| TATE IN 9/2/98              | SUSPENSE 9/22/98 ENGINEER DC LOGGED BY  | K/ TYPE DHC  |
|-----------------------------|---|--|
|                             |   |  |
|                             | ABOVE THIS LINE FOR DIVISION USE ONLY   |  |
| ]                           | NEW MEXICO OIL CONSERVATION DIVISIO<br>- Engineering Bureau -<br>2040 South Pacheco, Santa Fe, NM 87505   | N CON AIL  |
| A                           | DMINISTRATIVE APPLICATION CO  | DVERSHEET  |
| THIS COVERSHEET IS N        | MANDATORY FOR ALL ADMINISTRATIVE APPLICATION FOR EXCEPTIO<br>WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN 1                                |  |
| [PC-Poo                     | [NSP-Non-Standard Proration Unit] [NSL-Non-Star<br>[DD-Directional Drilling] [SD-Simultaneous D<br>tole Commingling] [CTB-Lease Commingling] [P | LC-Pool/Lease Commingling]<br>Off-Lease Measurement]<br>nance Expansion] |
| [EOR-Qualif                 |   | sitike Production Response   |
| [1] <b>TYPE OF A</b><br>[A] | PPLICATION - Check Those Which Apply for [A]<br>Location - Spacing Unit - Directional Drilling<br>NSL NSP DD SD                                 | D G G Q W R<br>D SEP 2 1998  |
| Check<br>[B]                | C One Only for [B] or [C]<br>Commingling - Storage - Measurement<br>DHC CTB PLC PC OLS  | OIL CONSERVATION DIVISION  |
| [C]                         | Injection - Disposal - Pressure Increase - Enhanced C<br>WFX PMX SWD IPI EOR  | -  |
| [2] NOTIFICAT<br>[A]        | <b>TION REQUIRED TO: -</b> Check Those Which Apply,<br>Working, Royalty or Overriding Royalty Interest (  |  |
| [B]                         | Giffset Operators, Leaseholders or Surface Owner  |  |
| [C]                         | Application is One Which Requires Published Leg   | gal Notice   |
| [D]                         | Notification and/or Concurrent Approval by BLM<br>U.S. Bureau of Land Management - Commissioner of Public Lands, State                          | or SLO<br>Land Office  |
| [E]                         | General of the above, Proof of Notification or Public   | ication is Attached, and/or,   |
| [F]                         | U 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. <u>I understand that any omission of data</u> (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.

radhied Signature

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**

Form C-107-A New 3-12-96 **APPROVAL PROCESS :** \_X\_ Administrative \_\_\_\_Hearing **EXISTING WELLBORE** \_X\_YES \_\_\_NO

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

#### APPLICATION FOR DOWNHOLE COMMINGLING

| Burlington Resources Oil & Gas Company |          | PO Box 4289, Farmington, NM 87499 |  |  |
|--|----------|-----------------------------------|--|--|
| Operator                               |          | Address                           | ······································ |  |
| Allison Unit                           | 7        | P 10-32N-07W                      | San Juan                               |  |
| Lease                                  | Well No. | Unit Ltr Sec - Two - Rge          | County                                 |  |

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. \_\_\_14538\_\_ Property Code \_\_6784\_\_\_\_ API NO. \_\_30-045-11474\_\_\_\_Federal \_\_\_x\_\_\_, State \_ . (and/or) Fee

| The following facts are submitted in support of downhole commingling:  | Upper  | Intermediate<br>Zone | Lower  |
|--|--|----------------------|--|
| 1. Pool Name and<br>Pool Code  | Blanco Mesaverde - 72319                             |                      | Basin Dakota - 71599                                 |
| 2. Top and Bottom of<br>Pay Section (Perforations)   | will be supplied upon completion                     |                      | 8165-8443  |
| 3. Type of production<br>(Oil or Gas)  | gas  |                      | gas  |
| 4. Method of Production<br>(Flowing or Artificial Lift)  | flowing  |                      | flowing  |
| 5. Bottomhole Pressure<br>Oil Zones - Artificial Lift:<br>Estimated Current  | (Current)<br>a. 616 psi (see attachment)             | a.                   | a. 1223 psi (see attachment)                         |
| Gas & Oil - Flowing:<br>Measured Current<br>All Gas Zones:<br>Estimated or Measured Original   | (Original)<br>b. 1240 psi (see attachment)           | b.                   | b. 2916 psi (see attachment)                         |
| 6. Oil Gravity ( API) or<br>Gas BTU Content  | BTU 988  |                      | BTU 954  |
| 7. Producing or Shut-In?   | shut in  |                      | producing  |
| Production Marginal? (yes or no)   | no   |                      | yes  |
| * If Shut-In and oil/gas/water rates<br>of last production<br>Note: For new zones with no production history,<br>applicant shall be required to attach production<br>estimates and supporting data | Date: n/a<br>Rates:                                  | Date:<br>Rates:      | Date: n/a<br>Rates:                                  |
| * If Producing, give data and<br>oil/gas/water water of recent test<br>(within 60 days)  | Date: n/a<br>Rates:                                  | Date:<br>Rates:      | Date: n/a<br>Rates:                                  |
| 8. Fixed Percentage Allocation<br>Formula -% for each zone<br>(total of %'s to equal 100%)   | Oil: Gas:<br>% %<br>will be supplied upon completion | Oil: Gas: %          | Oil: Gas: %<br>%<br>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. - -**I**-1-. . . . .

| 10. Are all working, overriding, and royalty interests identical in all commingled zones?    | Yes x No |
|--|----------|
| If not, have all working, overriding, and royalty interests been notified by certified mail? | Yesx_No  |
| Have all offset operators been given written notice of the proposed downhole commingling?    | X Yes No |
| have an onset operators been given written house of the proposed downhole comminging         |          |

Will cross-flow occur? \_x\_ 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. \_x\_ Yes \_\_\_\_No (If No, attach explanation) 11. Will cross-flow occur?

12. Are all produced fluids from all commingled zones compatible with each other? \_\_x\_Yes \_ No

13. Will the value of production be decreased by commingling? \_\_\_\_ Yes \_X\_ No (If Yes, attach explanation)

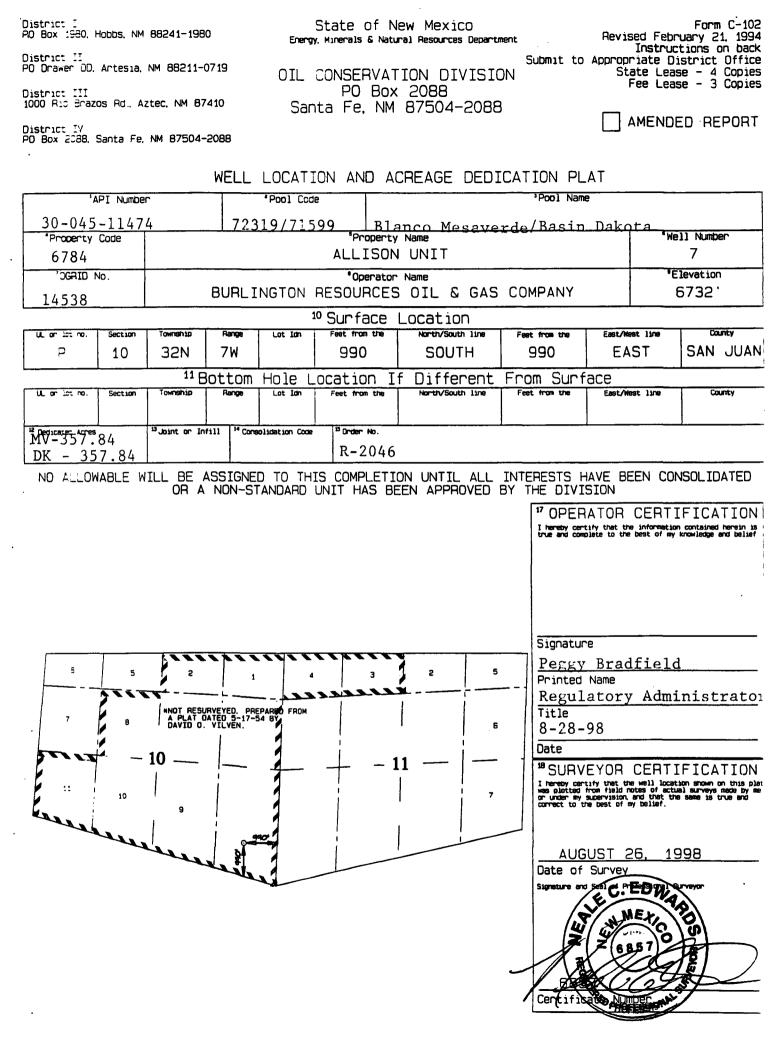
14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. \_X\_Yes \_\_\_No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). \_\_\_Reference Order \_\_ R-9918\_ \_ attached

16. ATTACHMENTS

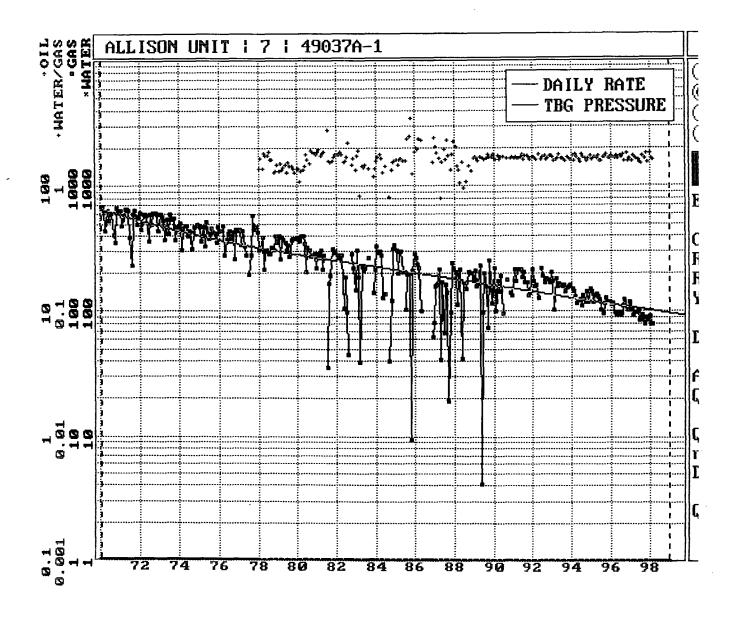
IENTS: \* C-102 for each zone to be commingled showing its spacing unit and acreage dedication. \* Production curve for each zone for at least one year. (If not available, attach explanation.) \* For zones with no production history, estimated production rates and supporting data. \* Data to support 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.

|   | ue and complete to the best of my knowledge and belief. |
|---|---|
| SIGNATURE Sen Wollerton                   | TITLE: <u>Reservoir Engineer</u> DATE: <u>08-31-98</u>  |
| TYPE OR PRINT NAME <u>Sean Woolverton</u> | TELEPHONE NO. ( 505 ) 326-9700                          |



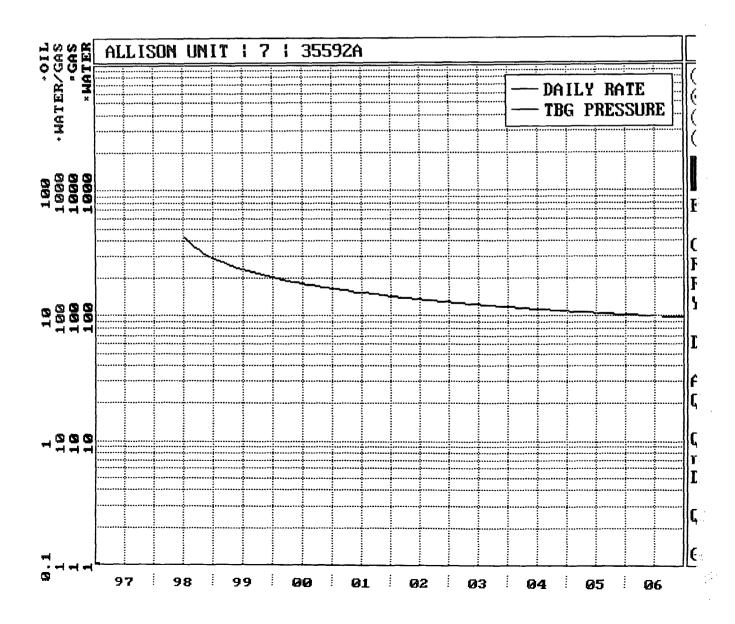
<u>\_.</u>\_\_\_

Allison Unit #7 Basin Dakota Actual Production



15

# Allison Unit #7 Blanco Mesaverde Expected Production Curve



5. S. M.

. .

Page No.: 1 Print Time: Fri May 08 13:26:29 1998 Property ID: 13 Property Name: ALLISON UNIT | 7 | 49037A-1 Table Name: C:\ARIES\SUPPS98\TEST.DBF --DATE-- M\_SIWHP

Psi 2427.0-0rizinal 07/29/59 07/28/61 2000.0 04/18/62 1905.0 04/29/63 1825.0 04/22/64 1523.0 10/18/65 1585.0 02/23/66 2099.0 03/06/67 1917.0 03/08/68 1810.0 04/16/69 1715.0 06/02/70 1614.0 07/19/71 1509.0 08/10/72 1449.0 06/18/73 1412.0 04/29/75 1337.0 08/08/77 1292.0 06/05/79 1232.0 06/02/81 1212.0 09/02/83 1104.0 05/02/85 1052.0 08/15/88 881.0 04/22/90 1027.0-Current

Allison Unit #7

**Basin Dakota** 

Page No.: 1 Print Time: Fri May 08 13:27:50 1998 Property ID: 8411 Property Name: ALLISON UNIT | 16R | 36918A-1 Table Name: K:\ARIES\RR99PDP\TEST.DBF --DATE-- M SIWHP 1072.0-original Allison Unit #7 06/15/58 07/16/64 0.0 Mesaverde Offset 857.0 08/05/70 08/31/71 922.0 06/22/72 782.0 07/03/73 752.0 733.0 04/18/74 06/02/76 666.0 08/03/78 695.0 07/01/80 687.0 711.0 05/18/82 07/02/84 702.0 03/18/86 714.0 03/29/89 768.0 01/24/91 699.0

02/01/94

03/07/95

662.0

537.0-current

## Allison Unit #7 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 GRAVITY0.586COND. OR MISC. (C/M)C%N20.08%CO22.21%H2S0DIAMETER (IN)2.375DEPTH (FT)6468SURFACE TEMPERATURE (DEG F)60BOTTOMHOLE TEMPERATURE (DEG F)137FLOWRATE (MCFPD)0SURFACE PRESSURE (PSIA)537BOTTOMHOLE PRESSURE (PSIA)615.8   | GAS GRAVITY0.598COND. OR MISC. (C/M)C%N20.1%CO24.31%H2S0DIAMETER (IN)2DEPTH (FT)8170SURFACE TEMPERATURE (DEG F)60BOTTOMHOLE TEMPERATURE (DEG F)198FLOWRATE (MCFPD)0SURFACE PRESSURE (PSIA)1027BOTTOMHOLE PRESSURE (PSIA)1222.5 |
| <u>MV-Original</u>  | DK-Original  |
| GAS GRAVITY0.586COND. OR MISC. (C/M)C%N20.08%CO22.21%H2S0DIAMETER (IN)2.375DEPTH (FT)6468SURFACE TEMPERATURE (DEG F)60BOTTOMHOLE TEMPERATURE (DEG F)137FLOWRATE (MCFPD)0SURFACE PRESSURE (PSIA)1072BOTTOMHOLE PRESSURE (PSIA)1240.2 | GAS GRAVITY0.598COND. OR MISC. (C/M)C%N20.1%CO24.31%H2S0DIAMETER (IN)2DEPTH (FT)8170SURFACE TEMPERATURE (DEG F)60BOTTOMHOLE TEMPERATURE (DEG F)198FLOWRATE (MCFPD)0SURFACE PRESSURE (PSIA)2427BOTTOMHOLE PRESSURE (PSIA)2915.9 |

Q:\AREA\IMVPUD\COMGLS\BHP.xis

•

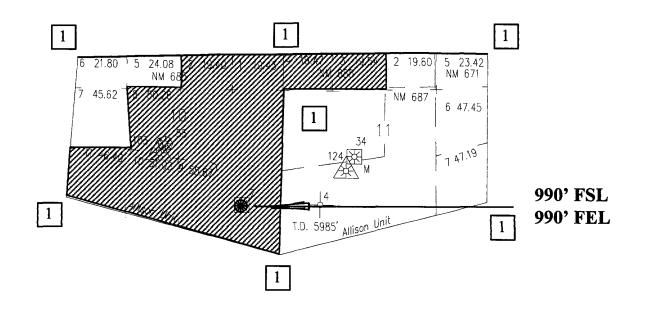
٠

. \*

## BURLINGTON RESOURCES OIL AND GAS COMPANY

Allison Unit #7 OFFSET OPERATOR/OWNER PLAT Mesaverde / Dakota Formations Commingle Well (Nonstandard Sections with Nonstandard Dedications for Mesaverde / Dakota Formations)

Township 32 North, Range 7 West



1) Burlington Resources

Allison Unit #7 Basin Dakota 32N-07W-10

