

31145321

DHC

11/27/00

District I
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

District II
811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION TYPE

Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

X Yes No

NOV - 6 2000

APPLICATION FOR DOWNHOLE COMMINGLING

CONOCO
Operator

P.O. BOX 2197 HOUSTON, TX 77252
Address

SAN JUAN 28 7
Lease

29
Well No.

L 7 28N 7W
Unit Letter-Section-Township-Range

RIO ARRIBA
County

OGRID No.005073 Property Code 016608 API No.30-039-07459 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BASIN FRUITLAND COAL	PICTURED CLIFFS <i>Blanco</i>	MESAVERDE
Pool Code	71629	72359	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2815'-3088	3094'-3136'	4670'-5425'
Method of Production (Flowing or Artificial Lift)	EXPECTED TO FLOW	EXPECTED TO FLOW	FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	CURRENT 1035 ORIGINAL 1035	CURRENT 345 ORIGINAL 1165	CURRENT 600 ORIGINAL 1237
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1045	1189	1250
Producing, Shut-In or New Zone	NEW ZONE	NEW ZONE	PRODUCING
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: EST. 150 MCFD	Date: Rates: EST. 250 MCFD	Date: Rates: CURRENT 55 MCFD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % %	Oil Gas % %	Oil Gas % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes No X
Yes No X

Are all produced fluids from all commingled zones compatible with each other?

Yes X No

Will commingling decrease the value of production?

Yes No X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes X No

NMOCD Reference Case No. applicable to this well: R-10476B

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, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE *Nigel Ramberansingh* TITLE REGULATORY ANALYST DATE 11/03/2000

TYPE OR PRINT NAME NIGEL RAMBERANSINGH TELEPHONE NO. (2801)293-3270

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
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1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised October 18, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-07459	² Pool Code 72319	³ Pool Name BLANCO MESAVERDE
⁴ Property Code 016608	⁵ Property Name SAN JUAN 28-7 #29	⁶ Well Number 29
⁷ OGRID No. 005073	⁸ Operator Name CONOCO, INC.	⁹ Elevation

¹⁰ Surface Location

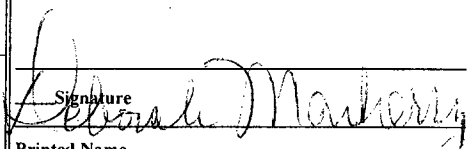
UL or lot no. L	Section 7	Township 28N	Range 4W	Lot Idn	Feet from the 1550'	North/South line SOUTH	Feet from the 990'	East/West line WEST	County RIO ARRIBA
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¹¹ Bottom Hole Location If Different From Surface

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	¹³ Joint or Infill	¹⁴ Consolidation Code	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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  _____ Signature Printed Name DEBORAH MARBERRY _____ Title REGULATORY ANALYST _____ Date
					18 SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys made by me or under</i> _____ Date of Survey Signature and Seal of Professional Surveyer _____ Certificate Number

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-07459	² Pool Code 72439	³ Pool Name BLANCO P.C. SOUTH
⁴ Property Code 016608	⁵ Property Name SAN JUAN 28-7 #29	⁶ Well Number 29
⁷ OGRID No. 005073	⁸ Operator Name CONOCO, INC.	⁹ Elevation

¹⁰ Surface Location

UL or lot no. L	Section 7	Township 28N	Range 4W	Lot Idn	Feet from the 1550'	North/South line SOUTH	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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16					¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i> Signature <u>Deborah Marberry</u> Printed Name DEBORAH MARBERRY Title REGULATORY ANALYST Date
<u>990'</u>	<u>1550'</u>				¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys made by me or under</i> Date of Survey Signature and Seal of Professional Surveyer Certificate Number

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-07459	² Pool Code 71629 7	³ Pool Name BASIN FRUITLAND COAL
⁴ Property Code 016608	⁵ Property Name SAN JUAN 28-7 #29	⁶ Well Number 29
⁷ OGRID No. 005073	⁸ Operator Name CONOCO, INC.	⁹ Elevation

¹⁰ Surface Location

UL or lot no. L	Section 7	Township 28N	Range 4W	Lot Idn	Feet from the 1550'	North/South line SOUTH	Feet from the 990'	East/West line WEST	County RIO ARriba
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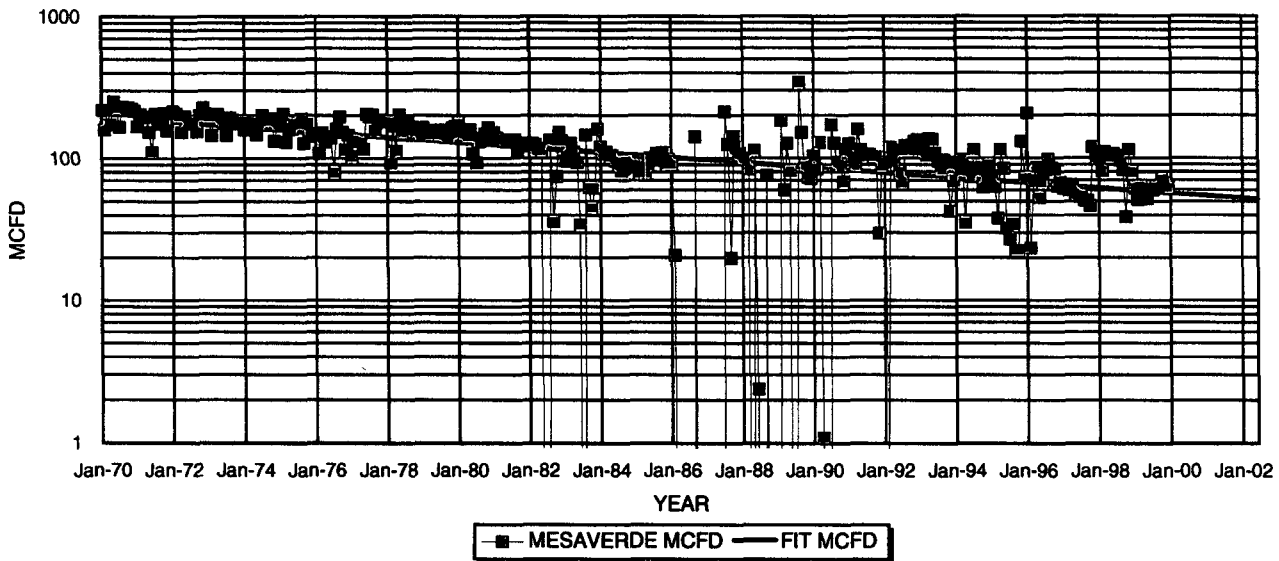
¹¹ Bottom Hole Location If Different From Surface

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

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					¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys made by me or under</i> Date of Survey _____ Signature and Seal of Professional Surveyer _____ Certificate Number _____

**SJ 28-7 #29 MESAVERDE PRODUCTION
SECTION 7L-28N-07W, RIO ARriba COUNTY, NEW MEXICO**



MESAVERDE PRODUCTION		1ST PROD: 10/55	MESAVERDE PROJECTED DATA	
OIL CUM:	13.34	MBO	Jan.00 Qi:	57 MCFD
GAS CUM:	2064.6	MMCF	DECLINE RATE:	4.0% (EXPONENTIAL)
OIL YIELD:	0.0065	BBL/MCF	API #30-039-07459	

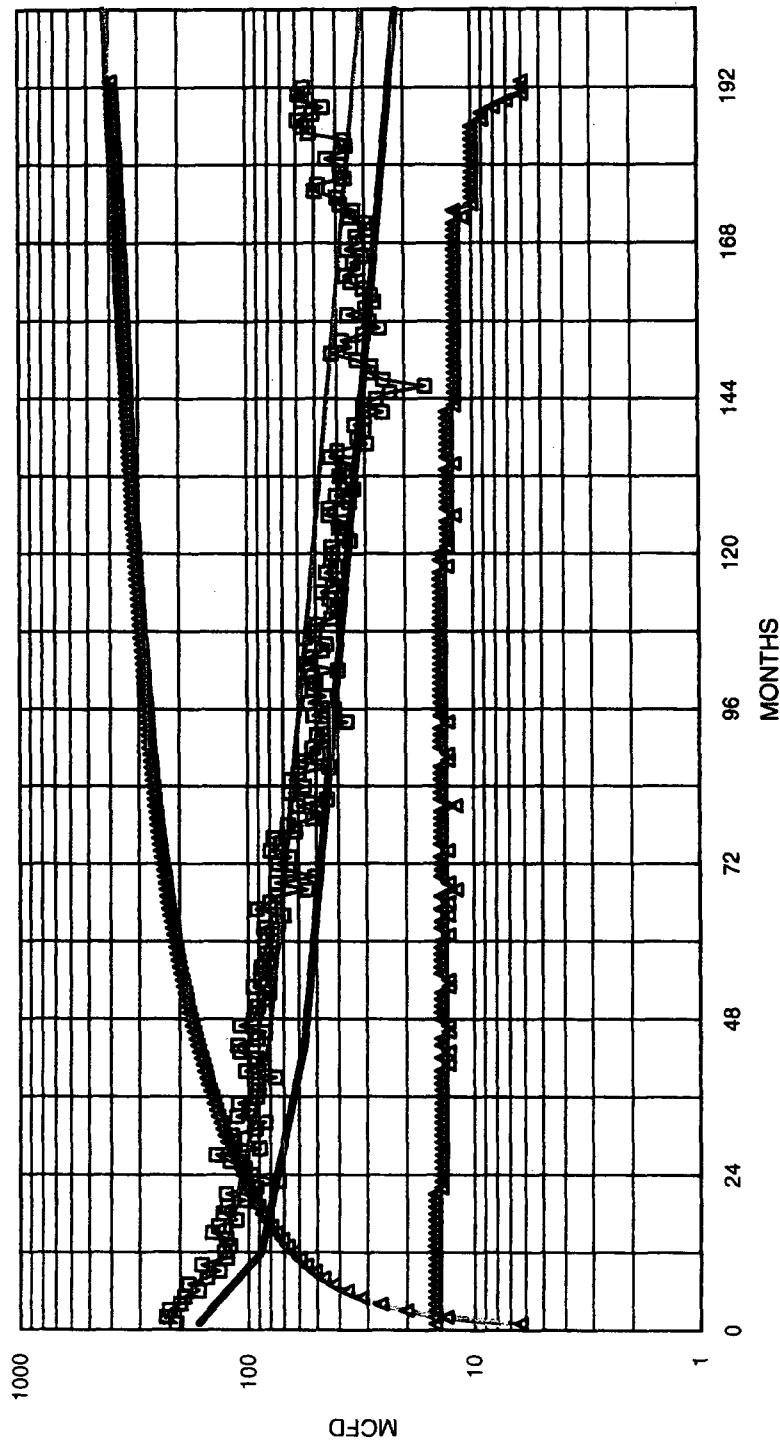
PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

NOTE: Current decline rate is approximately 4.0%/year. This rate is expected to continue for the duration of the well based on production trends observed during the life of this well.

Production data from P/Dwights Plus.

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
2000	56	0.4
2001	54	0.3
2002	52	0.3
2003	50	0.3
2004	48	0.3
2005	46	0.3
2006	44	0.3
2007	42	0.3
2008	41	0.3
2009	39	0.3
2010	37	0.2
2011	36	0.2
2012	34	0.2
2013	33	0.2
2014	32	0.2
2015	30	0.2
2016	29	0.2
2017	28	0.2
2018	27	0.2
2019	26	0.2
2020	25	0.2
2021	24	0.2
2022	23	0.1
2023	22	0.1
2024	21	0.1
2025	20	0.1
2026	19	0.1
2027	19	0.1

NORMALIZED PICTURED CLIFFS PRODUCTION
PROD. SINCE 1980; 15 PC WELLS LOCATED IN 28N-7W AND 27N-7W (Secs. 1:12)



—▲— NORM CUM MMCF —▲— WELLS ON PRODUCTION ——— FIT CUM MMCF ——— RISKED MCFD ——— FIT MCFD

NORMALIZED AVG:

522 MMCF EUR
 524 MMCF/33.5 YRS
 10 MCFD E.L.
 0.000158 bbl/mcf oil yield

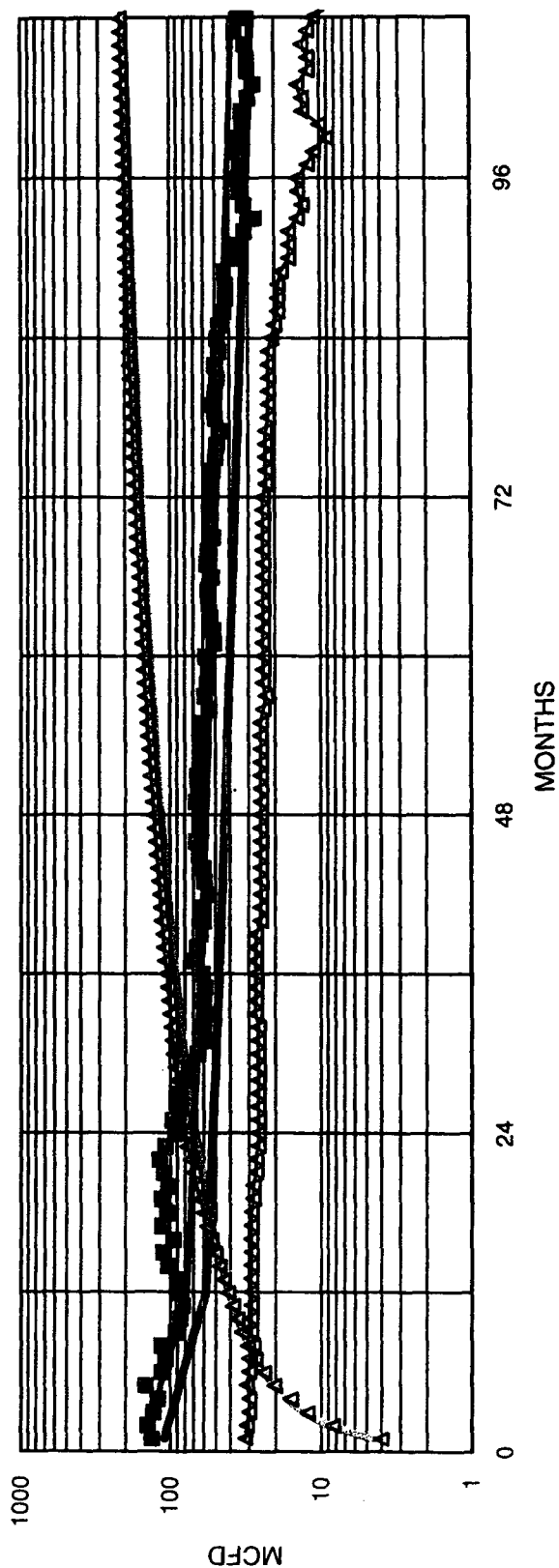
250 MCFD IP
 50% DECLINE, 1ST 12 MONTHS
 15% DECLINE, NEXT 36 MONTHS
 7% FINAL DECLINE

RISKED AVG:

30% RISK
 350 MMCF EUR
 349 MMCF/27.8 YRS
 10 MCFD E.L.
 0.000158 bbl/mcf oil yield

175 MCFD IP
 50% DECLINE, 1ST 12 MONTHS
 15% DECLINE, NEXT 36 MONTHS
 7% FINAL DECLINE

NORMALIZED FRUITLAND COAL PRODUCTION
29 WELLS SINCE 1990; 28N-7W & 27N-7W



—■— NORM MCFD —▲— NORM CUM MMCF —◆— WELLS ON PRODUCTION ——— FIT CUM MMCF ——— RISKED MCFD ——— FIT MCFD

NORMALIZED AVG:

323 MMCF EUR
 300 MMCF IN 20 YRS
 10 MCFD E.L.
 0.0000 bbl/mcf oil yield

155 MCFD IP
 50.0% DECLINE, 1ST 12 MONTHS
 10.0% DECLINE, NEXT 24 MONTHS
 8.0% FINAL DECLINE

RISKED AVG:

231 MMCF EUR
 225 MMCF IN 20 YRS
 10 MCFD E.L.
 0.0000 bbl/mcf oil yield

116 MCFD IP
 50.0% DECLINE, 1ST 12 MONTHS
 10.0% DECLINE, NEXT 24 MONTHS
 8.0% FINAL DECLINE