

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 2040 South Pacheco, Santa Fe, NM 87505



2315

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]

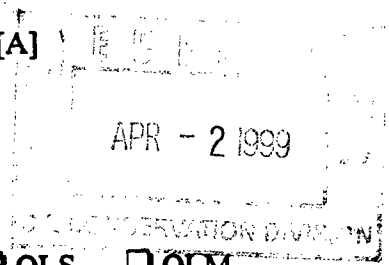
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[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, F 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 87505-6429

APPLICATION FOR DOWNHOLE COMMINGLING

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

APPROVAL PROCESS :

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☒ NO

Burlington Resources Oil & Gas Company

PO Box 4289, Farmington, NM 87499

Operator

Address

KAIME

2

A 20-26N-06W

Rio Arriba

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 14538 Property Code

API NO. 30-039-26137

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	Otero Chacra - 82329	Blanco Mesaverde - 72319	Basin Dakota - 71599
2. Top and Bottom of Pay Section (Perforations)	will be supplied upon completion	will be supplied upon completion	Supplied upon completion
3. Type of production (Oil or Gas)	gas	gas	gas
4. Method of Production (Flowing or Artificial Lift)	flowing	flowing	flowing
5. Bottomhole Pressure	(Current) a. 413 psi (see attachment)	a. 742 psi (see attachment)	a. 1010 psi (see attachment)
Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	(Original) b. 1035 psi (see attachment)	b. 1119 psi (see attachment)	b. 2731 psi (see attachment)
6. Oil Gravity (API) or Gas BTU Content	BTU 1171	BTU 1185	BTU 1229
7. Producing or Shut-In?	shut in	shut in	shut in
Production Marginal? (yes or no)	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 ☐ 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 other? ☒ 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. NMOC Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). ☐ Reference Order ☐
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

Wayne Fletcher

TITLE: Production Engineer

DATE: 03-29-99

TYPE OR PRINT NAME

Wayne Fletcher

TELEPHONE NO. (505) 326-9871

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

District II
PO Drawer 00, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-10.
Revised February 21, 1999
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-		*Pool Code 71599 82329/72319/		*Pool Name Otero Chacra/Blanco Mesaverde/Basin Dakota	
*Property Code		*Property Name KAIME			*Well Number 2
*OGRID No. 14538		*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY			*Elevation 6387'

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	20	26N	6W		790	NORTH	1190	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

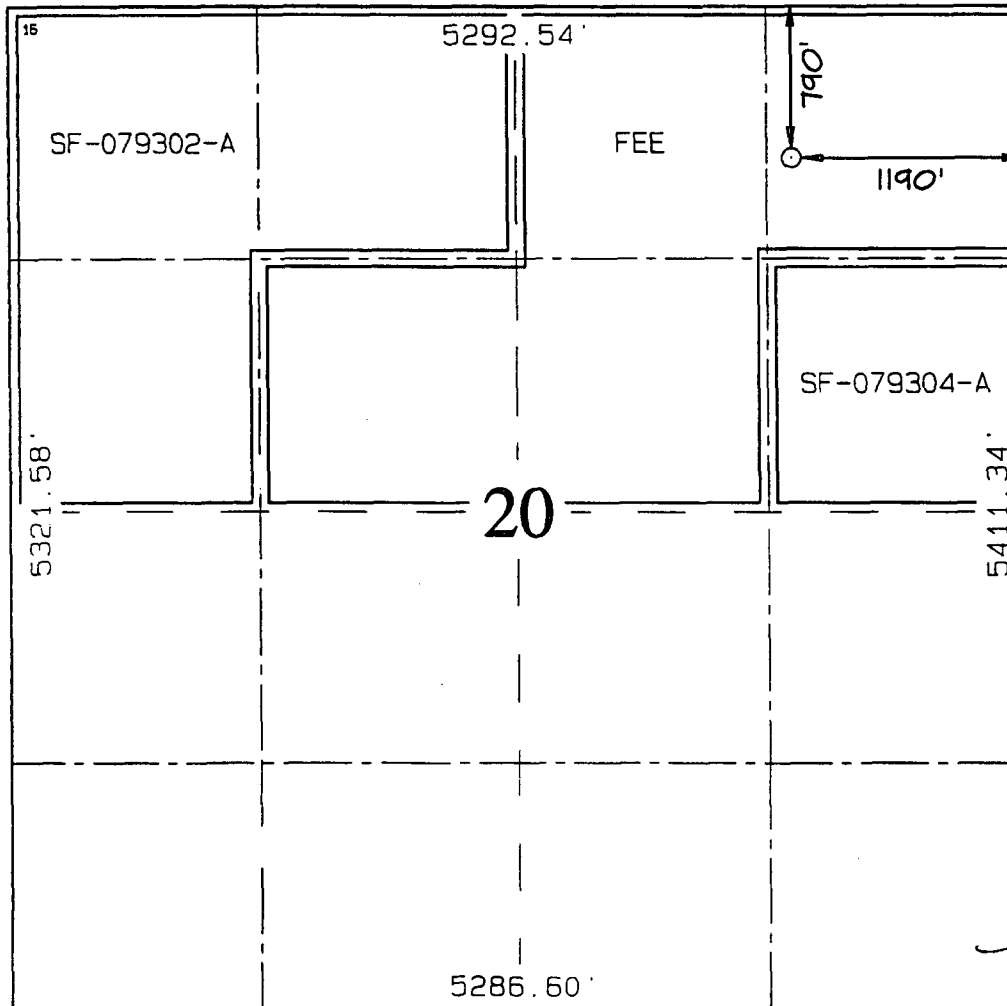
¹² Dedicated Acres
MV-N/320
DK-N/320 Cha-160

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



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

Signature
Peggy Bradfield
Printed Name
Regulatory Administrator
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.

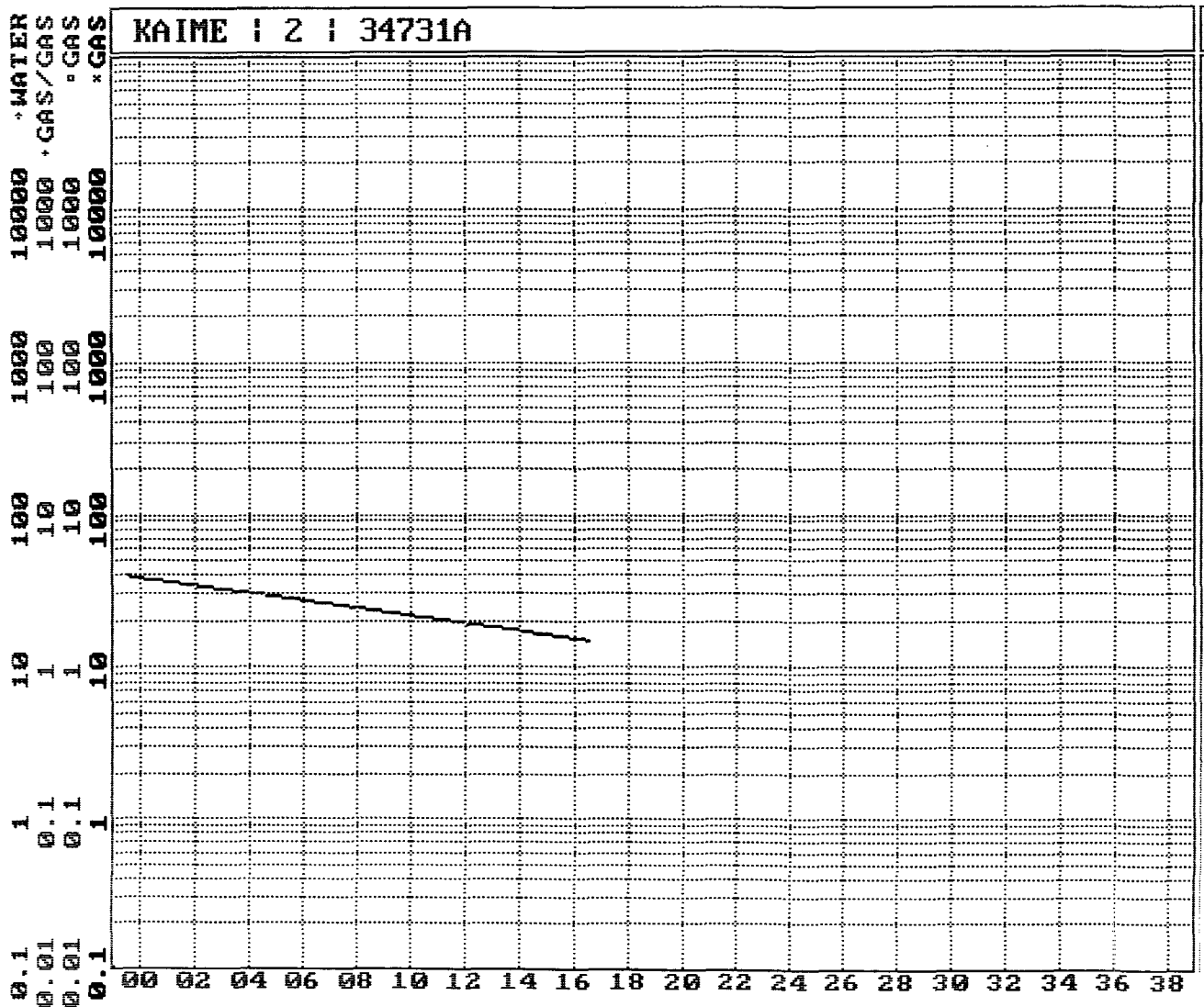
MARCH 2, 1999
Date of Survey

Signature and Seal of Professional Surveyor
NEALE C. EDWARDS
NEW MEXICO
6857
REGISTERED PROFESSIONAL SURVEYOR
Certificate Number 6857

Kaime #2

Expected Production Curve

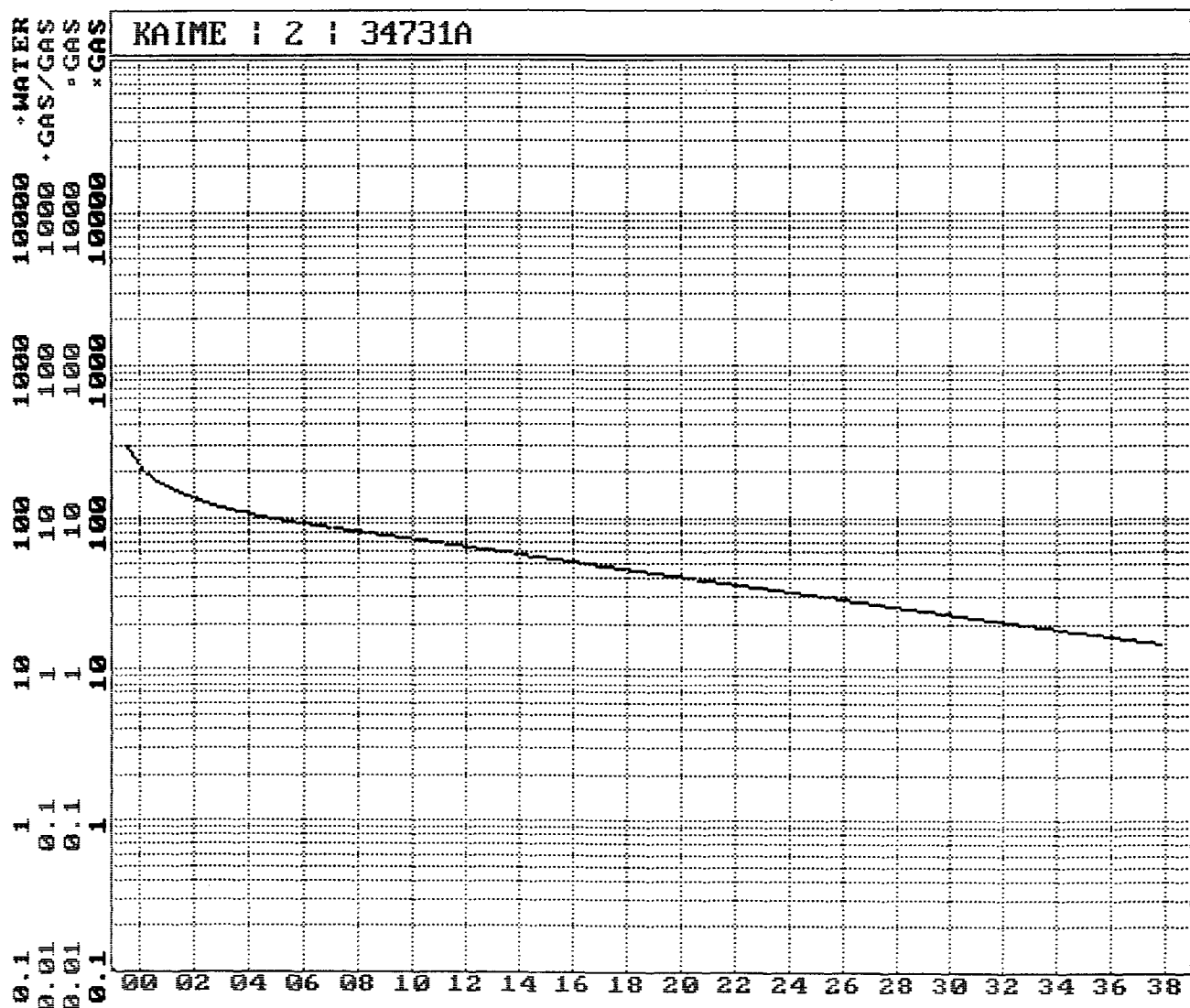
Chacra Formation



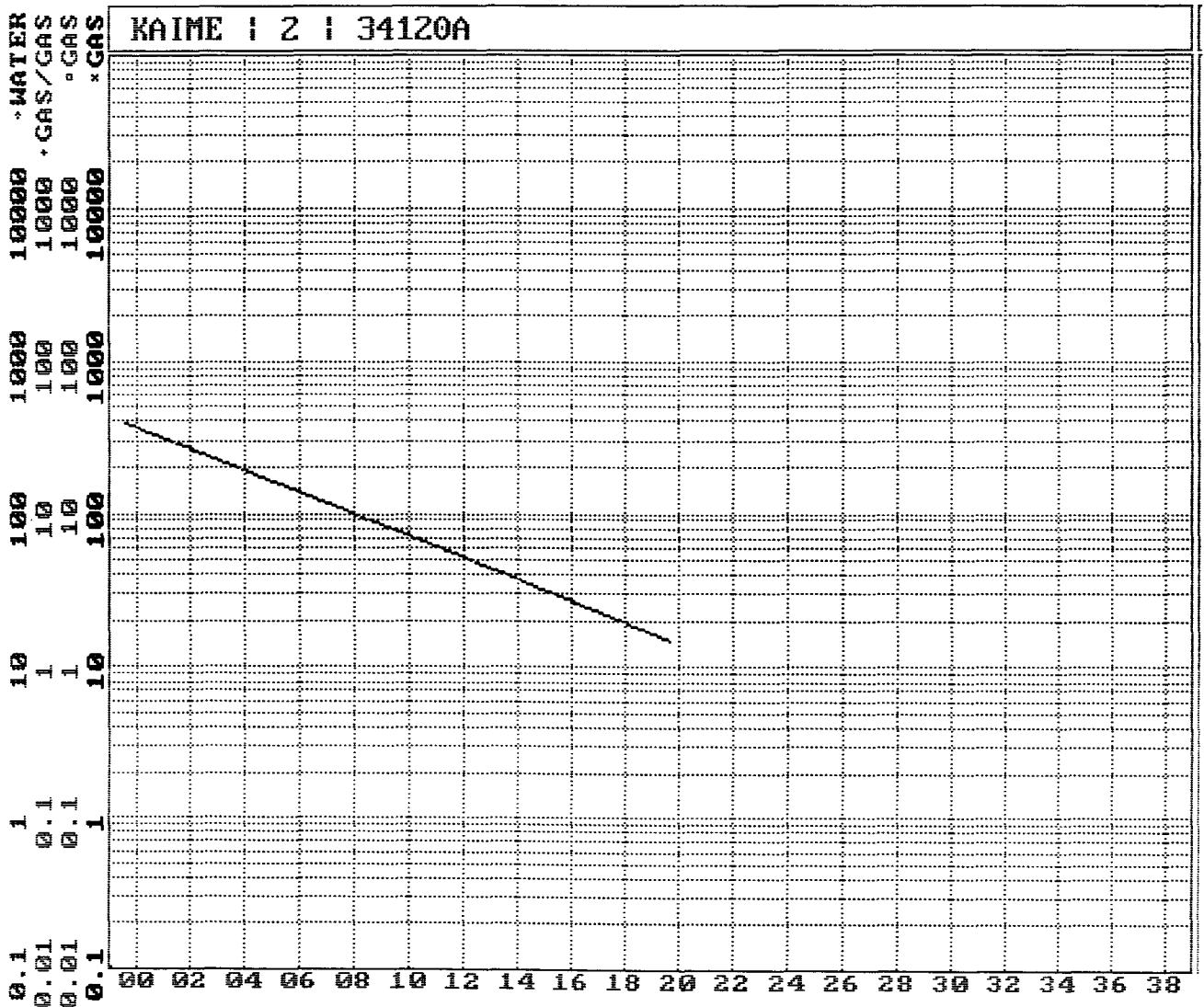
Kaime #2

Expected Production Curve

Mesaverde Formation



Kaime #2
Expected Production Curve
Dakota Formation



Kaime #2
Bottom Hole Pressures
Flowing and Static BHP
Cullender and Smith Method
Version 1.0 3/13/94

Chacra	
<u>CH-Current</u>	
GAS GRAVITY	<u>0.678</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.5</u>
%CO2	<u>0.23</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>2.875</u>
DEPTH (FT)	<u>3039</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>137</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>384</u>
BOTTOMHOLE PRESSURE (PSIA)	<div style="border: 1px solid black; display: inline-block; padding: 2px 10px;">413.4</div>
<u>CH-Original</u>	
GAS GRAVITY	<u>0.678</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.5</u>
%CO2	<u>0.23</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>2.875</u>
DEPTH (FT)	<u>3039</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>137</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>954</u>
BOTTOMHOLE PRESSURE (PSIA)	<div style="border: 1px solid black; display: inline-block; padding: 2px 10px;">1034.8</div>

Kaime #2
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	0.692	GAS GRAVITY	0.722
COND. OR MISC. (C/M)	C	COND. OR MISC. (C/M)	C
%N2	1.01	%N2	0.55
%CO2	0.19	%CO2	0.57
%H2S	0	%H2S	0
DIAMETER (IN)	2.375	DIAMETER (IN)	2.375
DEPTH (FT)	5265	DEPTH (FT)	7107
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)	647	SURFACE PRESSURE (PSIA)	837
BOTTOMHOLE PRESSURE (PSIA)	742.4	BOTTOMHOLE PRESSURE (PSIA)	1010.4
<u>MV-Original</u>		<u>DK-Original</u>	
GAS GRAVITY	0.692	GAS GRAVITY	0.722
COND. OR MISC. (C/M)	C	COND. OR MISC. (C/M)	C
%N2	1.01	%N2	0.55
%CO2	0.19	%CO2	0.57
%H2S	0	%H2S	0
DIAMETER (IN)	2.375	DIAMETER (IN)	2.375
DEPTH (FT)	5265	DEPTH (FT)	7107
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)	967	SURFACE PRESSURE (PSIA)	2213
BOTTOMHOLE PRESSURE (PSIA)	1118.5	BOTTOMHOLE PRESSURE (PSIA)	2730.5

Page No.: 1
Print Time: Tue Feb 09 12:59:34 1999
Property ID: 7901
Property Name: SANCHEZ A | 3 | 53555B-1
Table Name: K:\ARIES\RR99PDP\TEST.DBF

--DATE-- ---CUM GAS-- M SIWHP
.....Mcf.....Psi

06/17/68	0	954.0
10/25/68	12000	709.0
05/29/69	48932	539.0
03/05/70	89042	472.0
07/14/71	140815	457.0
08/01/72	180799	391.0
08/28/73	213530	380.0
02/21/75	254951	397.0
04/28/75	259422	394.0
03/01/93	514552	384.0

Kaime #2

Chacra Offset

Page No.: 1
Print Time: Tue Feb 09 13:02:47 1999
Property ID: 3575
Property Name: REAMES COM | 2 | 53251A-1
Table Name: K:\ARIES\RR99PDP\TEST.DBF

--DATE--	---CUM GAS--	M SIWHP
■■■■■■■■■■	■■■■■■■■■■Mcf■■■■■■■■■■	■■■■■■■■■■Psi■■■■■■■■■■

02/28/85	12639	967.0
09/09/86	115733	612.0
10/08/87	186276	489.0
09/08/89	238658	647.0

Kaime #2

Mesaverde Offset

```
--DATE--  ---CUM GAS--  M SIWHP
|||||  |||||McF|||  |||Psi|||
```

Dakota Offset

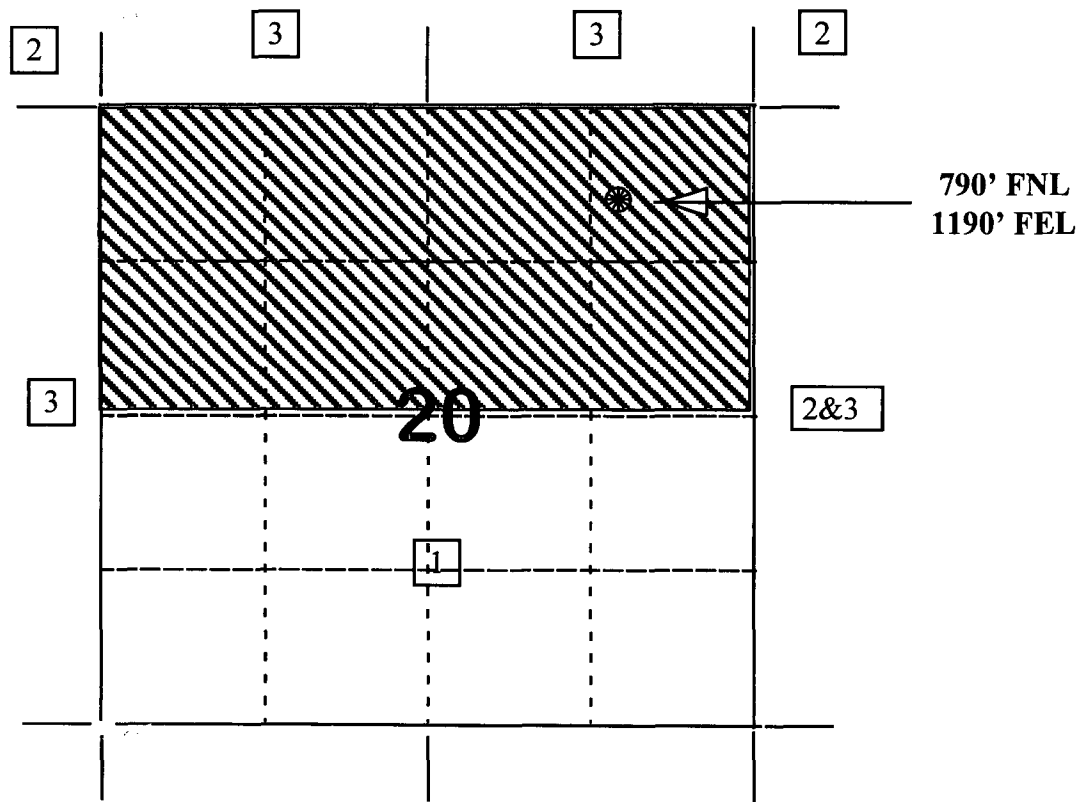
BURLINGTON RESOURCES OIL AND GAS COMPANY

Kaime #2

OFFSET OPERATOR/OWNER PLAT

Chacra / Mesaverde / Dakota Formations Trimming Well

Township 26 North, Range 6 West



1) Burlington Resources

2) Caulkins Oil Company
2100 Colorado Bank Building
Denver, CO 80202

3) Conoco Inc.

Attn: Lori Thorpe
10 Desta Drive, Suite 100W
Midland, TX 79705

BURLINGTON
RESOURCES

SAN JUAN DIVISION
3535 East 30th Street: (87402-8801)
P.O. BOX 4289
Farmington, New Mexico 87499-4289

BURLINGTON
RESOURCES

SAN JUAN DIVISION
3535 East 30th Street: (87402-8801)
P.O. BOX 4289
Farmington, New Mexico 87499-4289

Caulkins Oil Company
PO Box 780
Farmington, NM 87499

x

Mr. Robert Beamon
2603 Augusta, Suite 1050
Houston, TX 77057

BURLINGTON
RESOURCES

SAN JUAN DIVISION
3535 East 30th Street: (87402-8801)
P.O. BOX 4289
Farmington, New Mexico 87499-4289

BURLINGTON
RESOURCES

SAN JUAN DIVISION
3535 East 30th Street: (87402-8801)
P.O. BOX 4289
Farmington, New Mexico 87499-4289

Robert Walter Lundell
2450 Fondren, Suite 304
Houston, TX 77063

x

BURLINGTON
RESOURCES

SAN JUAN DIVISION
3535 East 30th Street: (87402-8801)
P.O. BOX 4289
Farmington, New Mexico 87499-4289

BURLINGTON
RESOURCES

SAN JUAN DIVISION
3535 East 30th Street: (87402-8801)
P.O. BOX 4289
Farmington, New Mexico 87499-4289

x

Kaime #2

Chacra / Mesaverde / Dakota

26N - 6W - 20

