

DATE IN <u>1/21/00</u>	SUSPENSE <u>2/10/00</u>	ENGINEER <u>DC</u>	LOGGED BY <u>KV</u>	TYPE <u>DHC</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

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

*2632*

**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

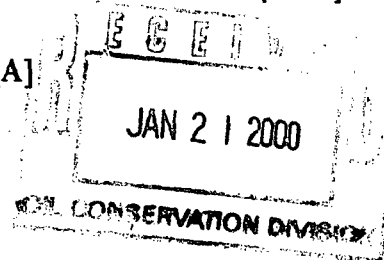
Check One Only for [B] and [C]

[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

*Deborah Moore*

Regulatory Analyst  
Title

Date

1/19/00

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

Form C-107-A  
Revised August 1999

APPROVAL PROCESS:

\_\_\_ Administrative \_\_\_ Hearing

EXISTING WELLBORE

\_\_\_X\_\_\_ YES \_\_\_ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Conoco Inc.

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

Operator Address

SAN JUAN 28-7

217

B, SEC 28, T-27N, R7W

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. 30-039-20972 Federal \_\_\_X\_\_\_, 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	CHACRA - 70340 <i>Hero</i>		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	3818-4044 PROPOSED		7222-7449
3. Type of production (Oil or Gas)	GAS		GAS
4. Method of Production (Flowing or Artificial Lift)	EXPECTED TO FLOW		FLOWING
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 540  b. (Original) 1251	a.  b.	a. 790  b 3150
6. Oil Gravity (EAPI) or Gas BTU Content	1148		1120
7. Producing or Shut-In?	TO BE COMPLETED		PRODUCING
Production Marginal? (yes or no)	YES		YES
* 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  * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:  Date: EST. IP: Rates: 180 mcf/d	Date: Rates:  Date: Rates:	Date: Rates:  Date: AUG-OCT '99 AVG. RATE: Rates: 4-5 mcf/d
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	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
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)
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 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.

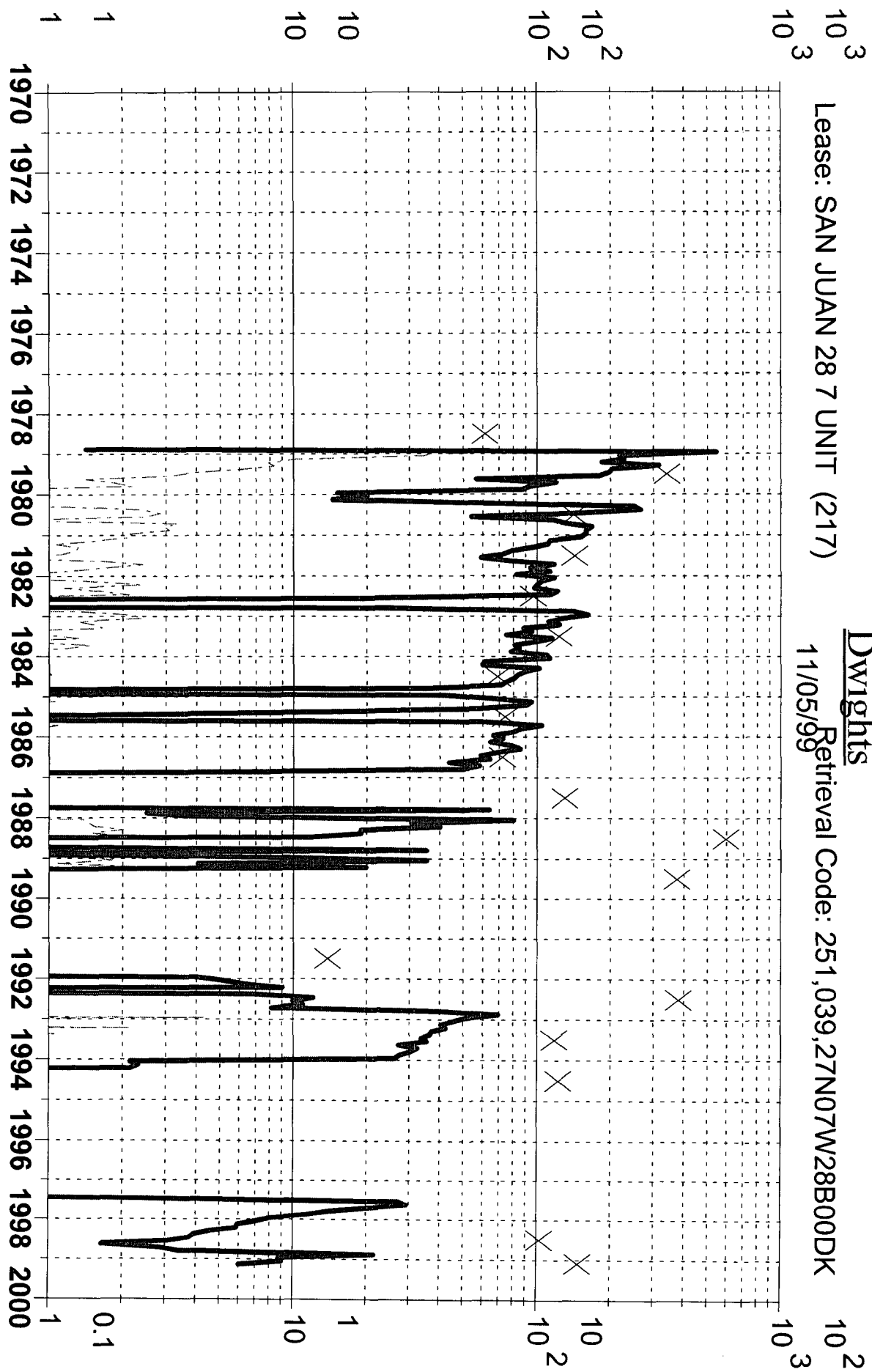
SIGNATURE Deborah Moore TITLE Regulatory Analyst DATE 12/29/99

TYPE OR PRINT NAME Deborah Moore TELEPHONE NO (281) 293-1005

Lease: SAN JUAN 28 7 UNIT (217)

Dwights  
11/05/99

Retrieval Code: 251,039,27N07W28B00DK



Gas (mcf/day)

Operator: CONOCO INC  
Location: 28B 27N 7W

F.P. Date: 11/78  
Oil Cum: 7228 bbl

Water (bbl/day)  
Yield (bbl/mmcf) Av

Field: BASIN (DAKOTA) DK

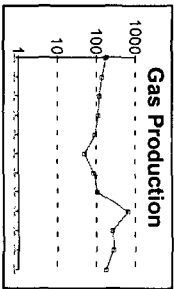
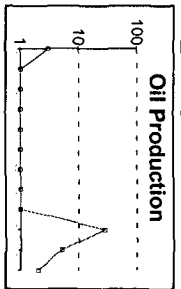
Gas Cum: 326.1 mmcf

Reservoir: DAKOTA

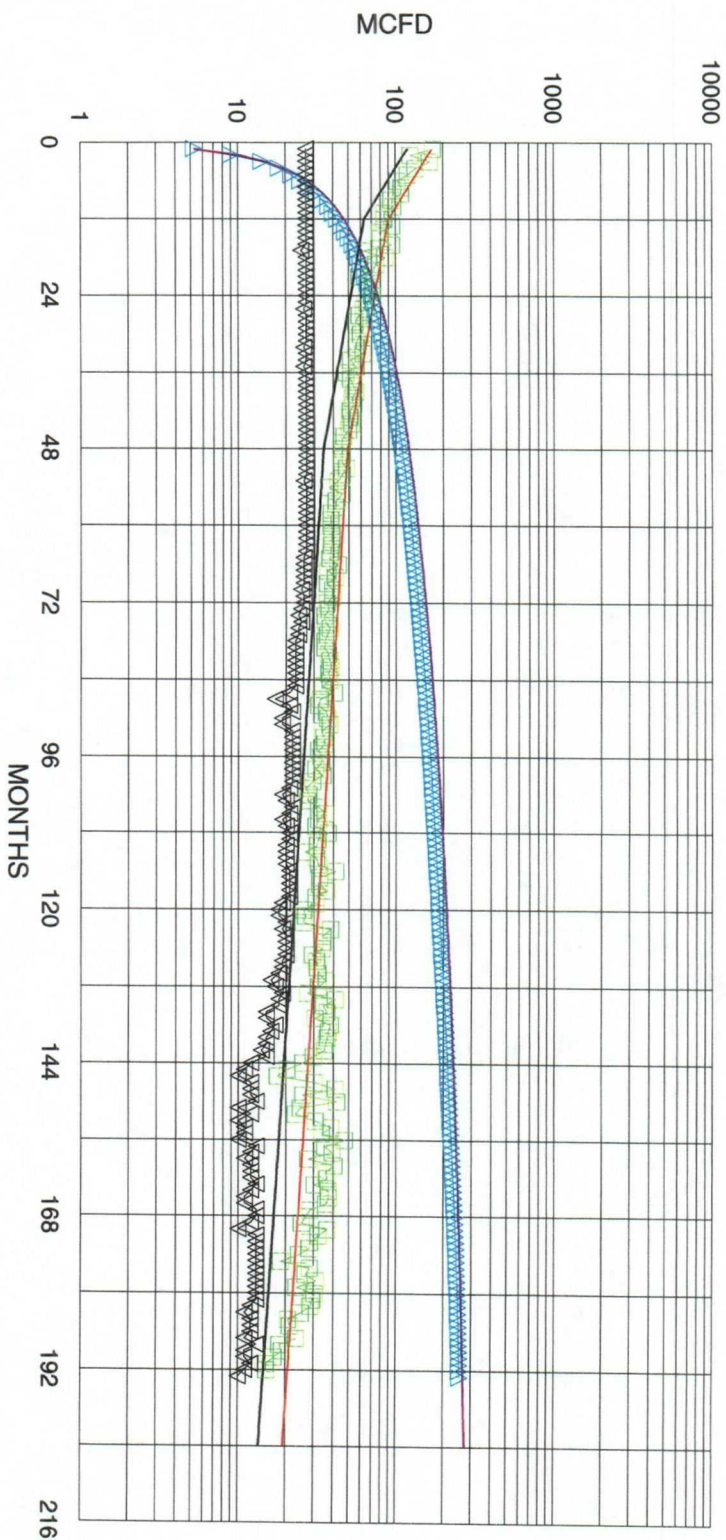
L.P. Date: 02/99

Lease:	SAN JUAN 28 7 UNIT	Well #:	217	FP Date:	78-11
Field:	BASIN (DAKOTA) DK	Location:	28B 27N 7W	LP Date:	99-02
Operator:	CONOCO INC	Liquid Cum:	7,228 bbls	Liq Since:	FPDATE
RCI #:	251,039,27N07W28B00DK	Gas Cum:	326,094 mcf	Gas Since:	FPDATE
API #:	30-039-20972-00	Status:	ACT GAS		

DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
03/1998	3	177	0	1
04/1998	0	139	0	1
05/1998	0	119	0	1
06/1998	0	113	0	1
07/1998	0	93	0	1
08/1998	0	50	0	1
09/1998	0	86	0	1
10/1998	0	103	0	1
11/1998	0	651	0	1
12/1998	28	265	0	1
01/1999	5	272	0	1
02/1999	2	182	0	1
Total	38	2,250	0	



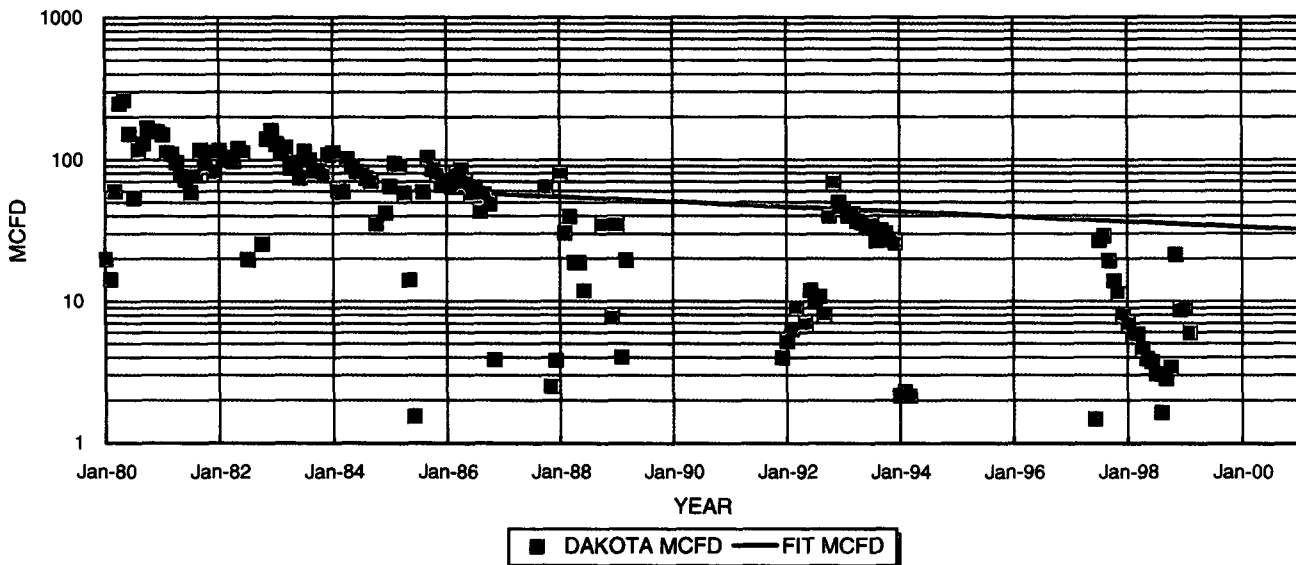
**NORMALIZED CHACRA PRODUCTION**  
**PROD. SINCE 1980; 27 CH WELLS LOCATED IN 28N-7W**



Normalized plot for supporting future SJ 28-7 CH recompletions

NORMALIZED AVG:		RISKED AVG:	
321 MMCF EUR	180 MCFD IP	30% RISK	210 MMCF EUR
321 MMCF/25.4YRS	50% DECLINE, 1ST 12 MONTHS		210 MMCF/20.5 YRS
10 MCFD E.L.	18% DECLINE, NEXT 36 MONTHS		10 MCFD E.L.
0.000012 bbl/mcf oil yield	7% FINAL DECLINE		0.000012 bbl/mcf oil yield

**SJ 28-7 #217 DAKOTA PRODUCTION  
SECTION 28B-27N-07W, RIO ARriba COUNTY, NEW MEXICO**



**DAKOTA PRODUCTION**

OIL CUM: 7.23 MBO  
GAS CUM: 326.1 MMCF  
OIL YIELD: 0.0222 BBL/MCF

1ST PROD: 11/78

**DAKOTA PROJECTED DATA**

Jan.00 Qi: 40 MCFD  
DECLINE RATE: 4.0% (EXPONENTIAL)  
API #30-039-20972

**PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION**

NOTE: SJ 28-7 #217 production is erratic. The average production for Aug-Oct 1999 was approximately 45 MCFD.

YEAR	MID-YEAR AVG. MCFD	MID-YEAR AVG. BOPD
2000	39	1
2001	38	0
2002	36	0
2003	35	0
2004	33	0
2005	32	0
2006	31	0
2007	29	0
2008	28	0
2009	27	0
2010	26	0
2011	25	0
2012	24	0
2013	23	0
2014	22	0
2015	21	0
2016	20	0
2017	20	0
2018	19	0
2019	18	0
2020	17	0
2021	17	0
2022	16	0
2023	15	0
2024	15	0
2025	14	0
2026	14	0
2027	13	0

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State of New Mexico  
Energy, Minerals & Natural Resources

OIL 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

<sup>1</sup> API Number 30-039-02972	<sup>2</sup> Pool Code 70340 / 71599	<sup>3</sup> Pool Name Chacra / Basin Dakota
<sup>4</sup> Property Code 016608	<sup>5</sup> Property Name San Juan 28-7	<sup>6</sup> Well Number 217
<sup>7</sup> OGRID No. 005073	<sup>8</sup> Operator Name Conoco Inc.	<sup>9</sup> Elevation

<sup>10</sup> Surface Location

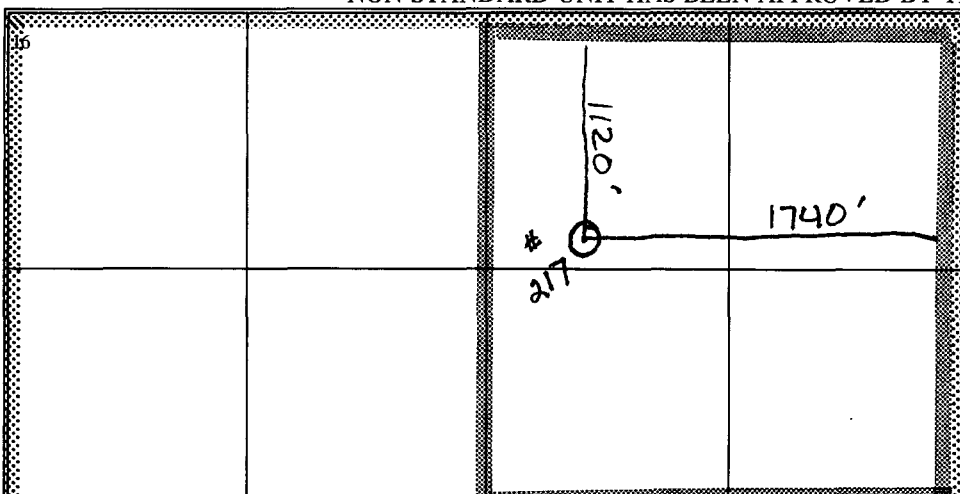
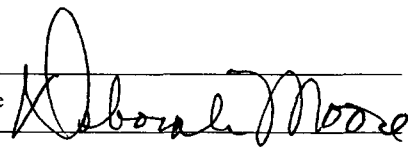
UL or lot no. B	Section 28	Township 27N	Range 7W	Lot Idn	Feet from the 1120	North/South line North	Feet from the 1470	East/West line West	County Rio Arriba
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<sup>11</sup> Bottom Hole Location If Different From Surface

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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<sup>12</sup> Dedicated Acres 160/320	<sup>13</sup> Joint or Infill I	<sup>14</sup> Consolidation Code U	<sup>15</sup> 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

	<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature </p> <p>Printed Name Deborah Moore</p> <p>Title Regulatory Analyst</p> <p>Date</p>
	<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyer:</p> <p>Certificate Number</p>