

DATE IN. 2/19/98	SUSPENSE 3/11/98	ENGINEER DC	LOGGED BY MW	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1845

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

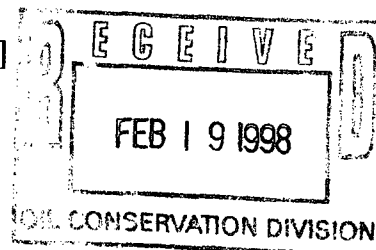
Check One Only for [B] and [C]

[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

2/16/98
Date

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 Jicarilla 22 Well No 6 Unit Ltr Sec Twp Rge Section 22, T-25-N, R-4-W, A County Rio Arriba

OGRID NO. 005073 Property Code 003203 API NO. 30-039-20442 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	Blanco Mesaverde 72319		Lindrith Gallup-Dakota, West 39189
2. TOP and Bottom of Pay Section (Perforations)	5702-5884'		6835-7990'
3. Type of production (Oil or Gas)	Gas		Oil
4. Method of Production (Flowing or Artificial Lift)	To pump		Artificial Lift
5. Bottomhole Pressure	a (Current)	a.	a.
Oil Zones - Artificial Lift: Estimated Current	583		860
Gas & Oil - Flowing: Measured Current	b (Original)	b.	b.
All Gas Zones: Estimated Or Measured Original	1314		2644
6. Oil Gravity (°API) or Gas BT Content	1269		1269
7. Producing or Shut-In?	To be Completed		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 Production to be allocated by subtraction - See attached table	Date Rates	Date Rates Est 7/98 40 MCFD, 1.1 BOPD, 0 BOPD
8. Fixed Percentage Allocation Formula - % for each zone	oil: % Gas %	oil: % Gas %	oil: % Gas %

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 communized 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

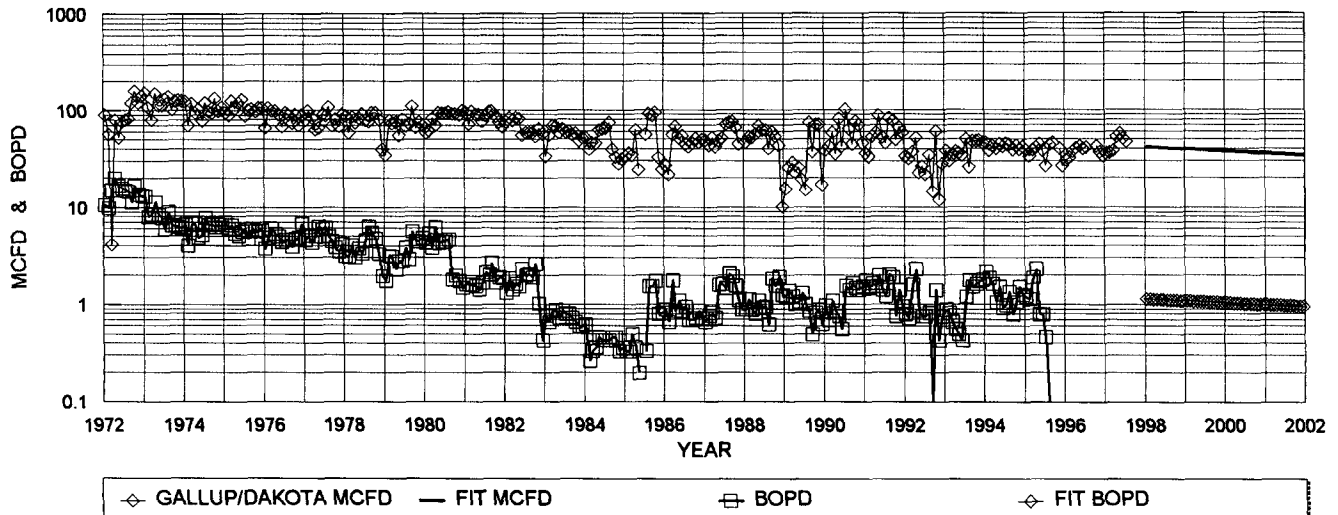
- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation 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 Kay Maddox TITLE Regulatory Agent DATE February 16, 1998

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

JICARILLA 22 NO. 6 GALLUP/DAKOTA PRODUCTION
SECTION 22A-25N-04W



GALLUP DAKOTA HISTORICAL DATA: 1ST PROD: 01/72

OIL CUM: 26.04 MBO
 GAS CUM: 596.0 MMCF
 CUM OIL YIELD: 0.0437 BBL/MCF
 OIL YIELD: 0.0116 BBL/MCF, LAST 3 YRS
 AVG. USED: 0.0277 BBL/MCF

PROJECTED DATA

7/1/98 Qi: 40 MCFD
 DECLINE RATE: 4.6% (EXPONENTIAL)

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
1998	40	1.1
1997	38	1.1
1996	36	1.0
1995	35	1.0
2000	33	0.9
2001	32	0.9
2002	30	0.8
2003	29	0.8
2004	27	0.8
2005	26	0.7
2006	25	0.7
2007	24	0.7
2008	23	0.6
2009	22	0.6
2010	21	0.6
2011	20	0.5
2012	19	0.5
2013	18	0.5
2014	17	0.5
2015	16	0.5
2016	16	0.4
2017	15	0.4
2018	14	0.4
2019	13	0.4
2020	13	0.4
2021	12	0.3
2022	12	0.3
2023	11	0.3
2024	11	0.3
2025	10	0.3
2026	10	0.3
2027	9	0.3
2028	9	0.2
2029	8	0.2
2030	8	0.2

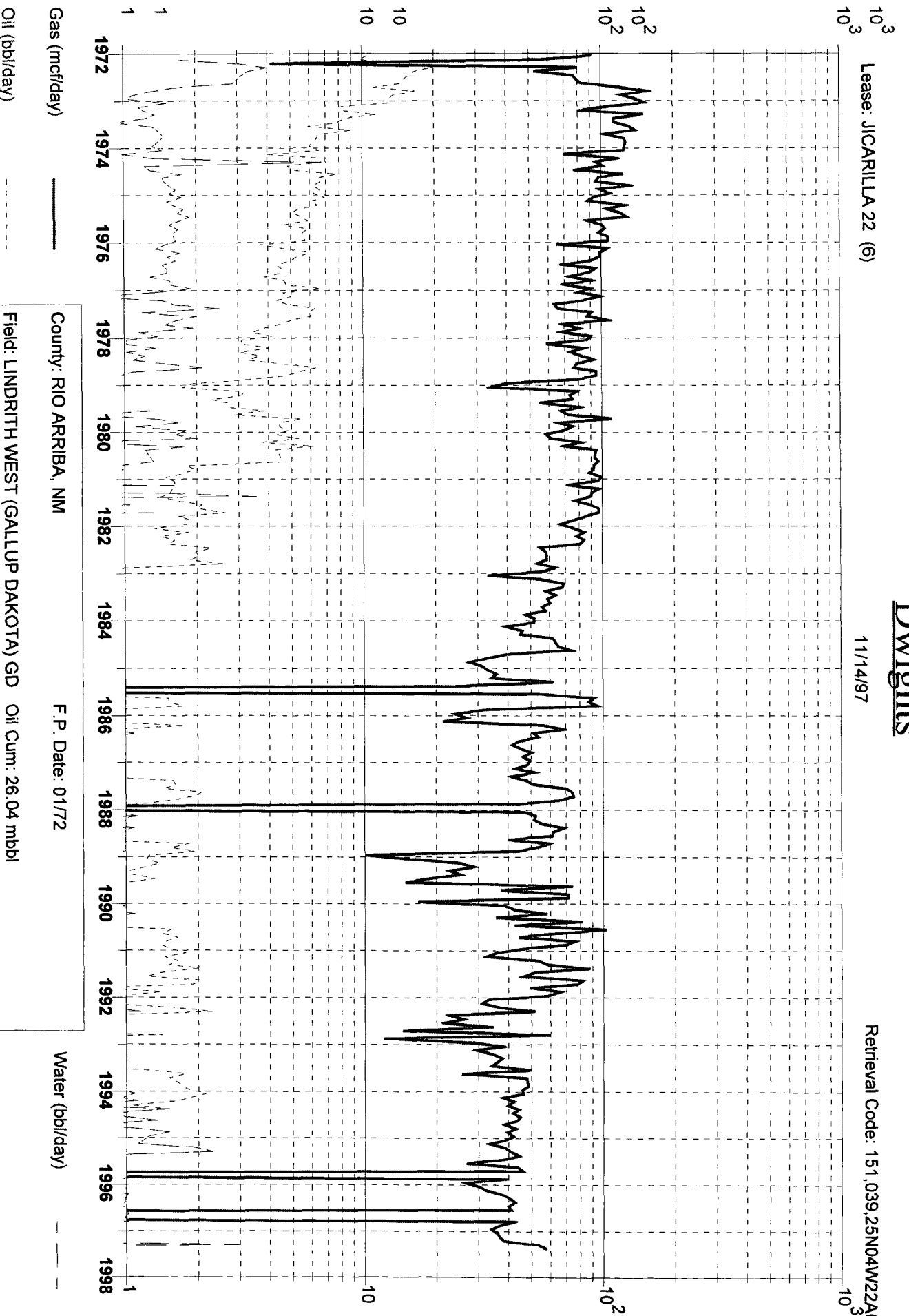
PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

Dwights

Lease: JICARILLA 22 (6)

11/14/97

Retrieval Code: 151,039,25N04W22A00GD



County: RIO ARriba, NM

F.P. Date: 01/72

Field: LINDRITH WEST (GALLUP DAKOTA) GD

Oil Cum: 26.04 mbbl

Reservoir: GALLUP DAKOTA

Gas Cum: 593.1 mmcf

Operator: CONOCO INC

Location: 22A 25N 4W

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Revised February 21, 1994
instructions on back

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

Submit to Appropriate District Office

District III
1000 Rio Brazos Rd. Aztec, NM 87410

PO Box 2088

State Lease - 4 Copies

District IV
PO Box 2088, Santa Fe, NM 87504-2088

Santa Fe, NM 87504-2088

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-20442		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 003203		5 Property Name Jicarilla 22			6 Well Number #6
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 7112' GL

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
A	22	25N	4W		830	North	670	East	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	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 	
				Printed Name Kay Maddox Title Regulatory Agent Date 2/16/98	
			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 Signature and Seal of Professional Surveyor:		
			Certificate Number		

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

All distances must be from the outer boundaries of the Section

Operator CONTINENTAL OIL COMPANY		Lease JICARILLA 22		Well No 6	
Unit Letter A	Section 22	Township 25 NORTH	Range 4 WEST	County RIO ARriba	
Actual Footage Location of Well: 830 feet from the NORTH line and 670 feet from the EAST line					
Ground Level Elev. 7112.0	Producing Formation	Pool	Dedicated Acreage: <div style="text-align: right;">Acres</div>		

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

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 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.

Name _____
 Position _____
 Company _____
 Date _____

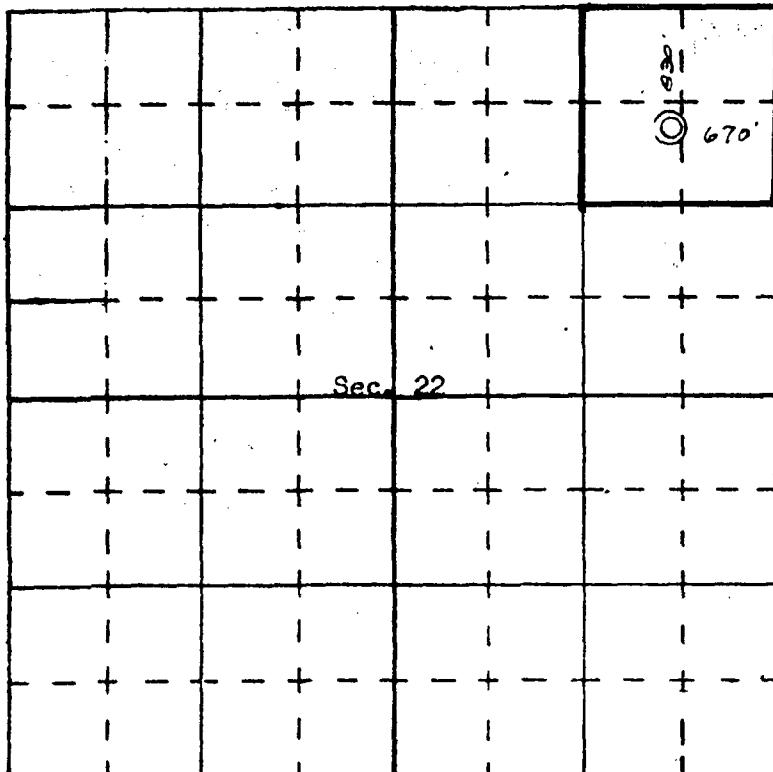
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

20 November, 1971
 Date Surveyed
James P. Lease
 Registered Professional Engineer
 and/or Land Surveyor

JAMES P. LEASE

1463

Certificate No.



SCALE—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

Conoco, Inc.
Jicarilla 22 #6
Section 22, T-25-N, R-4-W, A
Rio Arriba County, New Mexico

Re: Application for Downhole Commingling

Offset Operators:

Burlington Resources Oil & Gas
PO Box 4289
Farmington, New Mexico 87499

Robert L. Bayless
PO Box 168
Farmington, New Mexico 87499

Chace Oil Co. Inc.
5577 S Lewis
Tulsa, Oklahoma 74105

M&W Petroleum Corp.
200 Post Oak Blvd Ste 100
Houston, Tx 77056-4400