

DATE IN 10/19/99	SUSPENSE 11/8/99	ENGINEER DC	LOGGED BY RV	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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]

2526

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

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

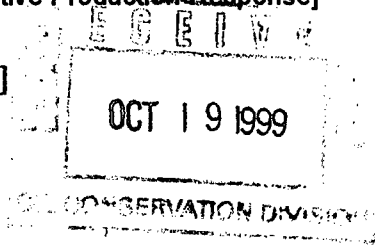
Check One Only for [B] and [C]

[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.

Deborah Moore (281) 293-1005
 Print or Type Name

Signature

Regulatory Analyst
 Title

Date

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

811 South First St., Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410

DISTRICT IV

2040 S. Pacheco, Santa Fe, NM 87505

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
Revised March 17, 1999

APPROVAL PROCESS:

☒ Administrative
☐ Hearing

EXISTING WELLBORE

☐ YES ☐ NO

Conoco Inc.

P.O. Box 2197 DU 3066 Houston, TX 77252-2197

Operator

San Juan 28-7 #52

Address

H, Sec. 27, T-28N, R-7W

Rio Arriba

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County
Spacing Unit Lease Types: (check 1 or more)OGRID NO. 005073 Property Code 016608 API NO. 30-039-07315 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 Pictured Cliff S. 72439		Blanco Mesaverde 72319
2. Top and Bottom of Pay Section (Perforations)	2826' - 2856'		4442' - 5155'
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: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 381 b. (Original) 1227	a. b.	a. 562 b. 1305
6. Oil Gravity (EAPI) or Gas BTU Content	1190		1254
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	No		No
* 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	Date: Rates: NA	Date: Rates:	Date: Rates: NA
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates: Approx. current rate = 30MCFD	Date: Rates: <i>See attached</i>	Date: Approx. current rate = 150MCFD
8. Fixed Percentage Allocation Formula - % for each zone (total of %s to equal 100%)	Oil: 0% Gas: 20%	Oil: % Gas: 100%	Oil: % Gas: 80%

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. 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.

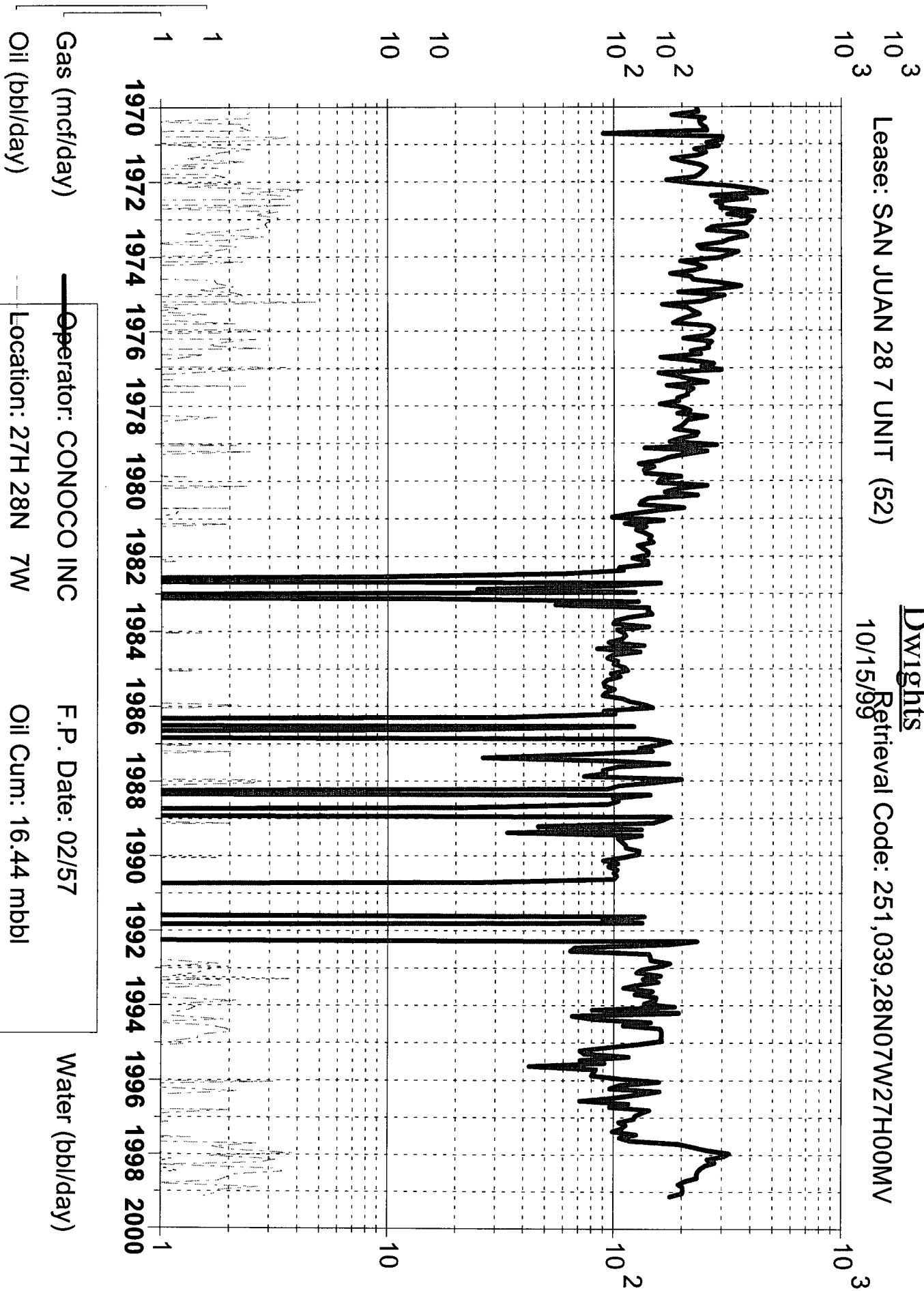
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Deborah Moore TITLE Regulatory Analyst DATE 09/07/99TYPE OR PRINT NAME Deborah Moore TELEPHONE NO. (281) 293-1005

Dwights

Lease: SAN JUAN 28 7 UNIT (52)

Retrieval Code: 251,039,28N07W27H00MV
10/15/99



Operator: CONOCO INC

F.P. Date: 02/57

Location: 27H 28N 7W

Oil Cum: 16.44 mbbl

Field: BLANCO (MESAVERDE) Gas Cum: 3044 mmcf

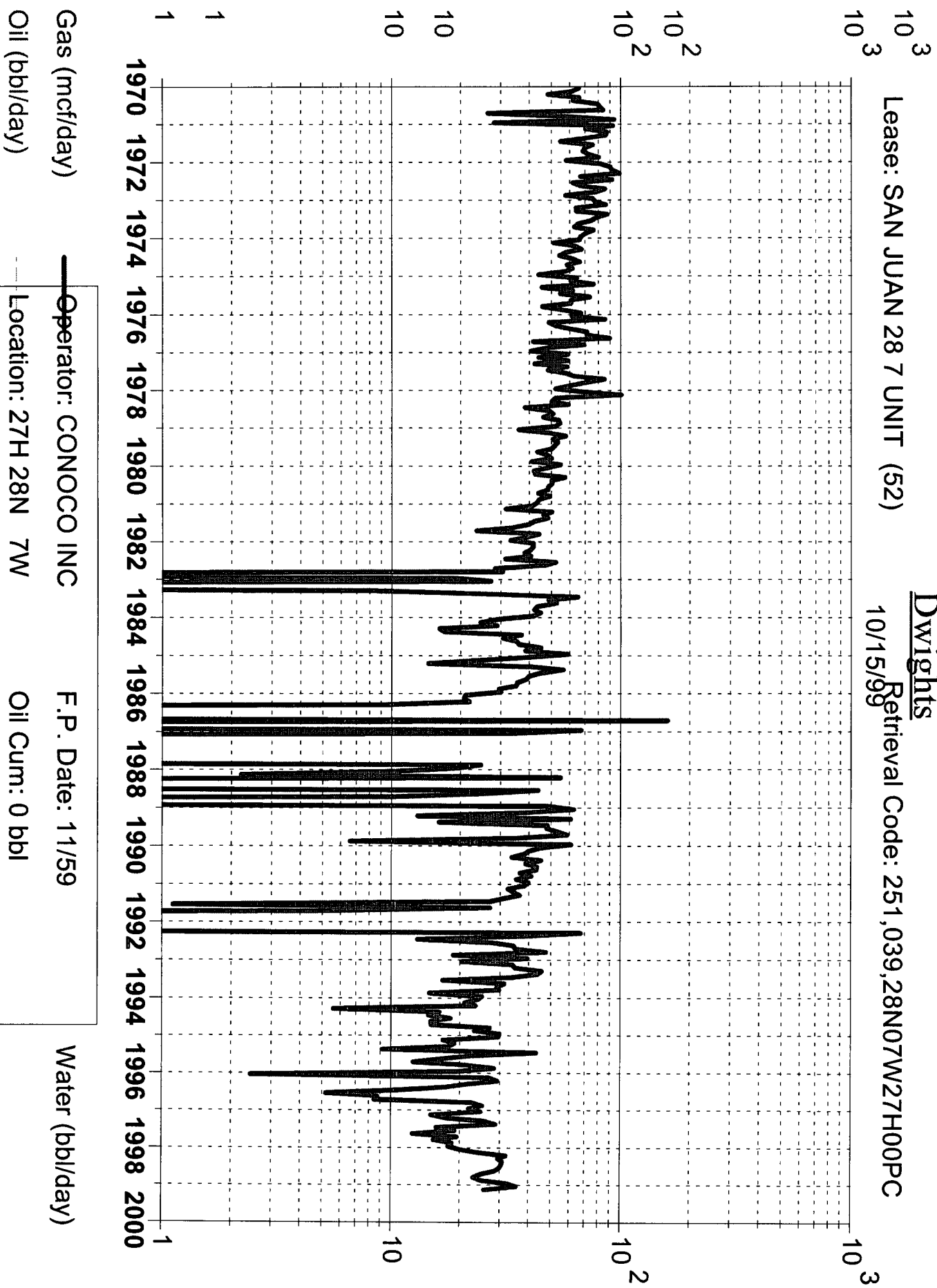
Reservoir: MESAVERDE

L.P. Date: 02/99

Dwights

Lease: SAN JUAN 28 7 UNIT (52)

Retrieval Code: 251,039,28N07W27H00PC
10/15/99



Operator: CONOCO INC

F.P. Date: 11/59

Location: 27H 28N 7W

Oil Cum: 0 bbl

Field: BLANCO SOUTH (PICTU Gas Cum: 701.5 mmmcf

Reservoir: PICTURE CLIFFS

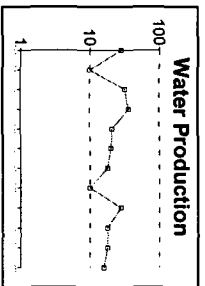
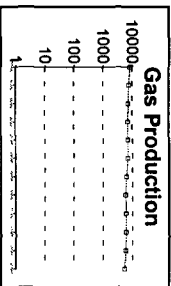
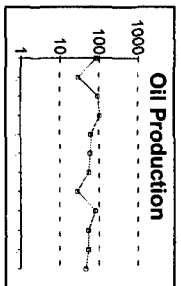
L.P. Date: 02/99

Lease: SAN JUAN 28 7 UNIT
 Field: BLANCO (MESASVERDE) MV
 Operator: CONOCO INC
 RCI #: 251.039.28ND7W27H00MV
 API #: 30-039-07315-00

Well #: 52
 Location: 27H 28N 7W
 Liquid Cum: 16,441 bbls
 Gas Cum: 3,044,132 mcf
 Status: ACT GAS

FP Date: 57-02
 LP Date: 99-02
 Liq Since: FPDATE
 Gas Since: FPDATE

DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
03/1998	83	8,437	28	1
04/1998	30	7,663	10	1
05/1998	95	7,309	32	1
06/1998	105	7,126	36	1
07/1998	63	7,047	21	1
08/1998	59	7,055	20	1
09/1998	54	6,265	18	1
10/1998	28	5,859	10	1
11/1998	81	6,117	28	1
12/1998	54	6,122	18	1
01/1999	54	6,086	18	1
02/1999	47	5,394	16	1
Total	753	80,480	255	



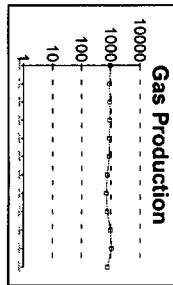
8/99
 192.6 mcf/d

Lease: SAN JUAN 28 7 UNIT
 Field: BLANCO SOUTH (PICTURE CLIFFS) PC
 Operator: CONOCO INC
 RCI #: 251,039,28N07W27H00PC
 API #: 30-039-07315-00

Well #: 52
 Location: 27H 28N 7W
 Liquid Cum: 701,488 mcf
 Gas Cum: 701,488 mcf
 Status: ACT GAS

FP Date: 59-11
 LP Date: 99-02
 Lq Since: FPDATE
 Gas Since: FPDATE

DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
03/1998	0	964	0	1
04/1998	0	894	0	1
05/1998	0	932	0	1
06/1998	0	922	0	1
07/1998	0	905	0	1
08/1998	0	865	0	1
09/1998	0	751	0	1
10/1998	0	696	0	1
11/1998	0	751	0	1
12/1998	0	976	0	1
01/1999	0	1,070	0	1
02/1999	0	778	0	1
Total	0	10,504	0	



2/99 - 778
 077 mcf/d

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural ResourcesOIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe. NM 87505

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-07315	² Pool Code 72439/72319	³ Pool Name Blanco Picture Cliff South / Blanco Mesaverde
⁴ Property Code 016608	⁵ Property Name San Juan 28-7 Unit	⁶ Well Number 52
⁷ OGRID No. 005073	⁸ Operator Name Conoco Inc.	⁹ Elevation 6168

¹⁰ Surface Location

UL or lot no. H	Section 27	Township 28N	Range 7W	Lot Idn	Feet from the 1840'	North/South line NORTH	Feet from the 990	East/West line WEST	County Rio Arriba
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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
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¹² Dedicated Acres 160/320	¹³ Joint or Infill Y	¹⁴ Consolidation Code U	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

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <u>Deborah Moore</u> Printed Name Deborah Moore Title Regulatory Analyst Date 10/14/99
	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 Surveyer:
	Certificate Number



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5793

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

**State of New Mexico
Commissioner of Public Lands**

Ray Powell, M.S., D.V.M.
310 Old Santa Fe Trail, P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS
(505)-827-5765

ADMINISTRATIVE MGMT.
(505)-827-5700

LEGAL
(505)-827-5713

PLANNING
(505)-827-5752

October 20, 1999

Conoco Inc.
P.O. Box 2197
DU 3066
Houston, Texas 77252-2197

Attn: Ms. Deborah Moore

Re: Downhole Commingling Application
San Juan 28-7 Unit Well No. 52
Unit Letter H, Section 27-28N-07W
Blanco Pictured Cliffs South and Blanco Mesaverde Pools
Rio Arriba County, New Mexico

Dear Ms. Moore:

Your application to downhole commingle the production from within the wellbore of the above-captioned well was received on October 1, 1999. Your application requests our approval to downhole commingle the Blanco Pictured Cliffs South and Blanco Mesaverde production within the wellbore of the San Juan 28-7 Unit Well No. 52, Unit Letter H, located in Section 27-28N-07W, Rio Arriba County, New Mexico.

It is our understanding that production from the subject well will be allocated as follows:

<u>POOL</u>	<u>ALLOCATION</u>	
	<u>Oil%</u>	<u>Gas %</u>
Blanco Pictured Cliffs South	0%	20%
Blanco Mesaverde	100%	80%
	-----	-----
	100%	100%

Since it appears that the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for downhole commingling the production from the above-mentioned well is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Please submit your filing fee in the amount of \$30.00.

Also, please submit a copy of the Oil Conservation Division's Order approving this application.

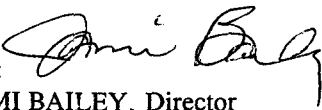
"WE WORK FOR EDUCATION"

Conoco Inc.
October 20, 1999
Page 2

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/cpm

Enclosure

xc: Reader File

c: OCD--Attention: David Catanach, Ben Stone

BLM