

DATE IN 7/8/98	SUSPENSE 7/28/98	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 -

2040 South Pacheco, Santa Fe, NM 87505



2059

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATION FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

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

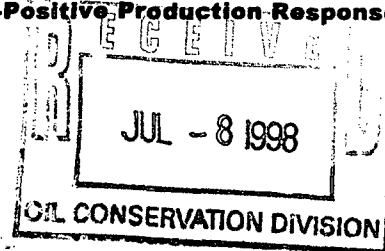
Check One Only for [B] or [C]

[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 - Certification

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 (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

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 87505-6429Form C-107-A
New 3-12-96

APPROVAL PROCESS :

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☒ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Burlington Resources Oil & Gas Company

PO Box 4289, Farmington, NM 87499

Operator

Address

San Juan 27-4 Unit

70M

E 04-27N-04W

Rio Arriba

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 14538 Property Code 7452 API NO. 30-039-not assigned 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)	will be supplied upon completion		will be supplied upon completion
3. Type of production (Oil or Gas)	gas		gas
4. Method of Production (Flowing or Artificial Lift)	flowing		flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	(Current) a. 614 psi (see attachment) (Original) b. 1415 psi (see attachment)	a. b.	a. 1118 psi (see attachment) b. 3182 psi (see attachment)
6. Oil Gravity (API) or Gas BTU Content	BTU 1182		BTU 1015
7. Producing or Shut-In?	shut in		shut in
Production Marginal? (yes or no)	no		yes
* If Shut-In 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	Date: n/a Rates:	Date: Rates:	Date: n/a Rates:
* If Producing, give data and oil/gas/water water of recent test (within 60 days)	Date: n/a Rates:	Date: Rates:	Date: n/a Rates:
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: % Gas: % will be supplied upon completion	Oil: % Gas: % 	Oil: % Gas: % will be supplied upon completion

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 ☐ No11. 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 other? ☒ Yes ☐ No13. 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).

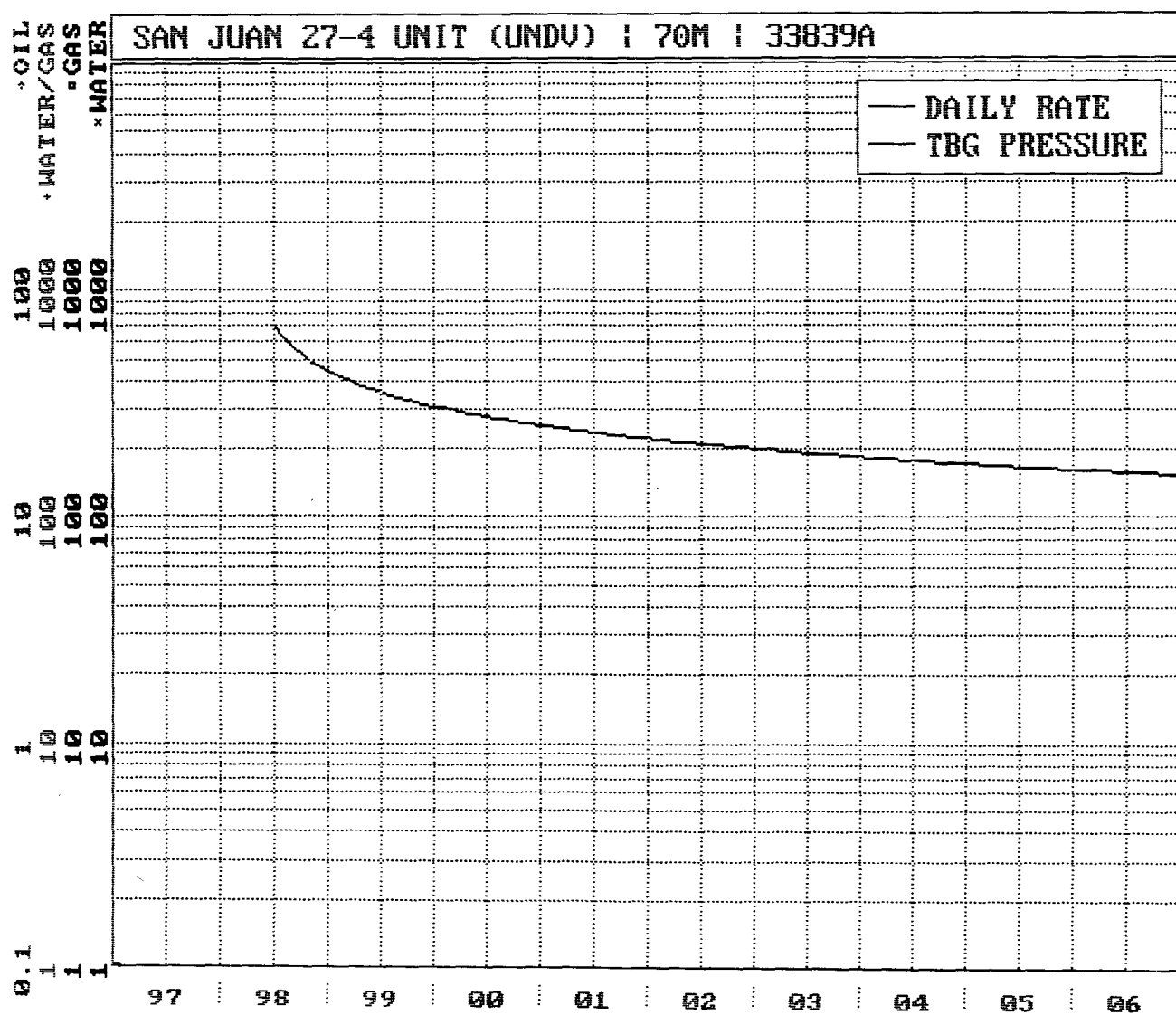
16. ATTACHMENTS:

- * 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.

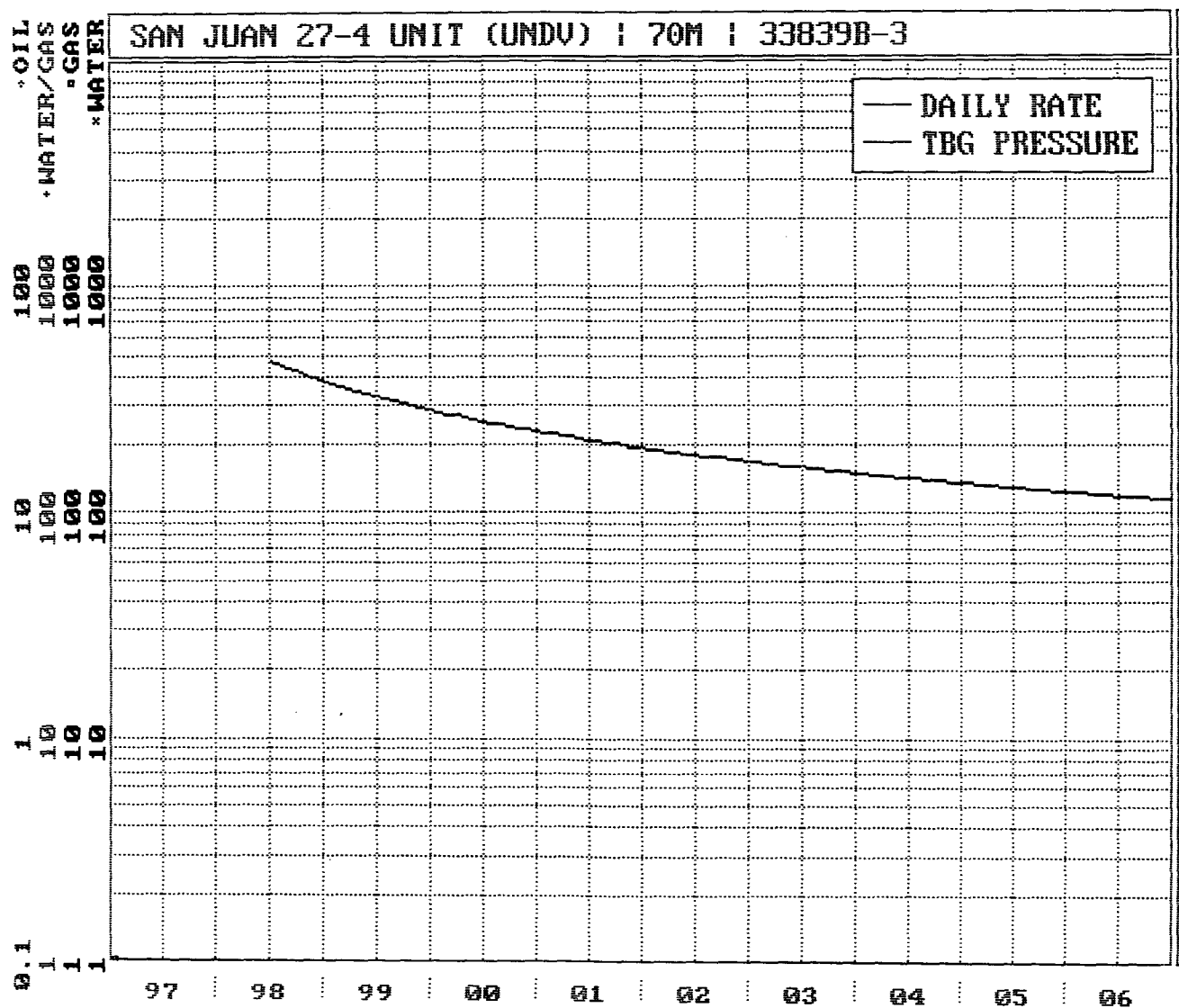
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Sean Woolverton TITLE: Reservoir Engineer DATE: 06-29-98TYPE OR PRINT NAME Sean Woolverton TELEPHONE NO. (505) 326-9700

San Juan 27-4 Unit #70M
Expected Production Curve
Blanco Mesaverde



San Juan 27-4 Unit #70M
Expected Production Curve
Basin Dakota



SJ 27-4 Unit #70M
Bottom Hole Pressures
Flowing and Static BHP
Cullender and Smith Method
Version 1.0 3/13/94

Mesaverde		Dakota	
<u>MV-Current</u>		<u>DK-Current</u>	
GAS GRAVITY	0.693	GAS GRAVITY	0.598
COND. OR MISC. (C/M)	C	COND. OR MISC. (C/M)	C
%N2	0.14	%N2	0.36
%CO2	1.01	%CO2	1.71
%H2S	0	%H2S	0
DIAMETER (IN)	2.375	DIAMETER (IN)	1.5
DEPTH (FT)	6593	DEPTH (FT)	8586
SURFACE TEMPERATURE (DEG F)	60	SURFACE TEMPERATURE (DEG F)	60
BOTTOMHOLE TEMPERATURE (DEG F)	137	BOTTOMHOLE TEMPERATURE (DEG F)	198
FLOWRATE (MCFPD)	0	FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	519	SURFACE PRESSURE (PSIA)	931
BOTTOMHOLE PRESSURE (PSIA)	614.4	BOTTOMHOLE PRESSURE (PSIA)	1117.5
<u>MV-Original</u>		<u>DK-Original</u>	
GAS GRAVITY	0.693	GAS GRAVITY	0.598
COND. OR MISC. (C/M)	C	COND. OR MISC. (C/M)	C
%N2	0.14	%N2	0.36
%CO2	1.01	%CO2	1.71
%H2S	0	%H2S	0
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BOTTOMHOLE TEMPERATURE (DEG F)	137	BOTTOMHOLE TEMPERATURE (DEG F)	198
FLOWRATE (MCFPD)	0	FLOWRATE (MCFPD)	0
SURFACE PRESSURE (PSIA)	1171	SURFACE PRESSURE (PSIA)	2624
BOTTOMHOLE PRESSURE (PSIA)	1414.9	BOTTOMHOLE PRESSURE (PSIA)	3181.9

Page No.: 1

. Print Time: Mon Jan 19 15:44:26 1998

Property ID: 1651

Property Name: SAN JUAN 27-4 UNIT | 59 | 45029A-1

Table Name: K:\ARIES\RR98PDP\TEST.DBF

--DATE-- M SIWHP

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06/17/71	2624.0	-original
12/13/71	1867.0	
05/30/72	1612.0	
05/16/73	1454.0	
06/23/75	1182.0	
07/06/77	1042.0	
05/01/79	936.0	
05/01/81	998.0	
09/21/83	1051.0	
06/05/85	975.0	
05/18/88	1159.0	
05/30/90	1071.0	
07/28/92	931.0	-current

SJ 27-4 Unit #70M

Dakota Offset

Page No.: 2

. Print Time: Mon Jan 19 15:44:26 1998

Property ID: 3779

Property Name: SAN JUAN 27-4 UNIT | 146 | 44654A-1

Table Name: K:\ARIES\RR98PDP\TEST.DBF

--DATE-- M SIWHP

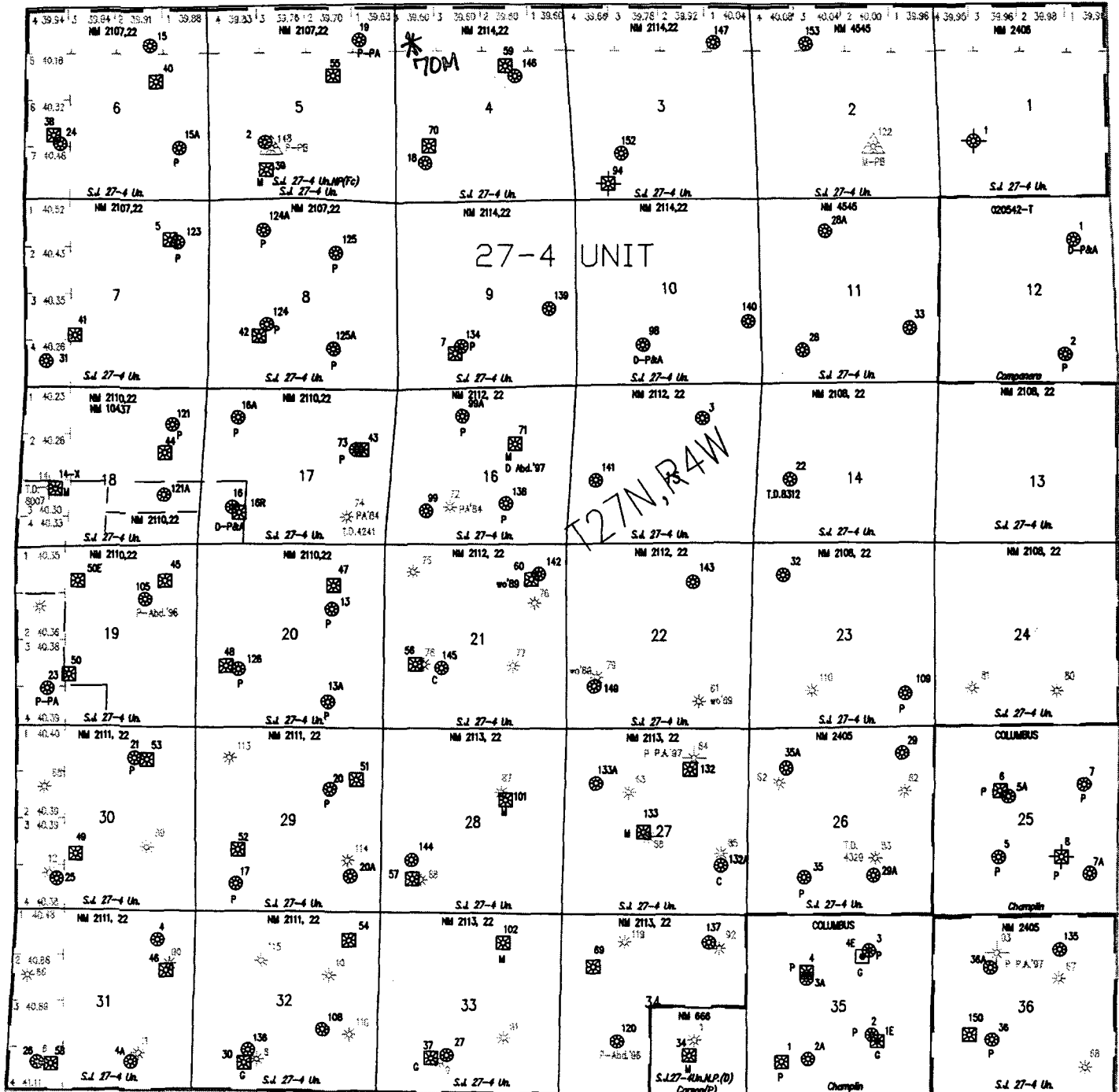
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10/14/82	1171.0	- original
07/29/83	710.0	
06/20/84	815.0	
11/05/85	529.0	
04/21/86	585.0	
08/07/89	533.0	
02/18/91	541.0	
08/20/91	553.0	
05/03/93	519.0	-current

SJ 27-4 Unit #70M

Mesaverde Offset

San Juan 27-4 Unit #70M
Blanco Mesaverde / Basin Dakota
27N-04W-04



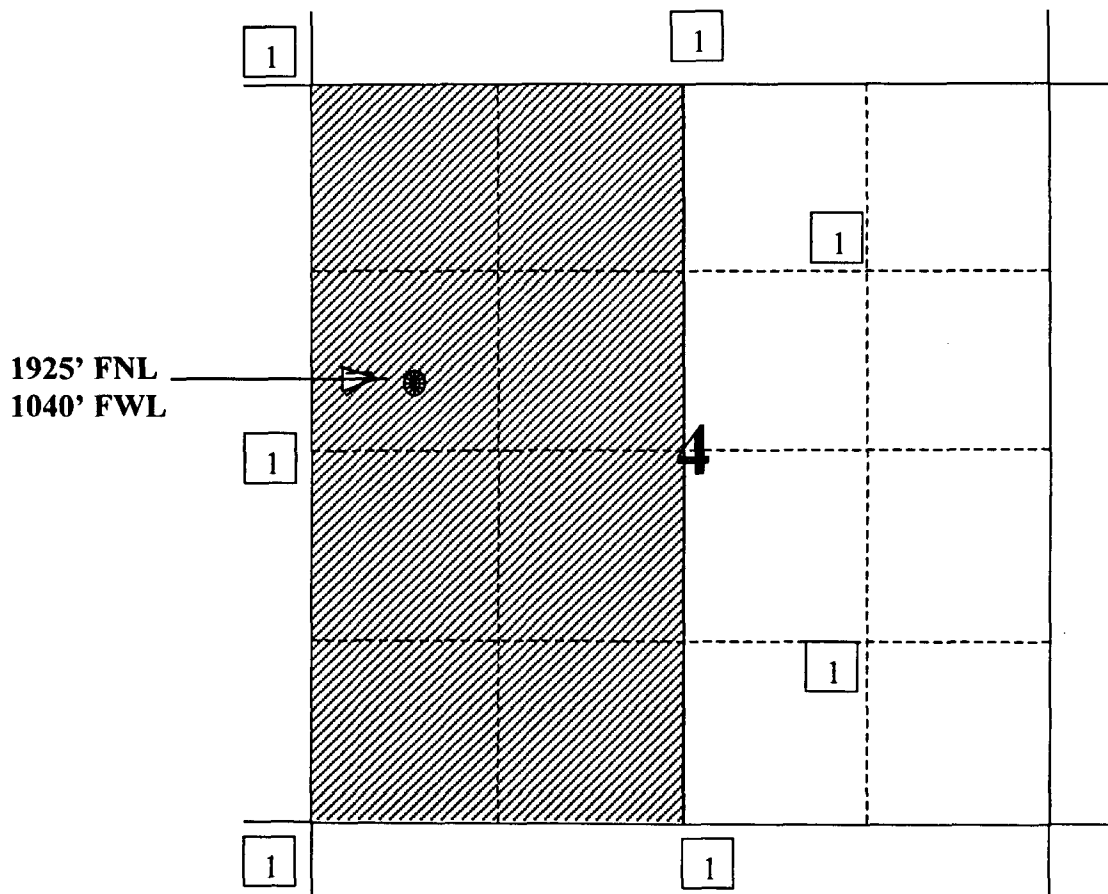
BURLINGTON RESOURCES OIL AND GAS COMPANY

San Juan 27-4 Unit #70M

OFFSET OPERATOR/OWNER PLAT

Mesaverde / Dakota Formations Commingle Well

Township 27 North, Range 4 West



1) Burlington Resources