

DATE IN - 12/17/98	SUSPENSE 1/6/99	ENGINEER DC	LOGGED BY KW	TYPE DHC
--------------------	-----------------	-------------	--------------	----------

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -

2168

**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]

DEC 17 1998

[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

12/14/98  
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 San Juan 28-7 Unit Well No #183 Unit Ltr Sec Twp Rge section 1, T-27-N, R-7-W, G County Rio Arriba  
OGRID NO. 005073 Property Code 016608 API NO. 30-039-20721 Spacing Unit Lease Types: (check 1 or more)  
Federal ☒ State ☐ (and/or) Fee ☐

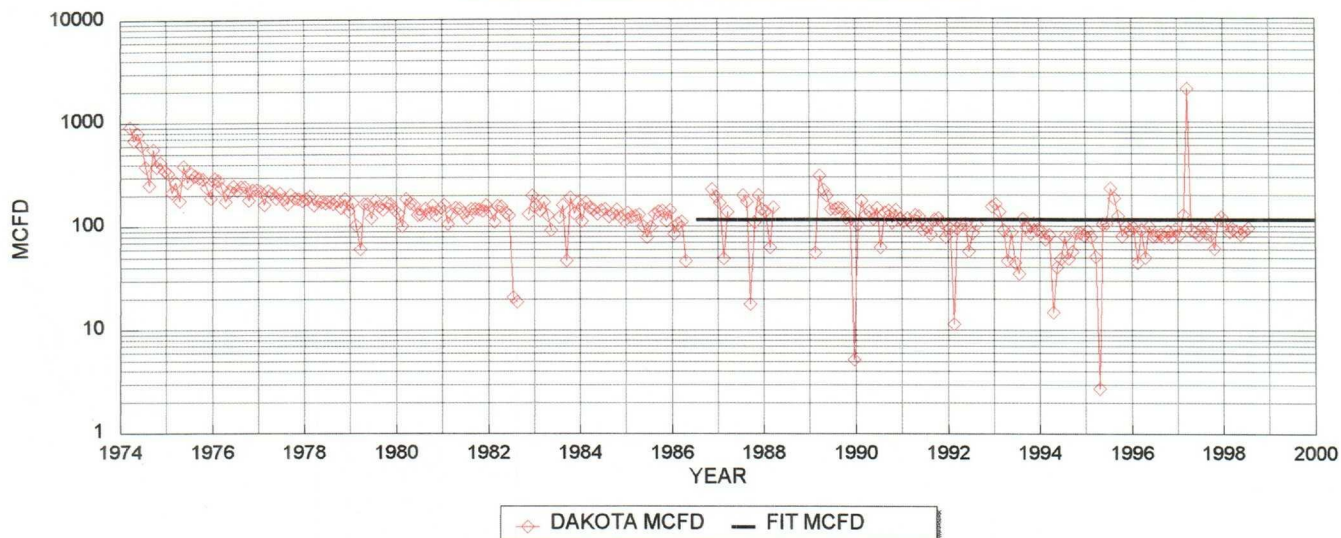
The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blanco Mesaverde 72319		Basin Dakota 71599
2. TOP and Bottom of Pay Section (Perforations)	4451-5185'		7046-7248'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Expected Flowing		Flowing
5. Bottomhole Pressure	a (Current)	a.	a.
Oil Zones - Artificial Lift: Estimated Current	457		751
Gas & Oil - Flowing: Measured Current	b(Original)	b.	b.
All Gas Zones: Estimated Or Measured Original	1230		2946
6. Oil Gravity ("API) or Gas BT Content	1223		1154
7. Producing or Shut-In?	To be Completed		Producing
Production Marginal? (yes or no)	Expected 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 Allocation method by subtraction - See attached Chart	Date Rates	Date Rates Mid-1999 (Expected) 80 MCFD, .2 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? 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)
12. Are all produced fluids from all commingled zones compatible with each others 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). 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 December 14, 1998  
TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

**SAN JUAN 28 7 UNIT #183 DAKOTA PRODUCTION  
SECTION 1G-27N-07W**



**DAKOTA HISTORICAL DATA: 1ST PROD: 03/74**

**OIL CUM:** 3.30 MBO

**GAS CUM:** 1286.8 MMCF

**CUM OIL YIELD:** 0.0026 BBL/MCF

**OIL YIELD:** 0.0018 BBL/MCF, LAST 3 YRS

**AVG. USED:** 0.0022 BBL/MCF

**DAKOTA PROJECTED DATA**

**1/1/99 Qi:** 116 MCFD

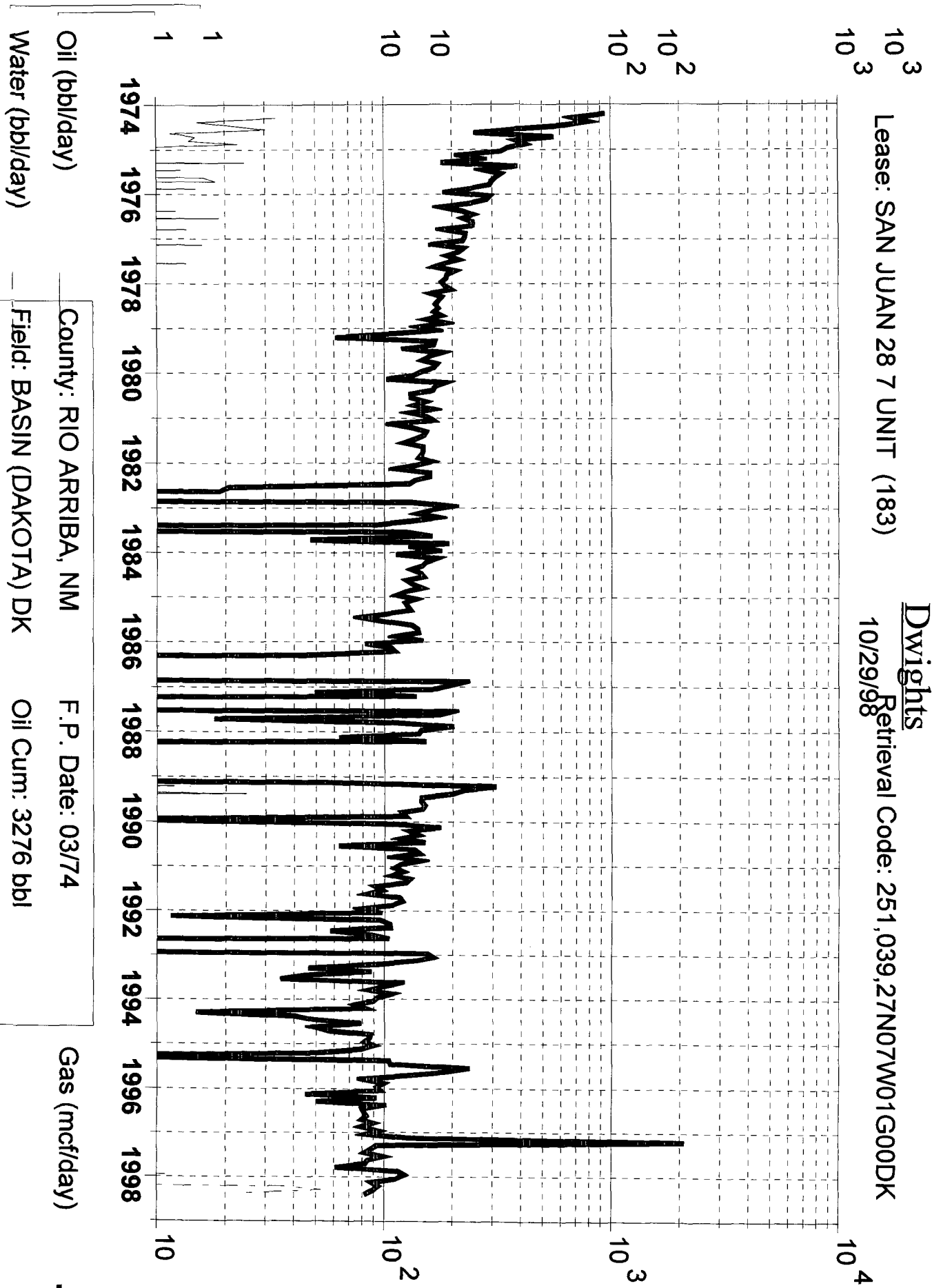
**DECLINE RATE:** 2.8% (EXPONENTIAL)

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
1999	113.9	0.2
2000	110.7	0.2
2001	107.6	0.2
2002	104.6	0.2
2003	101.7	0.2
2004	98.9	0.2
2005	96.1	0.2
2006	93.4	0.2
2007	90.8	0.2
2008	88.2	0.2
2009	85.8	0.2
2010	83.4	0.2
2011	81.0	0.2
2012	78.8	0.2
2013	76.6	0.2
2014	74.4	0.2
2015	72.3	0.2
2016	70.3	0.2
2017	68.3	0.1
2018	66.4	0.1
2019	64.6	0.1
2020	62.8	0.1
2021	61.0	0.1
2022	59.3	0.1
2023	57.6	0.1
2024	56.0	0.1
2025	54.4	0.1
2026	52.9	0.1
2027	51.4	0.1
2028	50.0	0.1
2029	48.6	0.1
2030	47.2	0.1
2031	45.9	0.1
2032	44.6	0.1
2033	43.4	0.1

**PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION**

Lease: SAN JUAN 28 7 UNIT (183)

Dwights  
Retrieval Code: 251,039,27N07W01G00DK  
10/29/98



Oil (bbbl/day)

Water (bbbl/day)

County: RIO ARRIBA, NM

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

Operator: CONOCO INC

F.P. Date: 03/74

Oil Cum: 3276 bbl

Gas Cum: 1281 mmcf

Location: 1G 27N 7W

Gas (mcf/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

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

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

## OIL CONSERVATION DIVISION

PO Box 2088  
Santa Fe, NM 87504-2088

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-20721	2 Pool Code 72319	3 Pool Name Blanco Mesaverde
4 Property Code 016608	5 Property Name San Juan 28-7 Unit	6 Well Number #183
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500	9 Elevation 6131'

## 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
G	1	27N	7W		1550'	North	1750'	East	Rio Arriba

## 11 Bottom Hole Location If Different From Surface

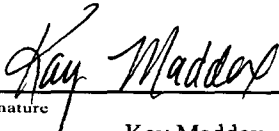
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code		15 Order No.					

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		1550'			
		↙ ↘		1750'	

### 17 OPERATOR CERTIFICATION

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



Signature

Kay Maddox

Printed Name

Regulatory Agent

Title

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

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-132  
Supersedes O-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

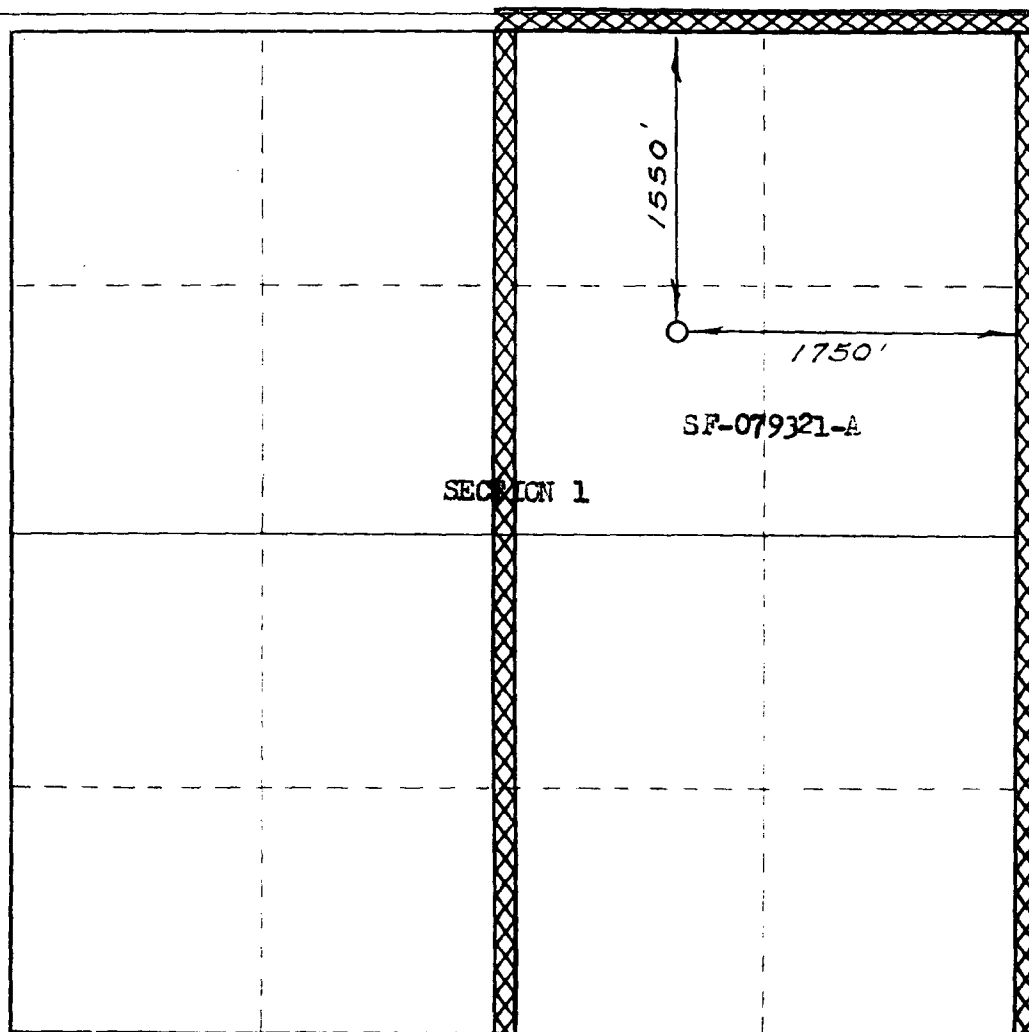
Operator <b>EL PASO NATURAL GAS COMPANY</b>		Lease <b>SAN JUAN 28-7 UNIT (SF-079321-A)</b>		Well No. <b>183</b>
Unit Letter <b>G</b>	Section <b>1</b>	Township <b>27-N</b>	Range <b>7-W</b>	County <b>RIO ARriba</b>
Acres of Acreage Dedication or Well: <b>1550</b> feet from the <b>NORTH</b> line and <b>1750</b> feet from the <b>EAST</b> line				
Ground Level Elev. <b>6131</b>	Producing Formation <b>DAKOTA</b>	Pool <b>BASIN DAKOTA</b>	Dedicated Acreage <b>319.40</b>	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 **Unitization**

If answer is "no," list the owners and tract descriptions which have actually been 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.

Original Signed by

**D. G. Brisco**  
**Drilling Clerk**

**El Paso Natural Gas Co.**

**July 24, 1973**

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.

**JULY 16, 1973**

Registered Professional Engineer  
in the State of New Mexico

*Paul Wilburn*

Certificate No. **1760**

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

**San Juan 28-7 Unit Well # 183**  
**API # 30-039-20721**  
**Section 1, T-27-N, R-7-W, G**  
**Rio Arriba County, NM**

RE: Downhole Commingle Application C-107A

**Notification of Offset Operators:**

Burlington Resources  
PO Box 4289  
Farmington, NM 87499

A copy of the Downhole Commingle Application (C-107A) has been sent to the above listed parties