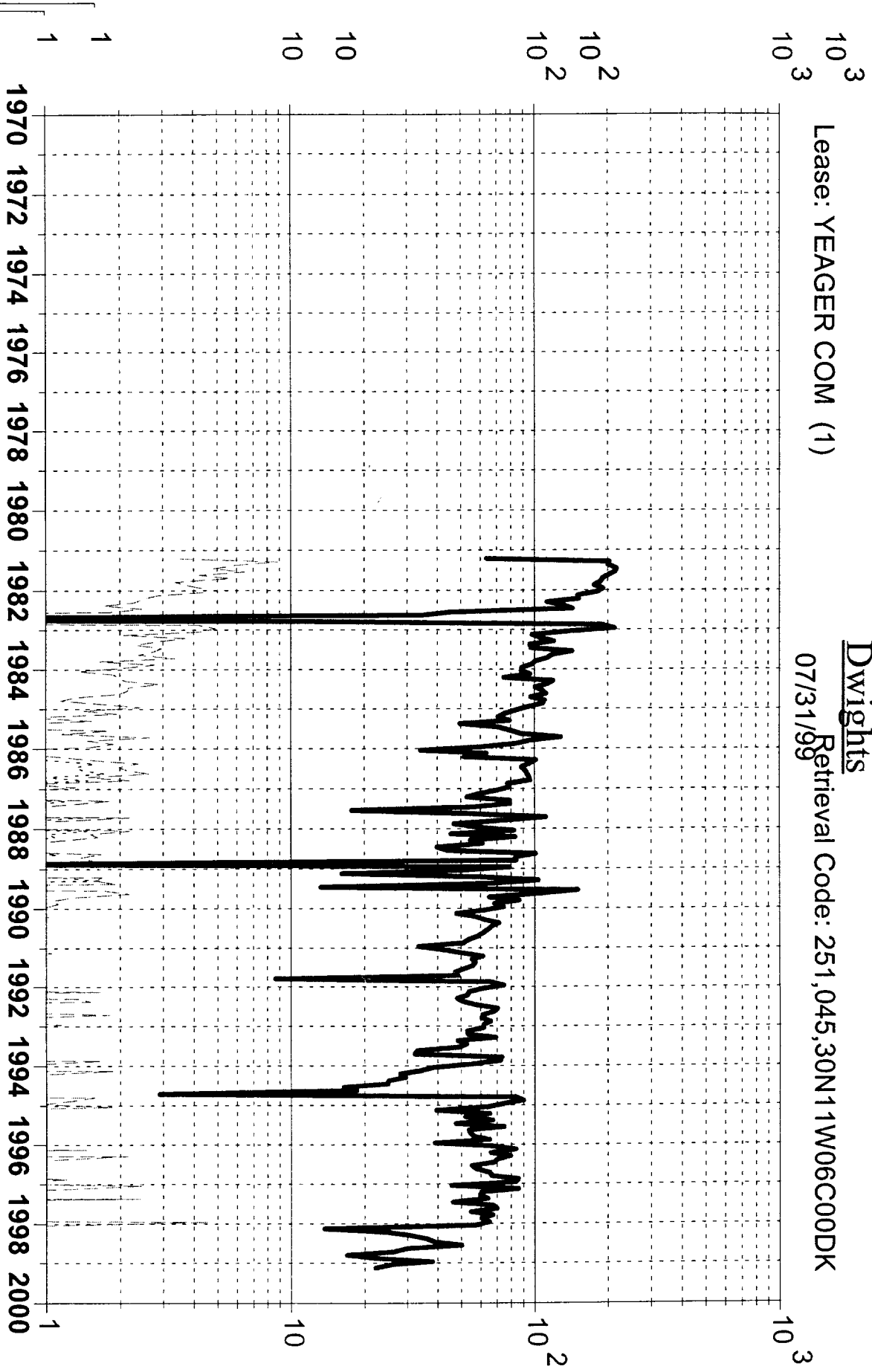
Lower Perf: 5221 ft  
BLANCO MESAVERDE  
Upper Perf: 4397 ft

Gas Cum: 219.1 mmcf  
L.P. Date: 02/99

Dwights

Retrieval Code: 251,045,30N11W06C00DK  
07/31/99

Lease: YEAGER COM (1)



Oil (bbl/day)

Water (bbl/day)

Operator: CONOCO INC

Location: 6C 30N 11W

Lower Perf: 6906 ft

Upper Perf: 6713 ft

F.P. Date: 03/81

Oil Cum: 8486 bbl

Gas Cum: 481.9 mmcf

L.P. Date: 02/99

Gas (mcf/day)

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State of New Mexico  
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised March 17, 1999

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                         |                                           |                                                           |
|-----------------------------------------|-------------------------------------------|-----------------------------------------------------------|
| <sup>1</sup> API Number<br>30-045-24015 | <sup>2</sup> Pool Code<br>72319 / 71599   | <sup>3</sup> Pool Name<br>Blanco Mesaverde / Basin Dakota |
| <sup>4</sup> Property Code<br>22426     | <sup>5</sup> Property Name<br>Yeager Com  | <sup>6</sup> Well Number<br>#1                            |
| <sup>7</sup> OGRID No.<br>005073        | <sup>8</sup> Operator Name<br>Conoco Inc. | <sup>9</sup> Elevation<br>5820'                           |

<sup>10</sup> Surface Location

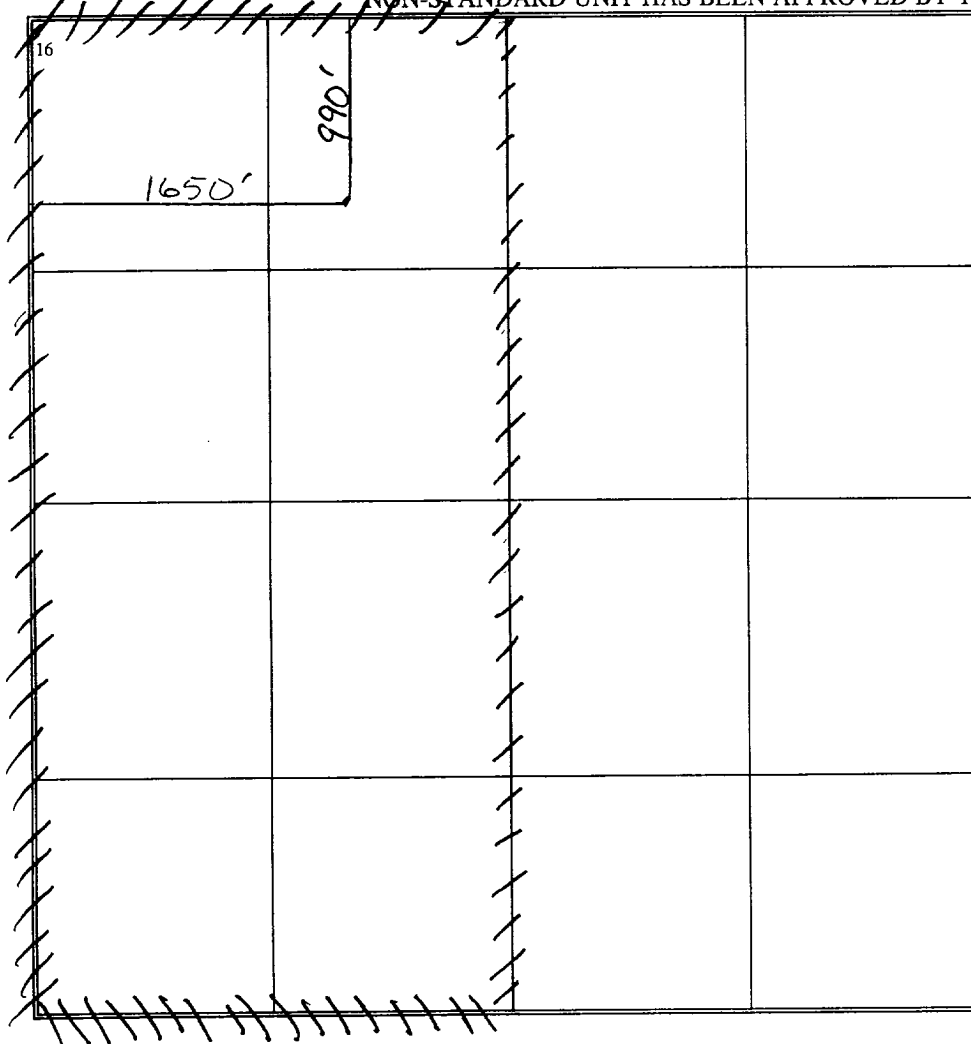
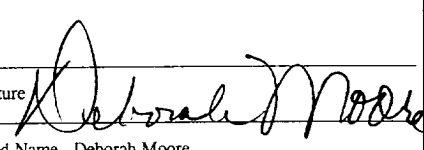
|                    |              |                 |              |         |                      |                           |                       |                        |                    |
|--------------------|--------------|-----------------|--------------|---------|----------------------|---------------------------|-----------------------|------------------------|--------------------|
| UL or lot no.<br>C | Section<br>6 | Township<br>30N | Range<br>11W | Lot Idn | Feet from the<br>990 | North/South line<br>North | Feet from the<br>1650 | East/West line<br>West | County<br>San Juan |
|--------------------|--------------|-----------------|--------------|---------|----------------------|---------------------------|-----------------------|------------------------|--------------------|

<sup>11</sup> Bottom Hole Location If Different From Surface

|                     |         |          |       |         |               |                  |               |                |        |
|---------------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no.<br>NA | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|

|                                      |                                    |                                       |                         |
|--------------------------------------|------------------------------------|---------------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>320 | <sup>13</sup> Joint or Infill<br>Y | <sup>14</sup> Consolidation Code<br>C | <sup>15</sup> 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

|                                                                                    |                                                                                                                                                                                                                                                              |
|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <sup>17</sup> OPERATOR CERTIFICATION<br><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>                                                                                            |
|                                                                                    | Signature <br>Printed Name Deborah Moore<br>Title Regulatory Analyst<br>Date 08/12/99                                                                                   |
|                                                                                    | <sup>18</sup> SURVEYOR CERTIFICATION<br><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> |
|                                                                                    | Date of Survey<br>Signature and Seal of Professional Surveyer:<br><br>Certificate Number                                                                                                                                                                     |

|         |          |          |           |      |
|---------|----------|----------|-----------|------|
| DATE IN | SUSPENSE | ENGINEER | LOGGED BY | TYPE |
|---------|----------|----------|-----------|------|

ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

### ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

#### Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
 [DD-Directional Drilling] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

#### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

#### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

#### [3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Deborah Moose  
 Print or Type Name

*Deborah Moose*  
 Signature

Regulatory Analyst  
 Title

8/12/79  
 Date