

DATE IN 1/30/98	SUSPENSE 2/19/98	ENGINEER DC	LOGGED BY KW	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

1826

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

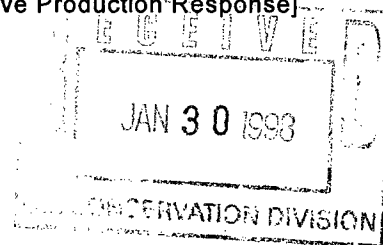
Check One Only for [B] and [C]

[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.

Kay Maddox
Print or Type Name

Kay Maddox
Signature

Regulatory Agent
Title

Jan 28, '98
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

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

APPLICATION FOR DOWNHOLE COMMINGLING

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

Conoco Inc.

10 Desta Dr. Ste 100W, Midland, Tx. 79705-4500

Operator

Address

San Juan 28-7 Unit

220M

Section 22, T-28-N, R-7-W, F

Rio Arriba

Lease

Well No

Unit Ltr Sec Twp Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 005073 Property Code 016608 API NO. 30-039-25398 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	Blanco Mesaverde (72319)		Basin Dakota (71599)
2. TOP and Bottom of Pay Section (Perforations)	5116-6068'		7742-7944'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure	a (Current)	a.	a.
Oil Zones - Artificial Lift: Estimated Current	340 PSI		580 PSI
Gas & Oil - Flowing: Measured Current	b(Original)	b.	b.
All Gas Zones: Estimated Or Measured Original	1190 psi		2900 PSI
6. Oil Gravity (*API) or Gas BT Content	1238		1139
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	Date Rates	Date Rates	Date Rates
Note: For new zones with no production history applicant shall be required to attach production estimates and supporting data			
• If Producing, date and oil/gas/water rates of recent test (within 60 days)	Date Rates 1/1/98 289 MCF, 5.78 BO, 0 BW	Date Rates 1/1/98 235 MCF, .32 BO, 0 BW	
8. Fixed Percentage Allocation Formula - % for each zone	oil: 95 % Gas 55 %	oil: % Gas %	oil: 5 % Gas 45

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). ☒ Order # R 10476 - B

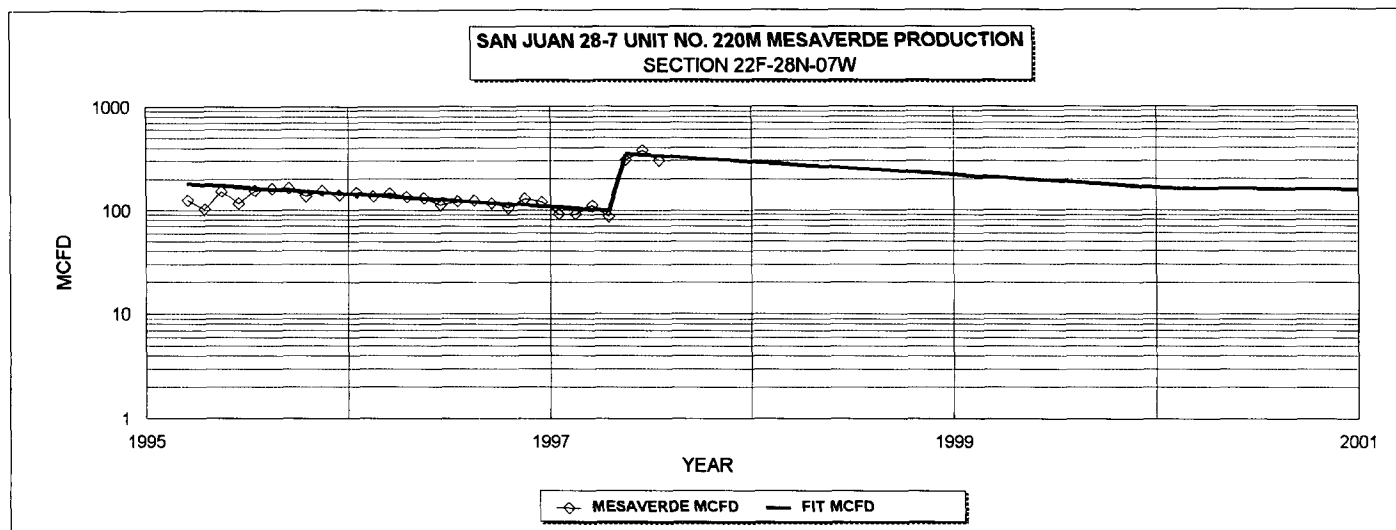
16. ATTACHMENTS

- * 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.

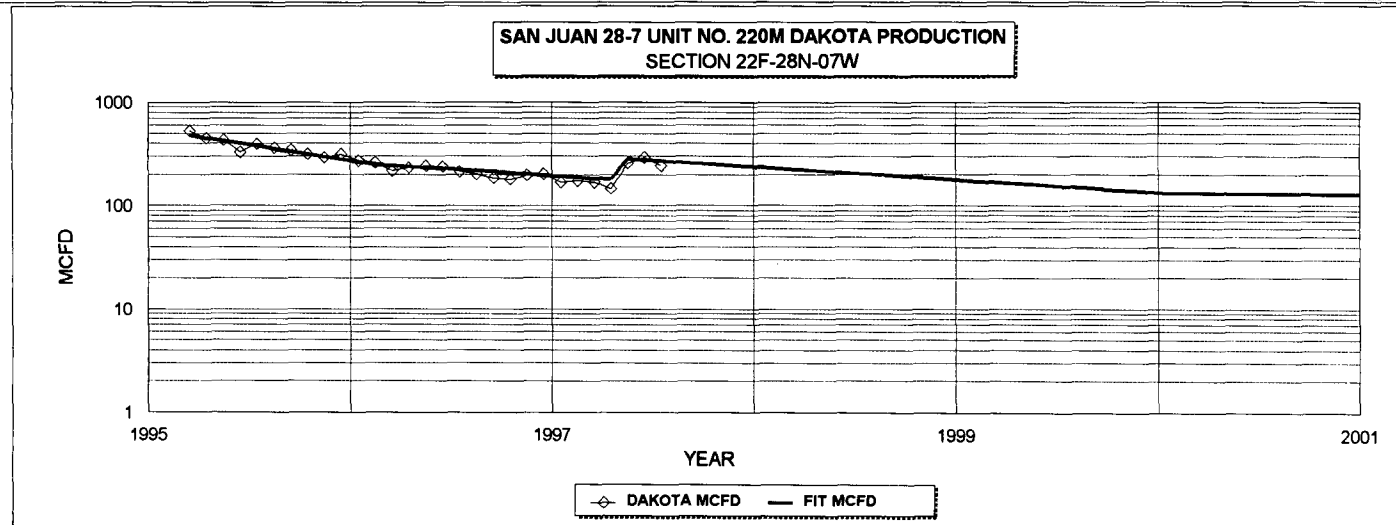
SIGNATURE Kay Maddox TITLE Regulatory Agent DATE January 28, 1998

TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798



MESAVERDE HISTORICAL DATA: 1ST PROD: 3/95
 OIL CUM: 2.60 MBO
 GAS CUM: 130.2 MMCF
 OIL YIELD: 0.0200 BBL/MCF

MESAVERDE PROJECTED DATA
 1/1/98 Qi: 289 MCFD
 DECLINE RATE: 25.0% THROUGH 1/2000
 3.5% FINAL DECLINE



DAKOTA HISTORICAL DATA 1ST PROD: 3/95
 OIL CUM: 0.3 MBO
 GAS CUM: 239.2 MMCF
 OIL YIELD: 0.0014 BBL/MCF

DAKOTA PROJECTED DATA
 1/1/98 Qi: 235 MCFD
 DECLINE RATE: 25.0% THROUGH 1/2000
 3.5% FINAL DECLINE

FIXED COMMINGLE ALLOCATION FACTORS:

	GAS	OIL
DAKOTA	45%	5%
MESAVERDE	55%	95%

GAS ALLOCATION BASED ON TABLE AT RIGHT
OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS

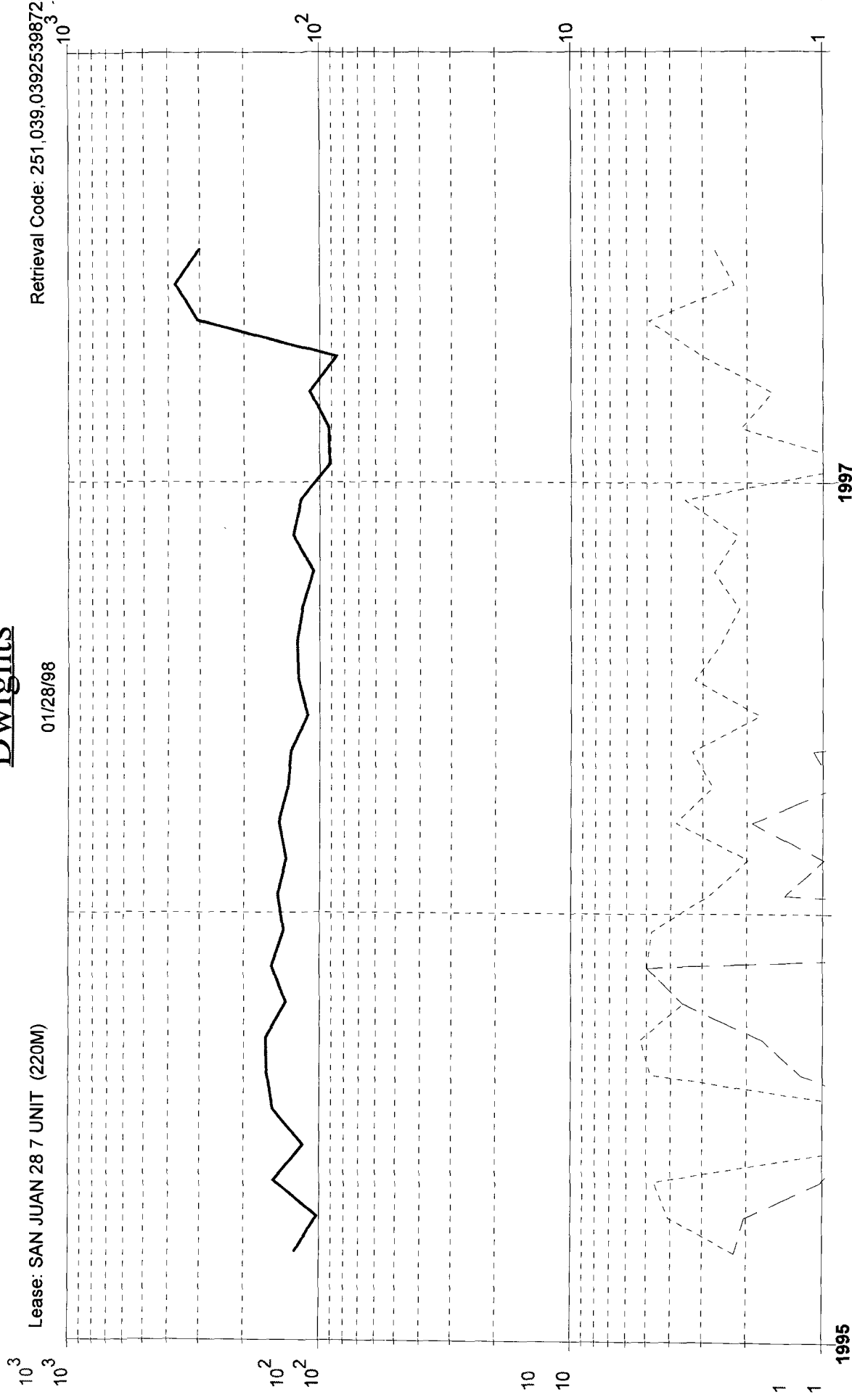
NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGY DATA

Dwights

Lease: SAN JUAN 28 7 UNIT (220M)

Retrieval Code: 251,039,0392539872319

01/28/98



Gas (mcf/day)

Oil (bbl/day)

Water (bbl/day)

County: RIO ARRIBA, NM

F.P. Date: 03/95

Field: BLANCO (MESAVERDE) MV

Oil Cum: 2599 bbl

Reservoir: MESAVERDE

Gas Cum: 130.2 mmcf

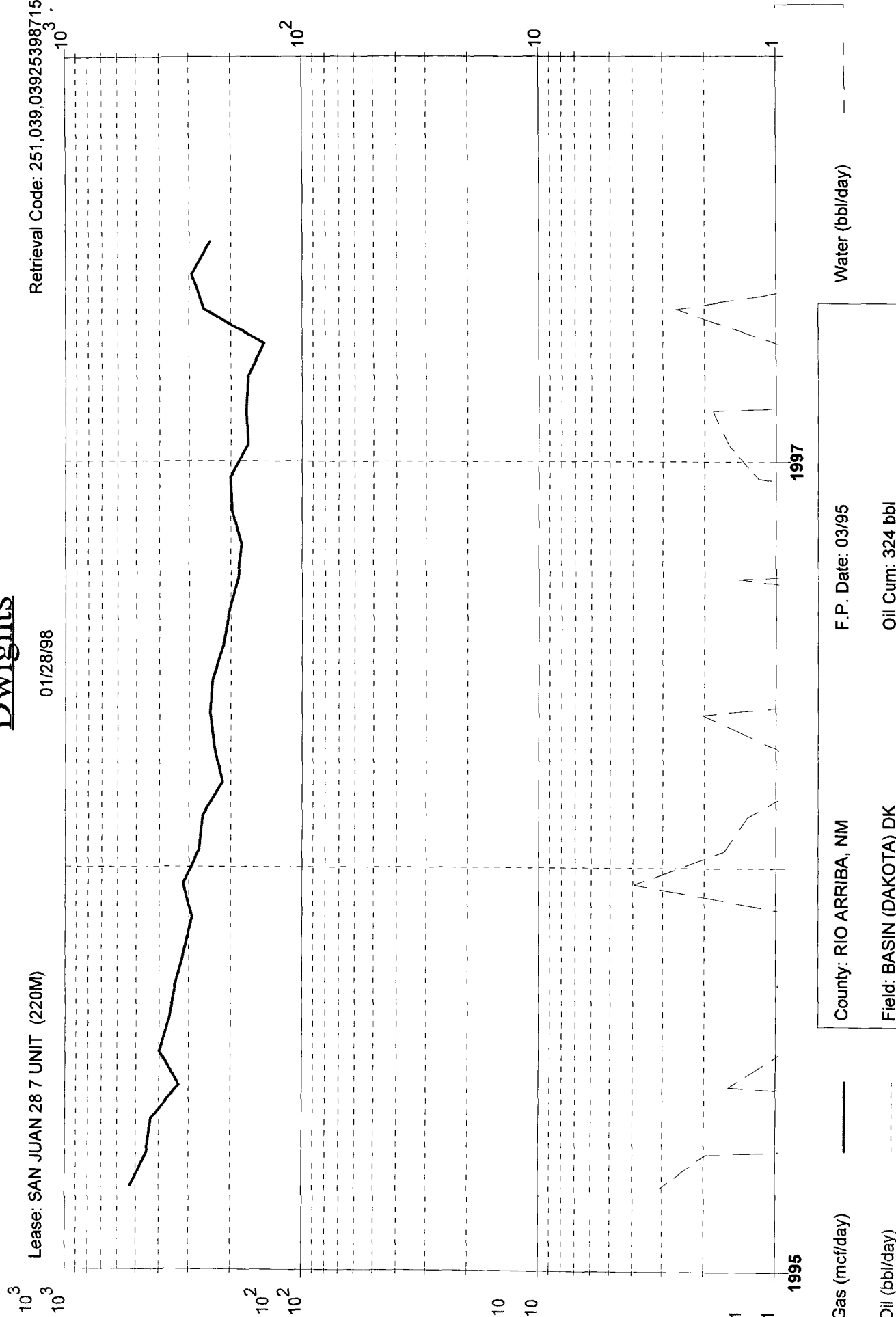
Operator: CONOCO INC

Location: 22F 28N 7W

Retrieval Code: 251,039,0392539871599

01/28/98

Lease: SAN JUAN 28 7 UNIT (220M)



F.P. Date: 03/95

Oil Cum: 324 bbl

Gas Cum: 239.2 mmcf

Location: 22F 28N 7W

County: RIO ARRIBA, NM

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

Operator: CONOCO INC

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 21, 1987

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-25398	² Pool Code 72319	³ Pool Name Blanco Mesaverde
⁴ Property Code 001013	⁵ Property Name San Juan 28-7 Unit	⁶ Well Number 220M
⁷ OGRID No. 000778	⁸ Operator Name AMOCO PRODUCTION COMPANY	⁹ Elevation 6807'

¹⁰ Surface Location

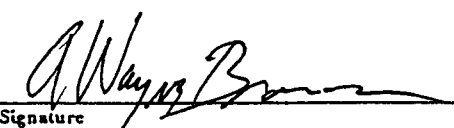
UL or lot no. F	Section 22	Township 28N	Range 7W	Lot Idn	Feet from the 1490	North/South line North	Feet from the 1800	East/West line West	County Rio Arriba
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 320	¹³ Joint or Infill Y	¹⁴ Consolidation Code	¹⁵ 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 1490 FNL 1800 FWL SECTION 22	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 A. Wayne Branam Printed Name Business Analyst Title 092994 Date
	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> October 15, 1993 Date of Survey Signature and Seal of Professional Surveyor: On File 7016 Certificate Number

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 21, 1997

Instructions on back
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State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-25398		2 Pool Code 71599		3 Pool Name Basin Dakota		
4 Property Code 001013		5 Property Name San Juan 28-7 Unit			6 Well Number 220M	
7 OGRID No. 000778		8 Operator Name Amoco Production Company			9 Elevation 6807'	

10 Surface Location

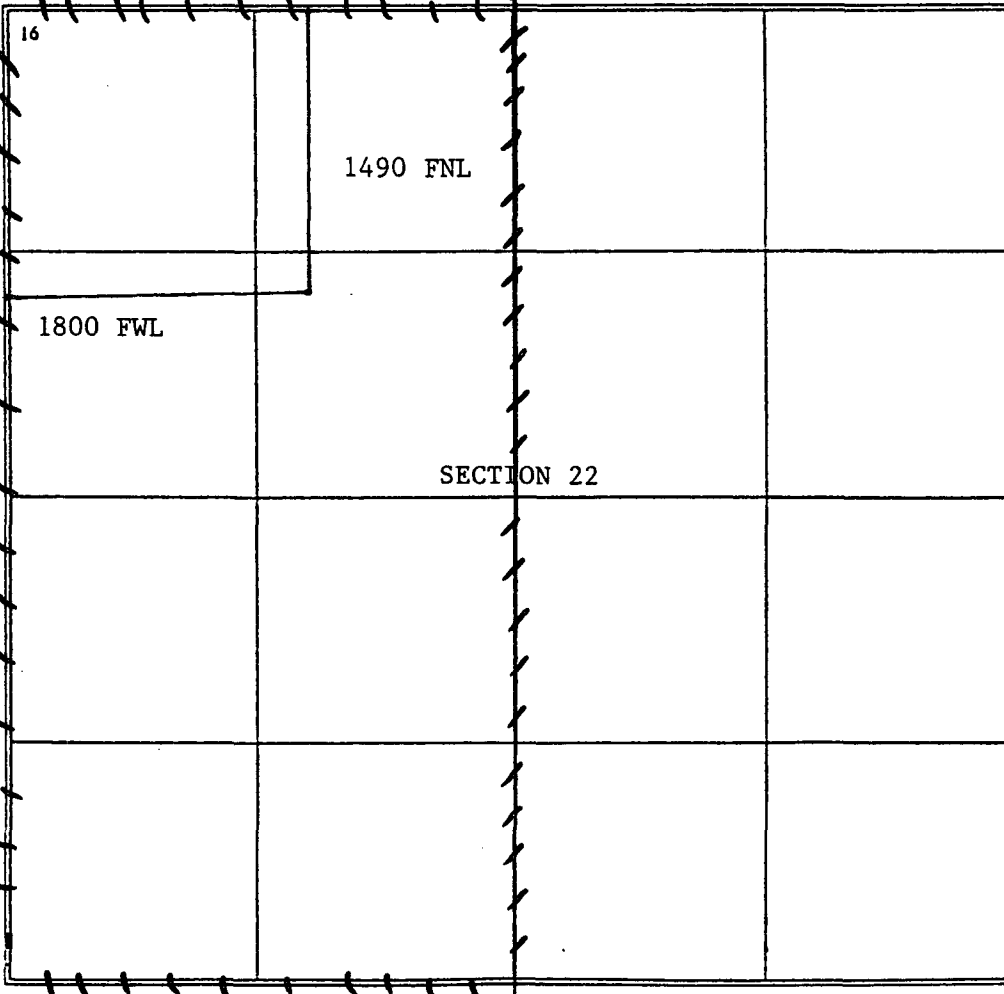
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	22	28N	7W		1490	North	1800	West	Rio Arriba

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 Y	14 Consolidation Code	15 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				17 OPERATOR CERTIFICATION			
				I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief			
				Signature A. Wayne Branam			
				Printed Name Business Analyst			
				Title Date 092994			
				18 SURVEYOR CERTIFICATION			
				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.			
				Date of Survey October 15, 1993			
				Signature and Seal of Professional Surveyor: On file 7016 Certificate Number			

San Juan Unit 28-7 Well # 220M

Offset Operators:

El Paso Energy Corp.
1001 Louisiana
Houston, TX 77002

Amoco
PO Box 800
Denver, CO. 80201