

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

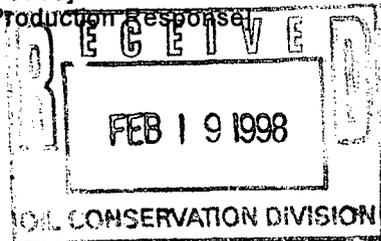
1847

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

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

APPROVAL PROCESS:

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

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 22 Well No 8 Unit Ltr Sec Twp Rge Section 16, T-25-N, R-4-W, I County Rio Arriba

OGRID NO. 005073 Property Code 003203 API NO. 30-039-21280 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)	5656-5832'		6836-7947'
3. Type of production (Oil or Gas)	Gas		Oil
4. Method of Production (Flowing or Artificial Lift)	To be pumped		Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a (Current) 583	a.	a. 860
	b(Original) 1314	b.	b. 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 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	Date Rates	Date Rates
	Production to be allocated by subtraction - See Attached table	Date Rates	Est 7/98 61 MCFD, 1.2 BOPD, 0 BWPD
8. Fixed Percentage Allocation Formula - % or 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 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

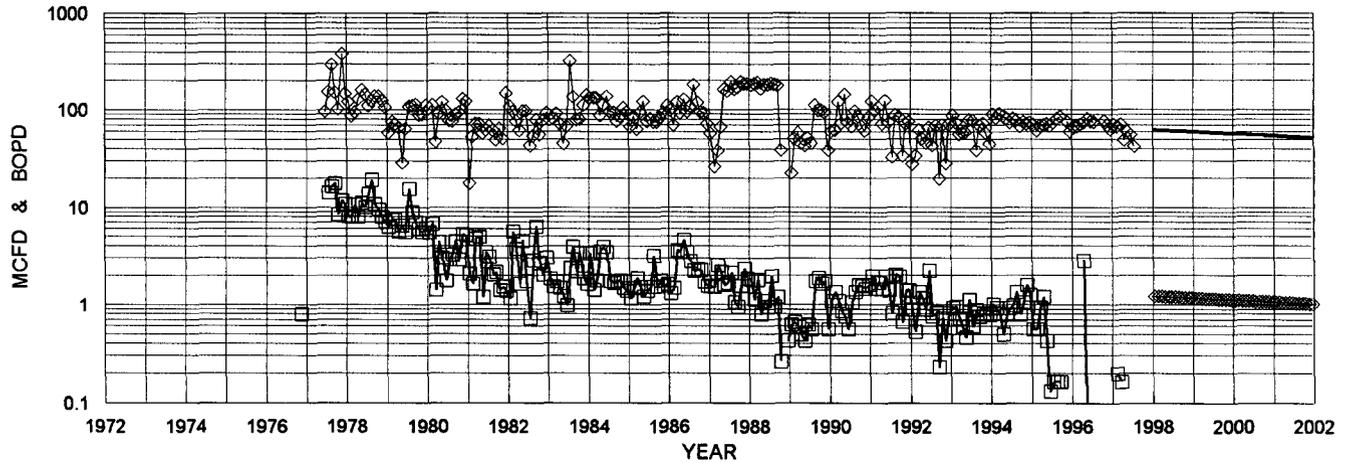
- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation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

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

**JICARILLA 22 NO. 8 GALLUP/DAKOTA PRODUCTION
SECTION 16I-25N-04W**



◇ GALLUP/DAKOTA MCFD — FIT MCFD □ BOPD - - - FIT BOPD

GALLUP DAKOTA HISTORICAL DATA: 1ST PROD: 11/76

OIL CUM: 18.90 MBO
GAS CUM: 664.0 MMCF
CUM OIL YIELD: 0.0285 BBL/MCF
OIL YIELD: 0.0104 BBL/MCF, LAST 6 YRS
AVG. USED: 0.0195 BBL/MCF

PROJECTED DATA

7/1/98 Qi: 61 MCFD
DECLINE RATE: 4.6% (EXPONENTIAL)

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
1998	60	1.2
1997	58	1.1
1998	55	1.1
1999	53	1.0
2000	50	1.0
2001	48	0.9
2002	46	0.9
2003	44	0.8
2004	42	0.8
2005	40	0.8
2006	38	0.7
2007	36	0.7
2008	34	0.7
2009	33	0.6
2010	31	0.6
2011	30	0.6
2012	28	0.6
2013	27	0.5
2014	26	0.5
2015	25	0.5
2016	24	0.5
2017	23	0.4
2018	21	0.4
2019	20	0.4
2020	20	0.4
2021	19	0.4
2022	18	0.3
2023	17	0.3
2024	16	0.3
2025	15	0.3
2026	15	0.3
2027	14	0.3
2028	13	0.3
2029	13	0.2
2030	12	0.2

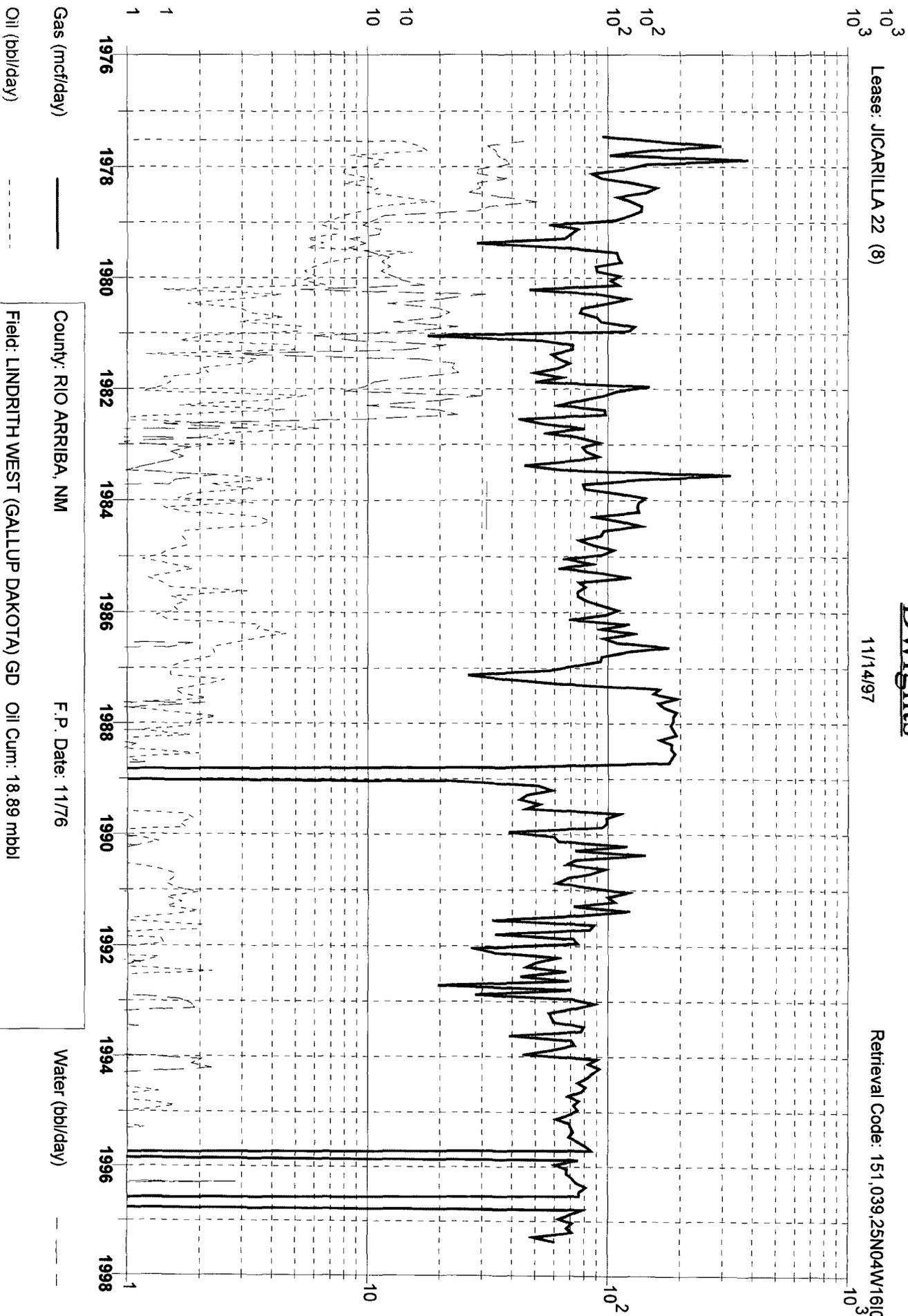
PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

Dwights

Lease: JICARILLA 22 (8)

11/14/97

Retrieval Code: 151,039,25N04W16100GD



Gas (mcf/day)

Oil (bbl/day)

County: RIO ARRIBA, NM

Field: LINDRITH WEST (GALLUP DAKOTA) GD Oil Cum: 18.89 mbbl

Reservoir: GALLUP DAKOTA

Gas Cum: 661.1 mmcf

Operator: CONOCO INC

Location: 161 25N 4W

F.P. Date: 11/76

Water (bbl/day)

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
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd. Aztec, NM 87410

PO Box 2088
Santa Fe, NM 87504-2088

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-21280		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code 003203		5 Property Name Jicarilla 22			6 Well Number #8
7 OGRID No. 005073		8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500			9 Elevation 7103' GL

10 Surface Location

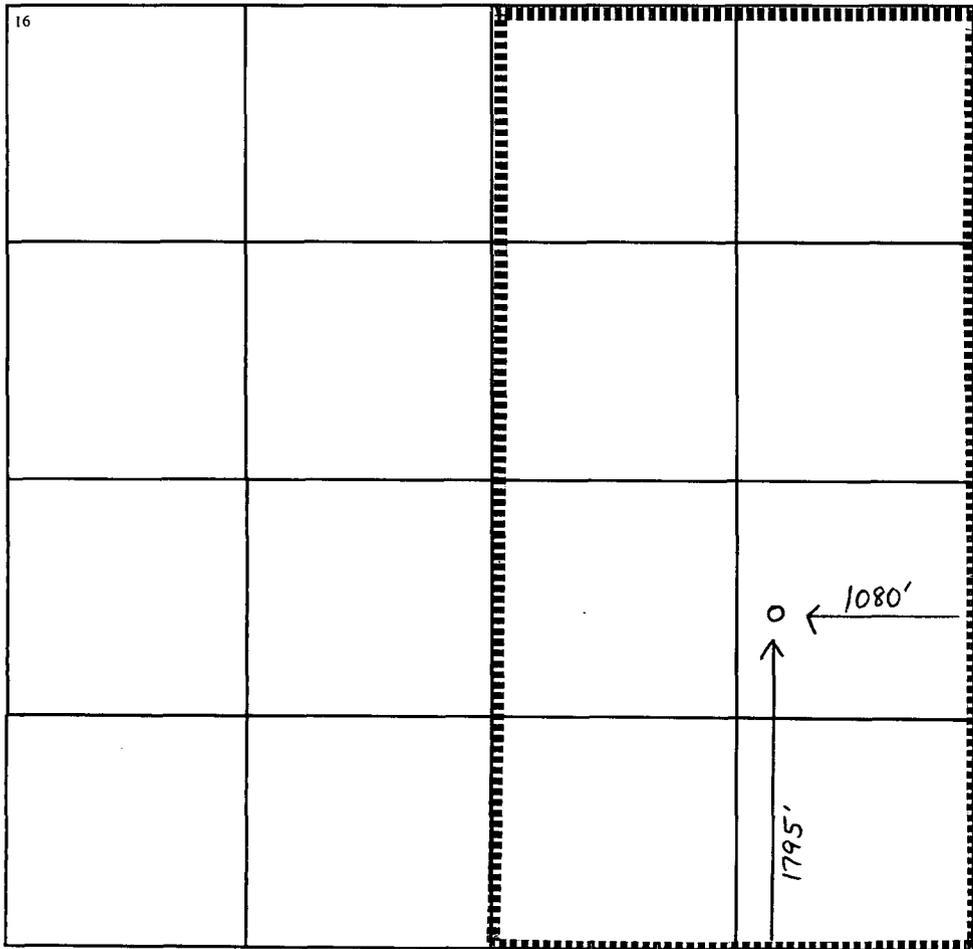
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	16	25N	4W		1795	South	1080	East	Rio Arriba

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



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

Kay Maddox
Signature
Kay Maddox
Printed Name
Regulatory Agent
Title
Feb. 14, 1998
Date

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

File

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. 8
Unit Letter I	Section 16	Township 25 NORTH	Range 4 WEST	County RIO ARRIBA	
Actual Footage Location of Well: 1795 feet from the SOUTH line and 1080 feet from the EAST line					
Ground Level Elev. 7103	Producing Formation	Pool	Dedicated Acreage: Acres		

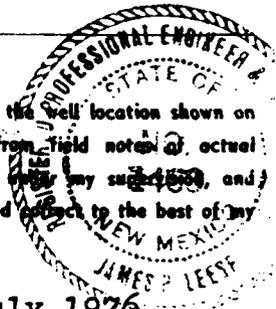
- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
 - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
 - If more than one lease of different ownership is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

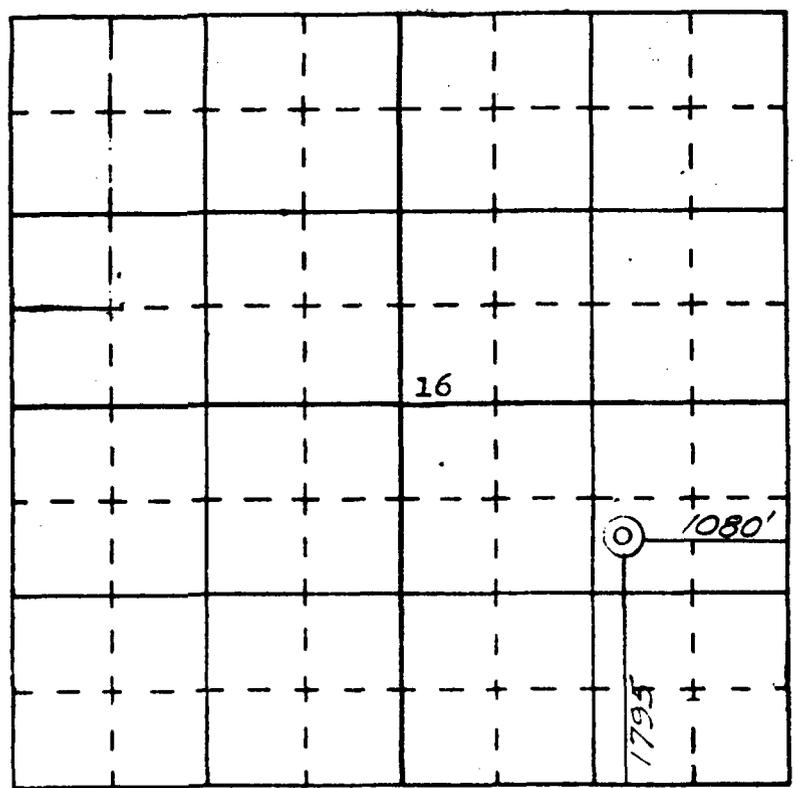
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

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.



Date Surveyed 27 July 1976
 Registered Professional Engineer and/or Land Surveyor James P. Leese



Certificate No. 1463

**Conoco, Inc.
Jicarilla 22 #8
Section 16, T-25-N, R-4-W,1
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



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501



DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO

RECEIVED	
HOBBS DIVISION	
STATE GEOLOGIST	
SEP 7 76	
EMERY C. ARNOLD	
	Note Noted No.
Div. Manager	
Div. Engr.	
Cons'v. Coord.	✓ A
Sup. Prod. Eng.	
Sup. Resv. Eng.	
Prod. Supt.	
Adm. Supv.	
Sys. Supv.	
Coord. Env. Afr	
Div. O.f. Mgr.	
WAR	✓ WAB
DEB	✓ DEB
File	✓

September 2, 1976

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico 88240

Attention: Mr. L. P. Thompson

Administrative Order NSL-790

Gentlemen:

Reference is made to your application for approval of a non-standard location for your Jicarilla 22 Well No. 8, located 1795 feet from the South line and 1080 feet from the East line of Section 16, Township 25 North, Range 4 West, NMPM, West Lindrith-Dakota Pool, Rio Arriba County, New Mexico.

By authority granted me under the provisions of Rule 5 of Order No. R-4314, the above-described unorthodox location is hereby approved.

Very truly yours,

JOE D. RAMEY,
Secretary-Director

JDR/JEK/dr

cc: Oil Conservation Commission - Aztec
Oil & Gas Engineering Committee - Hobbs