

DATE IN 8/15/97	SUSPENSE 9/4/97	ENGINEER DC	LOGGED BY KV	TYPE DHC
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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] 1677
- [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

AUG 15 1997

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.

Ann E. Ritchie  
Print or Type Name

Signature

Regulatory Agent  
Title

8-12-97  
Date

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88241 1980

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-107-A  
 New 3-12-96

DISTRICT II  
 811 South First St. Artesia NM 88210 2835

OIL CONSERVATION DIVISION

2040 S. Pacheco  
 Santa Fe, New Mexico 87505-6429

APPROVAL PROCESS:

Administrative  Hearing

DISTRICT III  
 1000 Rio Brazos Rd. Aztec, NM 87410 1693

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

YES  NO

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

Lease JICARILLA Well No A#10 Unit Ltr Sec Twp Rge L-30-T26N-R4W County RIO ARRIBA

OGRID NO. 005073 Property Code 18018 API NO. 30039-20117 Spacing Unit Lease Types: (check 1 or more)  
 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	PICTURED CLIFF 85920	MESA VERDE 72319	BASIN DAKOTA 71599
2. TOP and Bottom of Pay Section (Perforations)	3556' - 3584'	5621' - 5823'	7772' - 7986'
3. Type of production (Oil or Gas)	GAS	GAS	GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING	FLOWING	FLOWING
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a (Current) 334 PSIA	a. 590 PSIA	a. 726 PSIA
	b(Original) 1173 PSIA	b. 1369 PSIA	b. 2650 PSIA
6. Oil Gravity (*API) or Gas BT Content	1250	1294	1322
7. Producing or Shut-In?	PRODUCING	PRODUCING	SHUT IN
Production Marginal? (yes or no)  • If Shut-In give date and oil/gas/water rates of last production  Note For new zones with no production history applicant should be required to attach production estimates and supporting data  • If Producing, date and oil/gas/water rates of recent test (within 60 days)	YES	YES	YES
	Date Rates	Date Rates	Date Rates
	Date Rates EST. 10/97 109 MCFD 0 BOPD/0 BWPD	Date Rates EST. 10/97 15 MCFD 0 BOPD/0 BWPD	Date Rates EST. 10/97 37 MCFD 1 BOPD/0 BWPD
8. Fixed Percentage Allocation Formula - % for each zone	oil 0 % Gas 68 %	oil 1 % Gas 9 %	oil 99 % Gas 23 %

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 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 8-11-97  
 TYPE OR PRINT NAME Jerry W. Hoover TELEPHONE NO. (915) 686-6548

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND AVERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

Operator <b>SOUTHERN UNION PRODUCTION COMPANY</b>		Lease <b>JICARILLA "A"</b>		Well No <b>10</b>
Unit Letter <b>0</b>	Section <b>23</b>	Township <b>26 NORTH</b>	Range <b>4 WEST</b>	County <b>RIO ARRIBA</b>
Actual Footage Location of Well: <b>1080</b> feet from the <b>SOUTH</b> line and <b>1750</b> feet from the <b>EAST</b> line				
Ground Level Elev. <b>6933.0</b>	Producing Formation <b>Dakota Pictured Cliffs</b>	Pool <b>Basin Dakota Topsite Pictured Cliffs</b>	Dedicated Average: <b>E/2 320</b> Acres	

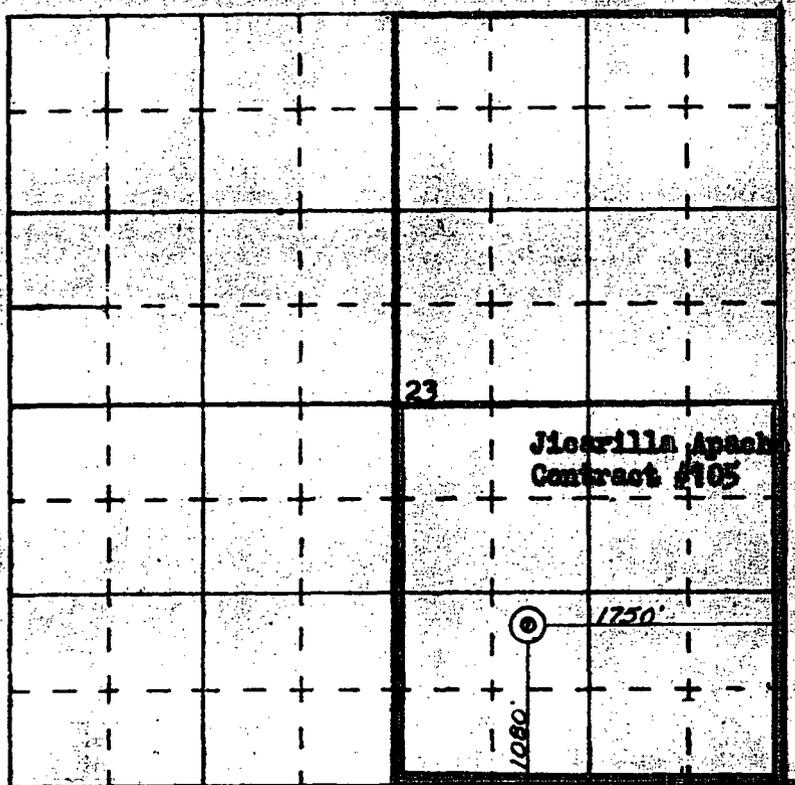
- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated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

( ) Yes ( ) No If answer is "yes," type of consolidation \_\_\_\_\_

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

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

————— **Dedicated Dakota Acreage**  
 ————— **Dedicated Pictured Cliffs Acreage**



SCALE—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

**CERTIFICATION**

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

ORIGINAL SIGNED BY  
B. R. VANDERSLICE  
 Name  
B. R. Vanderslice  
 Position  
Area Superintendent  
 Company  
Southern Union Production Co.  
 Date  
July 3, 1968

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.

8 May 1967  
 Date Surveyed  
 Registered Professional Engineer  
 and/or Land Surveyor



Certificate No. \_\_\_\_\_

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 10, 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

<sup>1</sup> API Number 30-039-20117		<sup>2</sup> Pool Code 72319		<sup>3</sup> Pool Name Blanco Mesa Verde	
<sup>4</sup> Property Code 013594		<sup>5</sup> Property Name Jicarilla A			<sup>6</sup> Well Number 10
<sup>7</sup> OGRID No. 014591		<sup>8</sup> Operator Name Merit Energy Company			<sup>9</sup> Elevation 6933.0

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	23	26N	4W		1080	South	1750	East	Rio Arriba

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

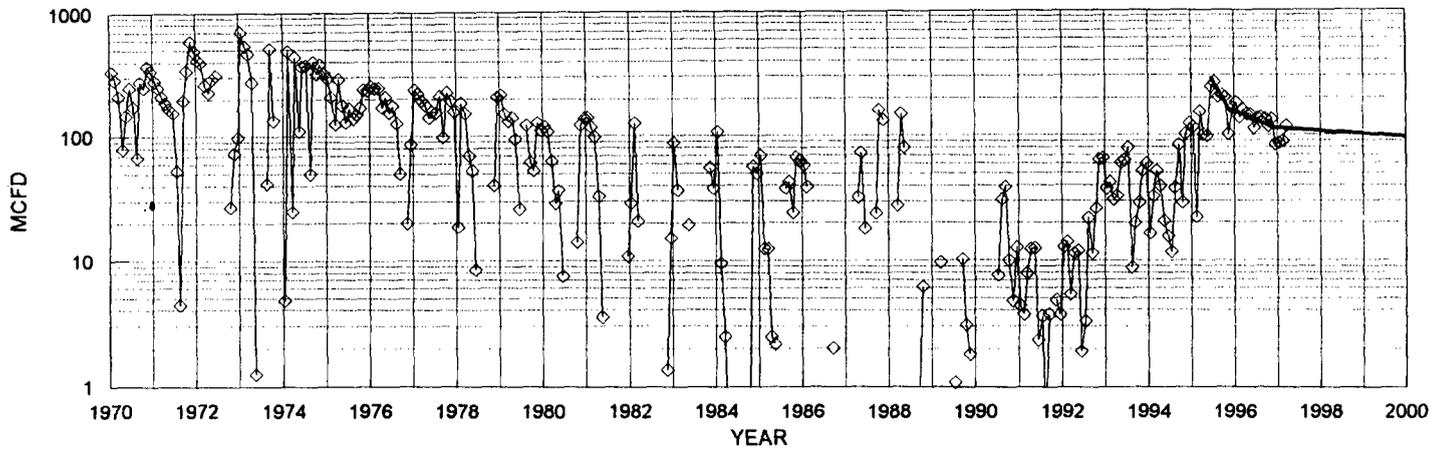
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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					<p><b><sup>17</sup> OPERATOR CERTIFICATION</b>  <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p>Signature  </p> <p>Printed Name            Sheryl J. Carruth</p> <p>Title            Regulatory Manager</p> <p>Date            11-9-94</p>	
					<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b>  <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></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>	
					<p>Certificate Number</p>	

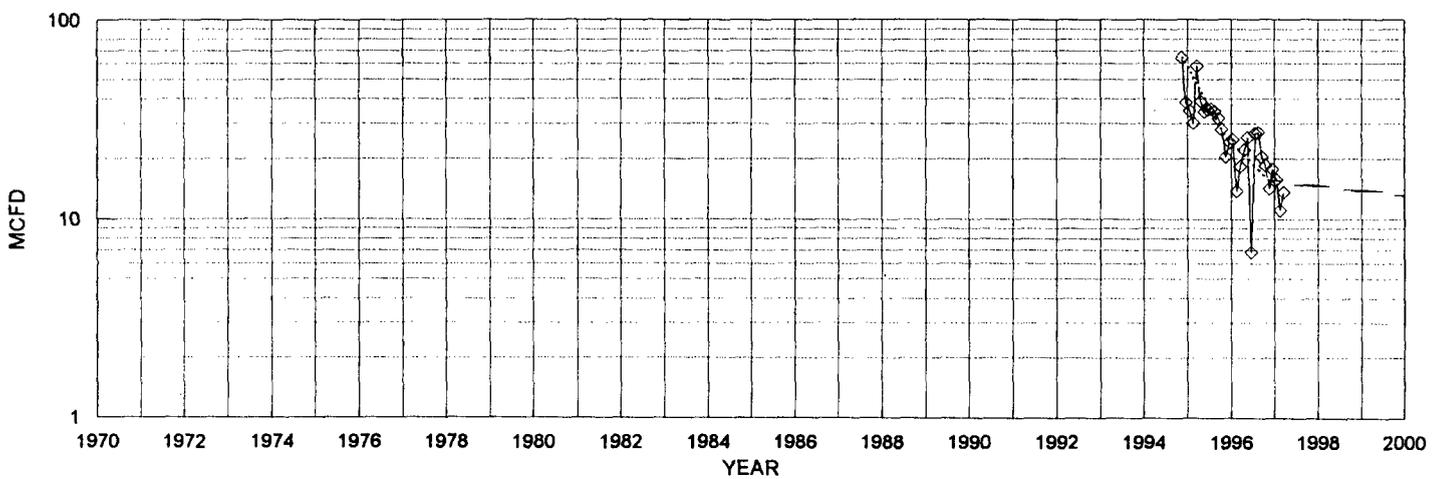
**JICARILLA A 10 PICTURED CLIFFS PRODUCTION  
SECTION 230-26N-04W**



◇ PICTURED CLIFFS MCFD — FIT MCFD

<b>HISTORICAL DATA:</b>	<b>1ST PROD: 11/68</b>	<b>PICTURED CLIFFS PROJECTED DATA</b>
OIL CUM:	0.00 MBO	10/1/97 Q1: 109 MCFD
GAS CUM:	1070.0 MMCF	DECLINE RATE: 5.0% (EXPONENTIAL 12/96 FORWARD)
OIL YIELD:	0.0000 BBL/MCF	

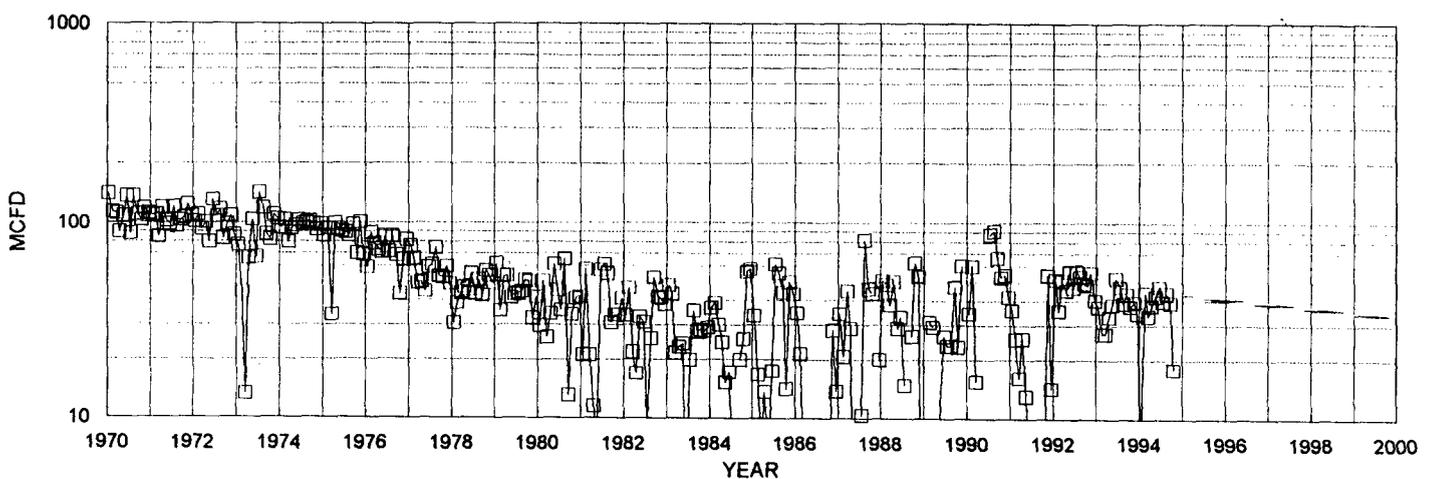
**JICARILLA A 10 MESAVERDE PRODUCTION  
SECTION 230-26N-04W**



◇ MESAVERDE MCFD — FIT MCFD

<b>HISTORICAL DATA</b>	<b>1ST PROD: 11/94</b>	<b>MESAVERDE PROJECTED DATA</b>
OIL CUM:	0.0 MBO	10/1/97 Q1: 15 MCFD
GAS CUM:	23.9 MMCF	DECLINE RATE: 5.0% (EXPONENTIAL)
OIL YIELD:	0.0009 BBL/MCF	

**JICARILLA A 10 DAKOTA PRODUCTION  
SECTION 230-26N 04W**



□ DAKOTA MCFD — FIT MCFD

<b>HISTORICAL DATA</b>	<b>1ST PROD: 11/68</b>	<b>DAKOTA PROJECTED DATA</b>
OIL CUM:	17.2 MBO	10/1/97 Q1: 37 MCFD
GAS CUM:	526.5 MMCF	DECLINE RATE: 5.0% (EXPONENTIAL)
OIL YIELD:	0.0326 BBL/MCF	

<b>FIXED COMMINGLE ALLOCATION FACTORS:</b>		
	<b>GAS</b>	<b>OIL</b>
<b>PICTURED CLIFFS</b>	68%	0%
<b>MESAVEREDE</b>	9%	1%
<b>DAKOTA:</b>	23%	99%

OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS

Conoco, Inc.  
Jicarilla, Well #A10  
Rio Arriba, 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

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

*Alvin F. Fitch*