



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:  
 Administrative  Hearing

EXISTING WELLBORE  
 YES  NO

**APPLICATION FOR DOWNHOLE COMMINGLING**

Operator Conoco Inc. Address 10 Desta Dr., Ste 100W, Midland, TX 79705-4500

Lease Reames Com Well No 2 Unit Ltr Sec Twp Rge B-19-T26N-R6W County Rio Arriba

Spacing Unit Lease Types: (check 1 or more)  
OGRID NO. 005073 Property Code 16606 API NO. 30039-23172 Federal  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
2. TOP and Bottom of Pay Section (Perforations)	5166-5285'		7174-7341'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottom hole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a (Current) 387 PSIA	a.	a. 523 PSIA
	b (Original) 1033 PSIA	b.	b. 2925 PSIA
6. Oil Gravity (*API) or Gas BTU Content	1326		1197
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	Yes		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.  • If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date Rates	Date Rates:	Date Rates
	Date 7/97 114 MCFD Rates .97 BOPD, 0 BWPD	Date Rates	Date 7/97 109 MCFD Rates 0.7 BOPD, 0 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	oil: 59 % Gas 51- %	oil: % Gas %	oil: 41 % Gas 49 %

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  
CONOCO is the offset operator
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 others  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 Jerry W Hoover TITLE Sr. Conservation Coord. DATE 6/12/97

TYPE OR PRINT NAME Jerry W. Hoover TELEPHONE NO. (915) 686-6548

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-107  
Revised 10-1-

All distances must be from the outer boundaries of the Section.

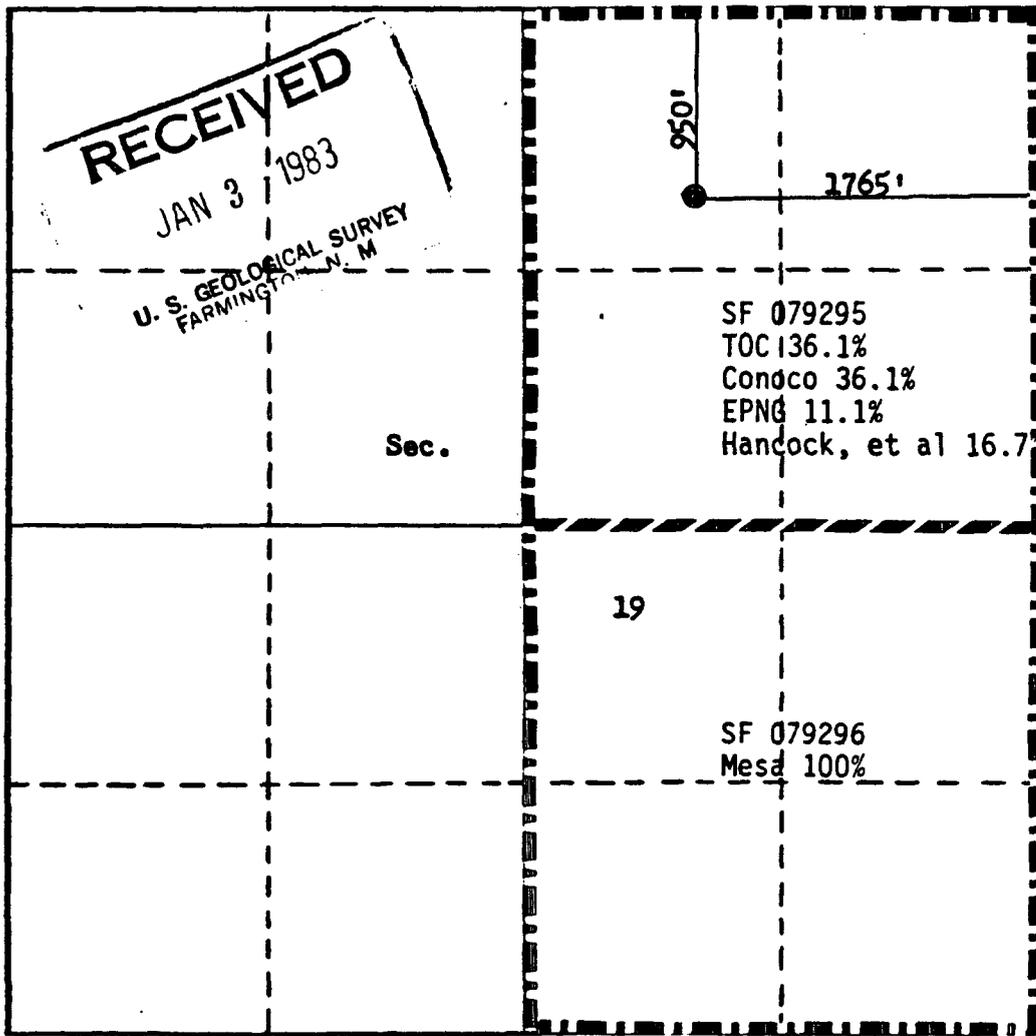
Operator <b>TENNECO OIL COMPANY</b>		Lease <b>REAMES COM</b>		Well No. <b>2</b>
Unit Letter <b>B</b>	Section <b>19</b>	Township <b>26N</b>	Range <b>6W</b>	County <b>Rio Arriba</b>
Actual Footage Location of Well: <b>950</b> feet from the <b>North</b> line and <b>1765</b> feet from the <b>East</b> line				
Ground Level Elev. <b>6639</b>	Producing Formation <b>Mesaverde/Dakota</b>	Pool <b>Blanco Mesaverde/Basin Dakota</b>	Dedicated Acreage: <b>320</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation Communitization in progress

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

*Ken Russell*

Name Ken Russell

Position Sr. Production Analyst

Company Tenneco Oil Co.

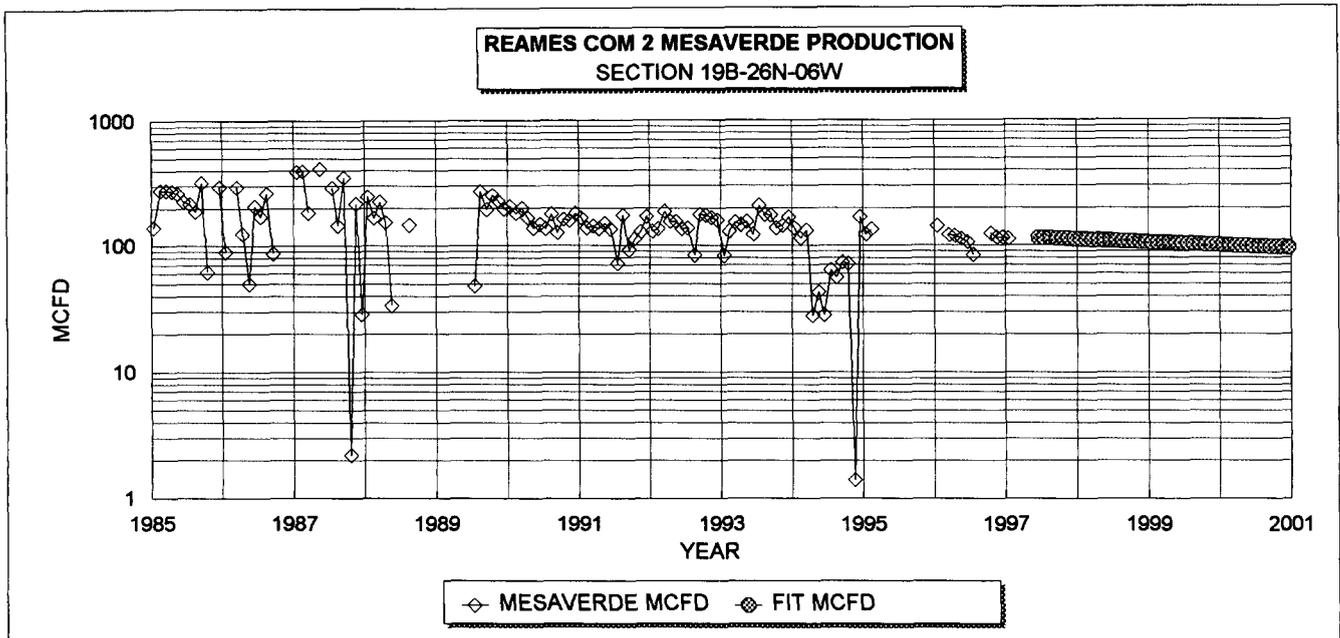
Date December 22, 1982

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 knowledge and belief.

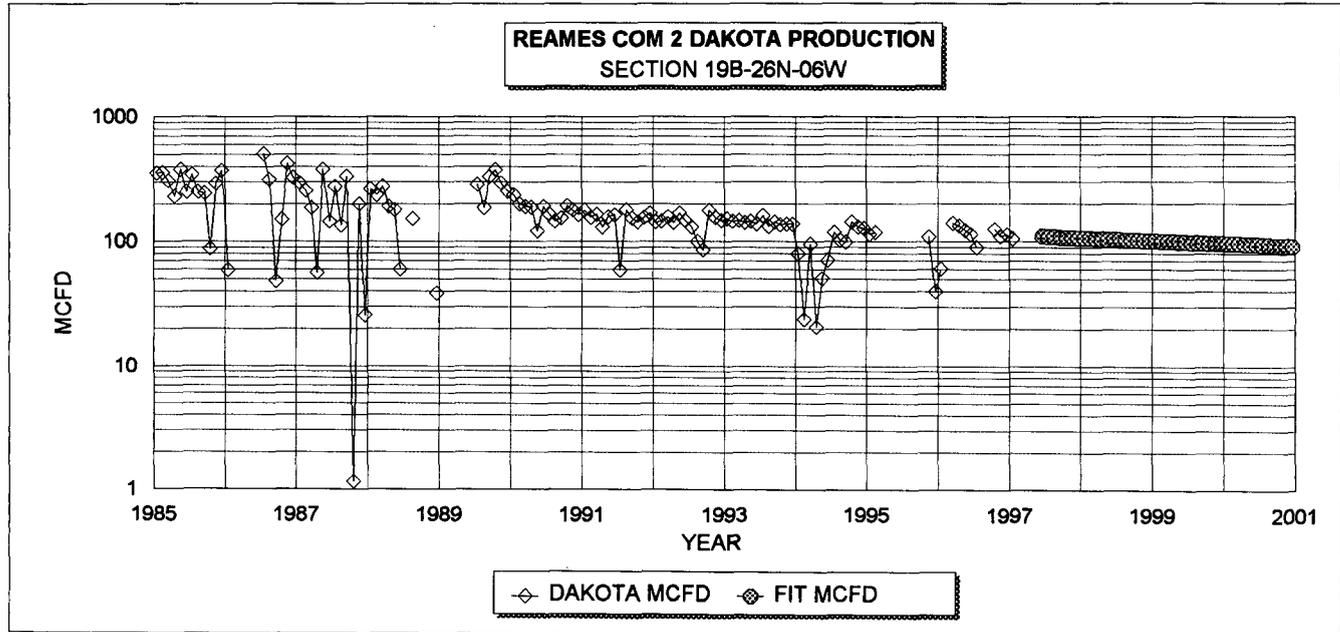
Date Surveyed July 28, 1982

Registered Professional Engineer and/or Land Surveyor  
*Fred E. Kerr Jr.*  
Fred E. Kerr Jr.

Certificate No. 3950



<b>MESAVERDE HISTORICAL DATA: 1ST PROD: 01/85</b> OIL CUM:            4.68 MBO GAS CUM:            548.7 MMCF OIL YIELD:          0.0085 BBL/MCF	<b>MESAVERDE PROJECTED DATA</b> 7/1/97 Q1:          114 MCFD DECLINE RATE:      5.0% (EXPONENTIAL)
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<b>DAKOTA HISTORICAL DATA 1ST PROD: 01/85</b> OIL CUM:            4.0 MBO GAS CUM:            627.2 MMCF OIL YIELD:          0.0064 BBL/MCF	<b>DAKOTA PROJECTED DATA</b> 7/1/97 Q1:          109 MCFD DECLINE RATE:      5.0% (EXPONENTIAL)
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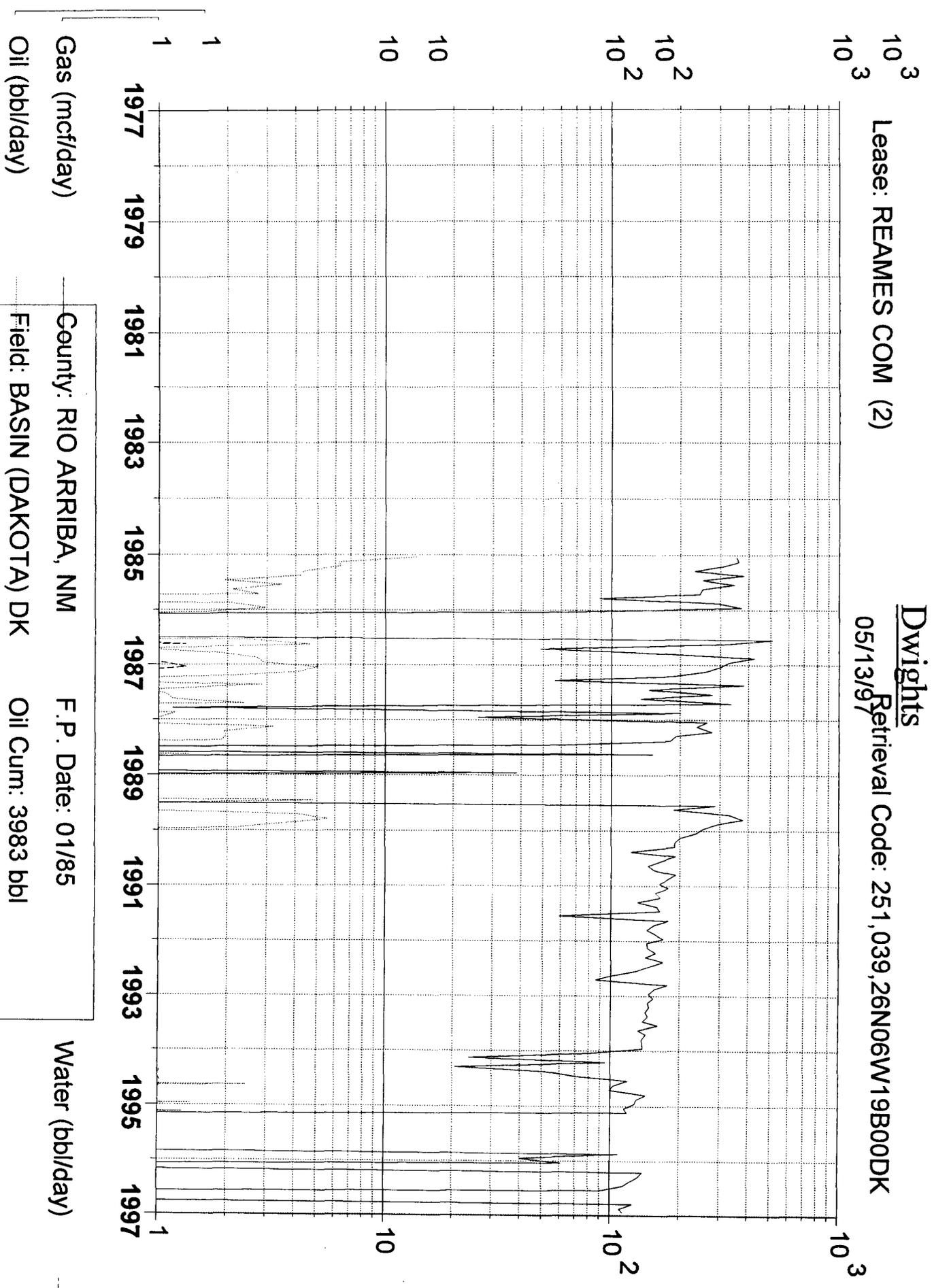
<b>FIXED COMMINGLE ALLOCATION FACTORS:</b>		
	GAS	OIL
MESAVERDE:	51%	59%
DAKOTA	49%	41%

GAS ALLOCATION BASED ON PROJECTED 1997 RATES  
 OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS  
**NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGYDATA**

Lease: REAMES COM (2)

Dwights  
05/13/97

Retrieval Code: 251,039,26N06W19B00DK



Gas (mcf/day)

Oil (bbl/day)

Water (bbl/day)

County: RIO ARRIBA, NM      F.P. Date: 01/85  
Field: BASIN (DAKOTA) DK      Oil Cum: 3983 bbl  
Reservoir: DAKOTA      Gas Cum: 627.2 mmcf  
Operator: CONOCO INC      Location: 19B 26N 6W

**REAMES COM #2**  
**OFFSET OPERATORS**

<p>CAULKINS OIL CO</p> <p><b>13</b></p> <p>T26N R7W</p>	<p>CAULKINS OIL CO</p> <p><b>18</b></p> <p>T26N R6W</p>	<p>CAULKINS OIL CO CONOCO, INC.</p> <p><b>17</b></p>
<p>CAULKINS OIL CO EL PASO NATURAL GAS BURLINGTON RES.</p> <p><b>24</b></p> <p>T26N R7W</p>	<p>CONOCO, INC. AMOCO PROD.</p> <p><b>19</b></p> <p>REAMES COM 2</p> <p>T26N R6W</p>	<p>CAULKINS OIL CO EL PASO NATURAL GAS BURLINGTON RES.</p> <p><b>20</b></p>
<p>T26N R7W</p> <p>CENTRAL RES. LITTLE CURTIS J.</p> <p><b>25</b></p>	<p>T26N R6W</p> <p>BURLINGTON RES.</p> <p><b>30</b></p>	<p>BURLINGTON RES. EL PASO NATURAL GAS</p> <p><b>29</b></p>

**Township 26N --- Range 6W**

Conoco, Inc.  
Form C-107-A, Application for Downhole Commingling  
Filing date: June 13, 1997

Offset Operators for Wells as listed below:

Jicarilla K, Well #1  
Marathon Oil Co.  
Burlington Resources  
Amoco Production Co.

Jicarilla K, Well #7  
Burlinton Resources  
Amoco Production

Jicarilla K, Well #16  
Burlington Resources  
Amoco Production

Newsom, Well #17E  
Amoco Production  
~~Snyder Oil Co.~~  
~~Robert R. Glick~~

Jicarilla K, Well #15E  
Burlington Resources

Jicarilla E, Well #10  
Burlington Resources

Jicarilla E, Well #12  
Burlington Resources

Federal, Well #13E  
Burlington Resources  
Caulkins Oil Co.

AXI Apache J, Well #18A  
Amoco Production  
Elm Ridge Resources

Federal, Well #11E  
Caulkins Oil Co.  
Amoco Production  
Burlington Resources

Reames COM, Well #2  
Caulkins Oil Co.  
Burlington Resources

Conoco, Inc.  
Form C-107-A, Application for Downhole Commingling  
Filing Date: June 13, 1997  
Address List for Offset Operators

**RE: Jicarilla K, Well #11, Jacarilla K, Well #17, Jicarilla K, Well #16, Newsom, Well #17E, Jicarilla K, Well #15E, Jicarilla E, Well #10, Jicarilla E, Well #12, Federal, Well 313E, AXI Apache J, Well #18A, Federal, Well #11E, Reames COM, Well #2**

Marathon Oil Co., Box 552, Midland, Texas 79702

Burlington Resources, c/o Meridian Oil, Inc., Box 51810, Midland, Texas 79710-1810

Amoco Production Co., Exploration & Production Sector, Box 4891, Houston, Texas 77210

Caulkins Oil Co., Box 340, Bloomfield, NM 87413

Elm Ridge Resources, Box 3946, Farmington, NM 87499

Snyder Oil Co., no longer an operator in the New Mexico Aztec District as per District Office.

Robert R. Click, no longer an operator in the New Mexico Aztec District as per District Office.

P 497 368 595

US Postal Service  
Receipt for Certified Mail

Amoco Production Co.  
Expl. & Prod. Sector  
Box 4891  
Houston, Texas 77210

Postage	\$ 1.93
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$ 4.38</b>
Postmark or Date	6-18-97

PS Form 3800, April 1995

P 497 368 594

US Postal Service  
Receipt for Certified Mail

Burlington Resources  
c/o Meridian Oil, Inc.  
Box 51810  
Midland, Texas 79710-1810

Postage	\$ 2.90
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$ 5.35</b>
Postmark or Date	6-18-97

PS Form 3800, April 1995

P 497 368 593

US Postal Service  
Receipt for Certified Mail

Marathon Oil Co.  
Box 552  
Midland, Texas 79702

Postage	\$ .78
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$ 3.23</b>
Postmark or Date	6-18-97

PS Form 3800, April 1995

P 497 368 597

US Postal Service  
Receipt for Certified Mail

Elm Ridge Resources  
Box 3946  
Farmington, NM 87499

Postage	\$ .78
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$ 3.23</b>
Postmark or Date	6-18-97

PS Form 3800, April 1995

P 497 368 596

US Postal Service  
Receipt for Certified Mail

Caulkins Oil Co.  
Box 340  
Bloomfield, NM 87413

Postage	\$ 1.24
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$ 3.69</b>
Postmark or Date	6-18-97

PS Form 3800, April 1995