

DATE 3/21/01	SUBMITTER 4/10/01	ENGINEER DC	LOGGED IN KW	TYPE DHC	APP NO. 108249862
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



2898

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

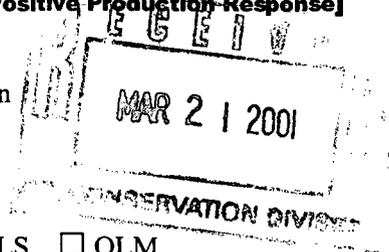
- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance 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 - Simultaneous Dedication  
 NSL  NSP  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 reviewed the 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 (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.

Peggy Cole  
Print or Type Name

Signature

*Peggy Cole*

Regulatory Supervisor  
Title

Date

pbradfield@br-inc.com  
e-mail Address

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

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised May 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, New Mexico 87505

APPLICATION TYPE

Single Well  
Establish Pre-Approved Pools  
EXISTING WELLBORE  
Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Burlington Resources Oil and Gas Company Operator P.O.Box 4289 Address Farmington, New Mexico 87499

Reid A Lease 2R Well No. D Sec 13, T29N, R10W Unit Letter-Section-Township-Range San Juan County

OGRID No. 14538 Property Code 7417 API No. 30-045-23153 Lease Type: X Federal State Fee

Table with 4 columns: DATA ELEMENT, UPPER ZONE, INTERMEDIATE ZONE, LOWER ZONE. Rows include Pool Name, Pool Code, Top and Bottom of Pay Section, Method of Production, Bottomhole Pressure, Oil Gravity or Gas BTU, Producing, Shut-In or New Zone, Date and Oil/Gas/Water Rates of Last Production, and Fixed Allocation Percentage.

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X No

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:

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.
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 [Signature] TITLE Operations Engineer DATE 3-21-1
TYPE OR PRINT NAME Joe Michetti TELEPHONE NO. (505) 326-9700

PRODUCTION  
AUG 16 1978

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

*Yes*  
Form C-102  
Supersedes C-128  
Effective 1-1-65

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

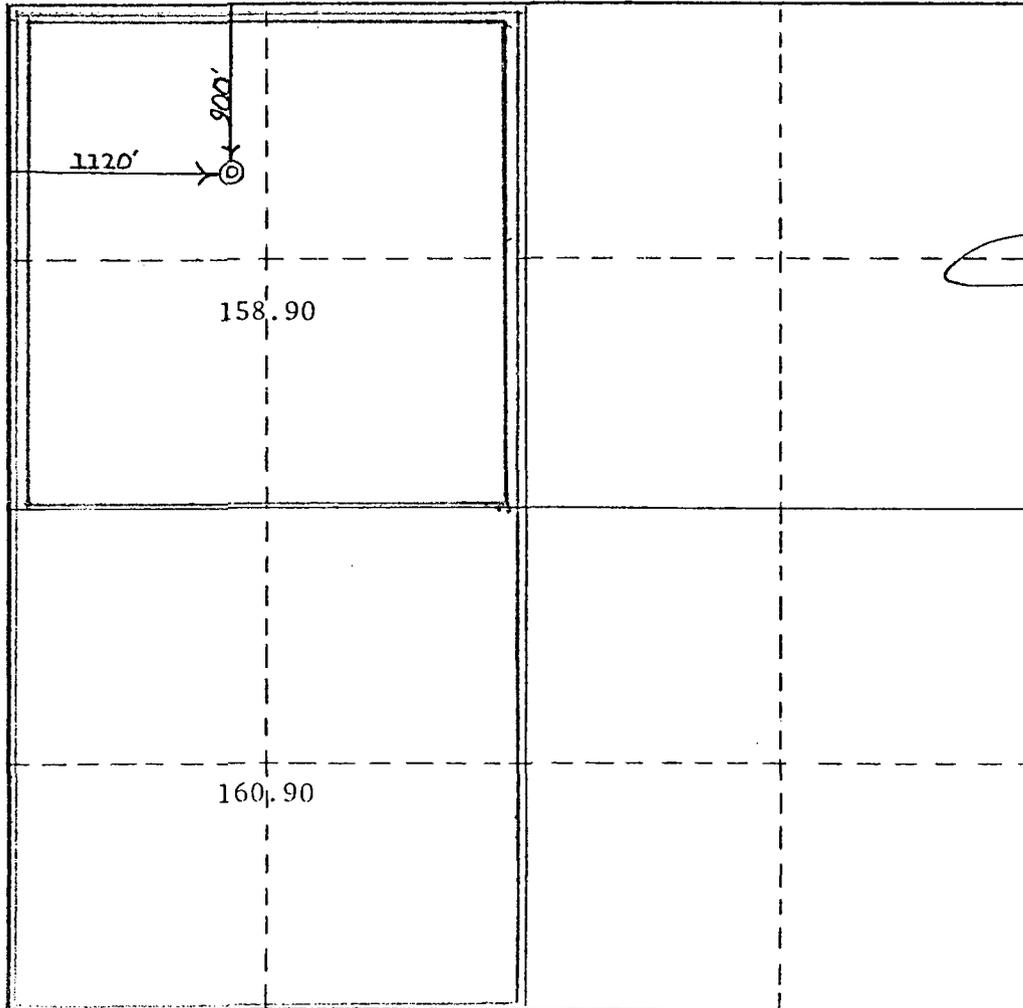
Operator SOUTHLAND ROYALTY COMPANY		Lease REID "A"		Well No. 2-R	
Unit Letter D	Section 13	Township 29N	Range 10W	County SAN JUAN	
Actual Footage Location of Well: 900' feet from the NORTH line and 1120 feet from the WEST line					
Ground Level Elev. 5747'	Producing Formation MESAVERDE		Pool BLANCO	Dedicated Acreage: 319.80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 Communitization AUG 16 1978

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.

Name *[Signature]*  
Position  
District Production Manager

Company  
Southland Royalty Company

Date  
August 10, 1978

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.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

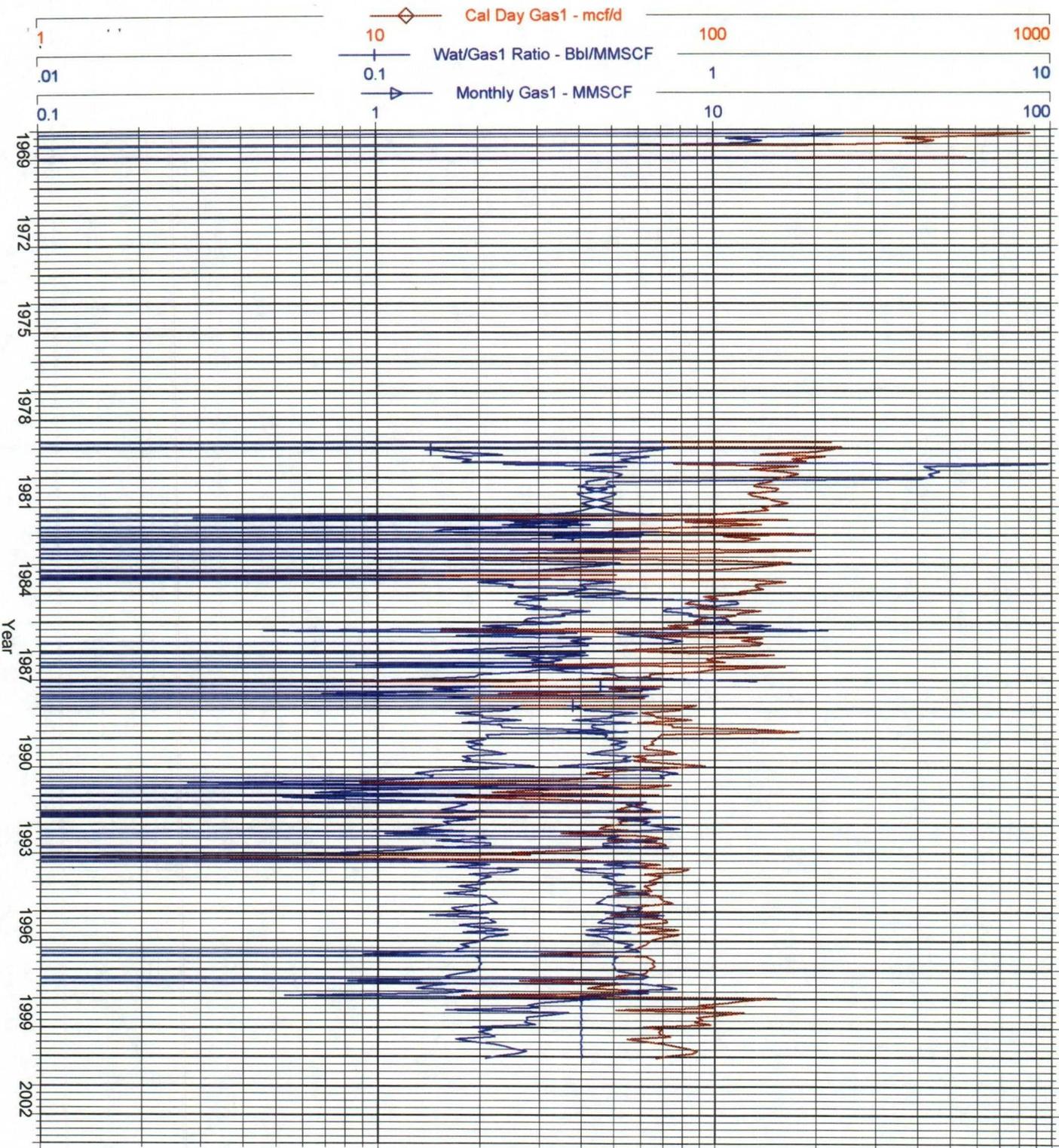
Certificate No.

REID A 2R 6605902 (288392864841.518) Data: Jan.1969-Jan.2001

Operator:  
Field:  
Zone:  
Type: Gas  
Group: None

PROD Gas1 Daily (Rate-Time)  
qi: 2.83069 MMSCF, Jul, 2001  
qf: 0.304565 MMSCF, Apr, 2004  
di(Exp): 5.07992 CTD: 741.618 MMSCF  
RR: 595.796 MMSCF Tot: 1337.41 MMSCF

Production Cumms  
Oil: 0 MSTB  
Gas: 741.618 MMSCF  
Water: 0.410269 MSTB  
Cond: 0 MSTB



◇ Cal Day Gas1 - mcf/d  
 Cum: 741.618 MMSCF  
 + Wat/Gas1 Ratio - Bbl/MMSCF  
 Cum: 0.410269 MSTB  
 ▲ Monthly Gas1 - MMSCF  
 Cum: 741.618 MMSCF

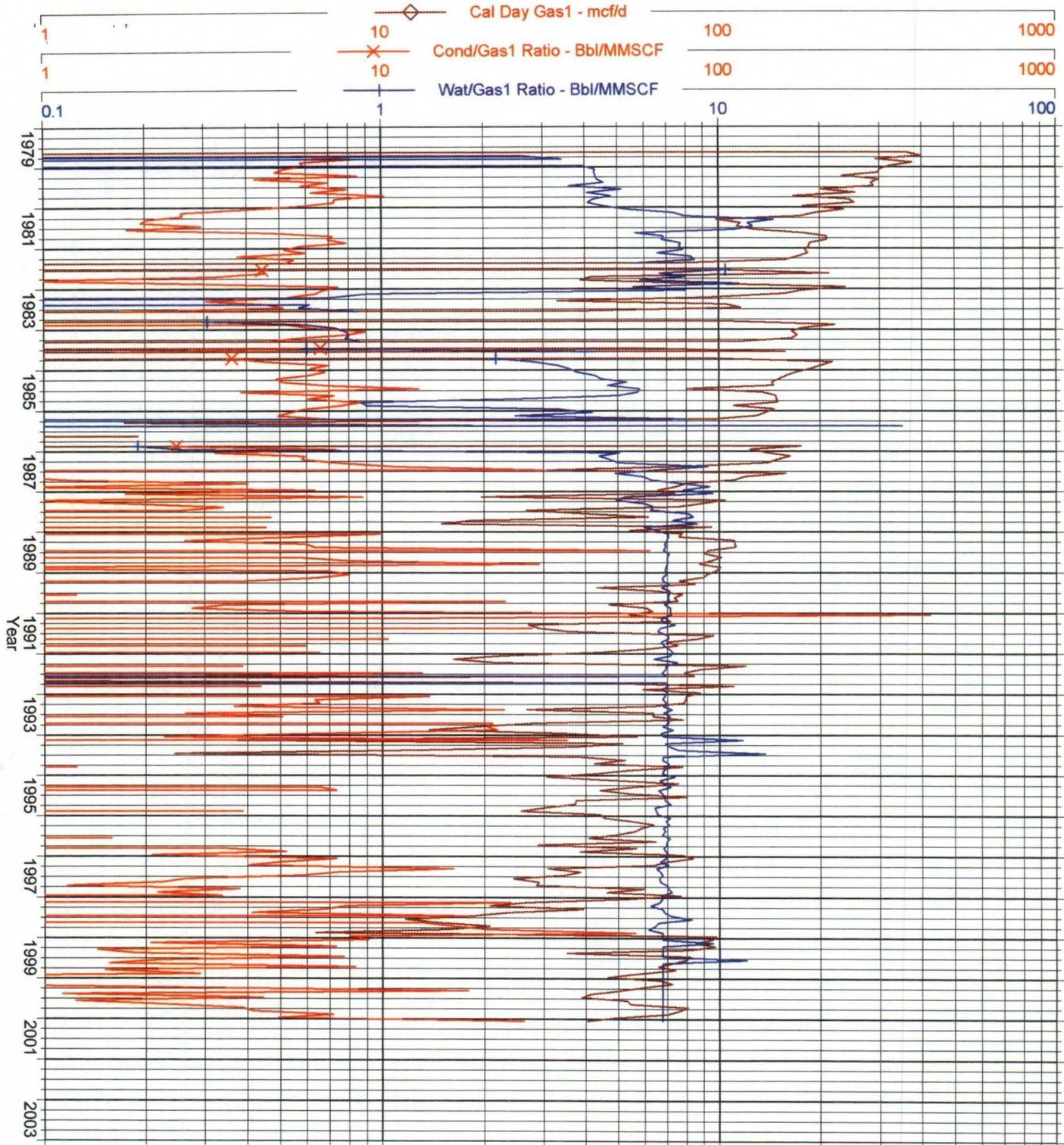
REID A 2R 6605901 (273117206791.223) Data: Jan. 1979-Feb. 2001

Operator:  
Field:  
Zone:  
Type: Gas  
Group: None

No  
Active  
Forecast

Production Cums  
Oil: 0 MSTB  
Gas: 720.675 MMSCF  
Water: 3.91713 MSTB  
Cond: 4.53703 MSTB

Cal Day Gas1 - mcf/d  
Cum: 720.675 MMSCF  
Cond/Gas1 Ratio - Bbl/MMSCF  
Cum: 4.53703 MSTB  
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Cum: 3.91713 MSTB



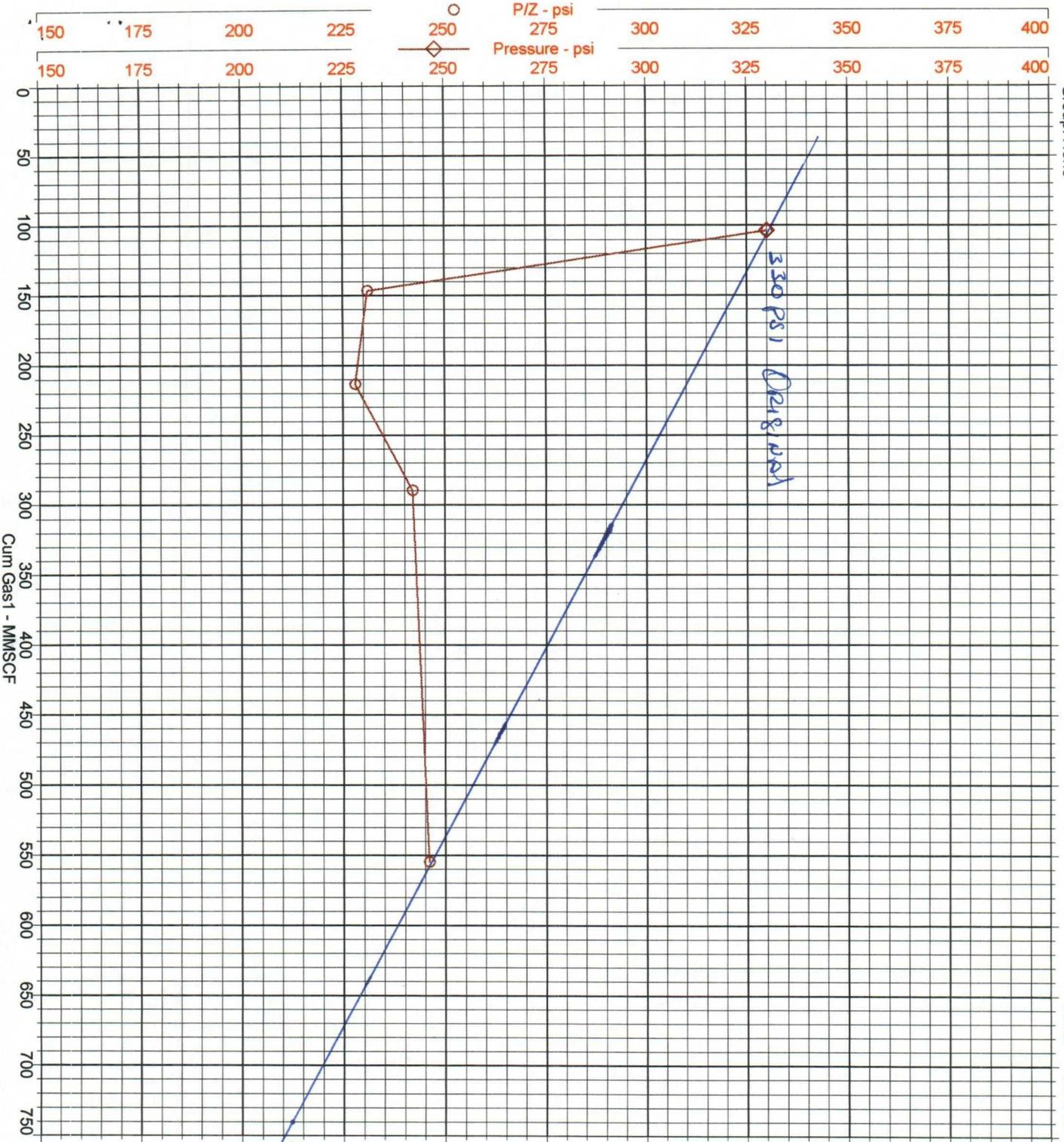
*Pictured Wells*

No Active Forecast

Production Cums  
 Oil: 0 MSTB  
 Gas: 741.618 MMSCF  
 Water: 0.410269 MSTB  
 Cond: 0 MSTB

Operator:  
 Field:  
 Zone:  
 Type: Gas  
 Group: None

○ P/Z - psi  
 Cum: 0  
 ◆ Pressure - psi  
 Cum: 0



*250 PSI Current*

*330 PSI Original*

REID A 2R 6605901 (273117206791.223) Data: Jan. 1979-Feb. 2001

Operator:

mesaverde

Field:

No Active Forecast

Type: Gas

Group: None

Production Cums

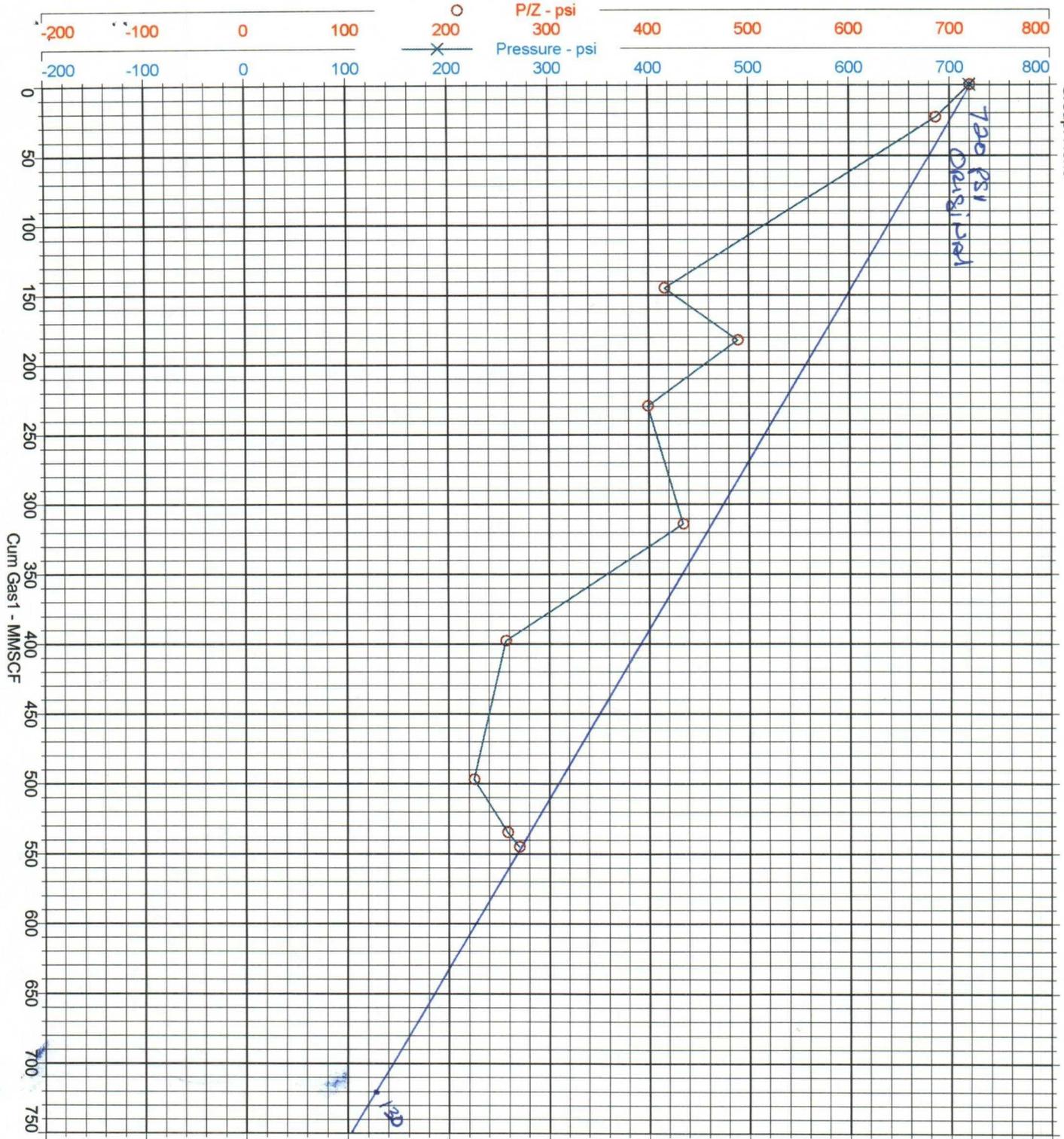
Oil: 0 MSTB

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Water: 3.91713 MSTB

Cond: 4.53703 MSTB

○ P/Z - psi Cum: 0  
 \* Pressure - psi Cum: 0



720 PSI  
 Original

720  
 Current

**Reid A 2R**  
**Bottom Hole Pressures**  
**Flowing and Static BHP**  
**Cullender and Smith Method**  
Version 1.0 3/13/94

*Used Lacey AIR as offset well*

<b>Pictured Cliffs</b>	<b>Mesa Verde</b>																																																
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**Burlington Resources 10W Downhole Commingle Allocation Factors** continued

Well Name	Lease	Location	API#	Formation Allocation	Formation Allocation
McClanahan #18	SF-079634	sec 13, T28N,R10W	3004507513	MV gas 9% oil 42%	DK gas 91% oil 58%
Neudecker #7	SF-080655	L sec 13, T29N,R10W	3004508255	MV gas 60% oil 100%	DK gas 40% oil 0%
Payne #2A	SF-080517	D sec 21, T32N,R10W	3004523910	MV gas 59% oil 100%	DK gas 41% oil 0%
Riddle B #1A	SF-078200B	I sec 27, T30N,R10W	3004523157	MV gas 89% oil 100%	PC gas 11% oil 0%
Reid B #2E	NM-0702	E sec 31, T29N,R10W	3004524433	Chacra gas 23% oil 0%	DK gas 77% oil 100%
Reid A #2R	NM-01772A	D sec 13, T29N,R10W	3004523153	MV gas 50% oil 10 0%	PC gas 50% oil 0%
Sanchez #3E	NM-06738	sec 34, T30N,R10W	3004525058	MV gas 49% oil 35%	DK gas 51% oil 65%
Schumacher #11M	SF-077764	O sec 18, T30N,R10W	3004530066	MV gas 45% oil 0%	DK gas 55% oil 0%
Scott #2A	SF-078604	I sec 31, T32N,R10W	3004521994	MV gas 46% oil 10 0%	PC gas 54% oil 0%
Sunray A #1	SF-078125	A sec 15, T30N,R10W	3004509540	MV gas 69% oil 10 0%	PC gas 31% oil 0%
Sunray D #2R	SF-078204	A sec 21, T30N,R10W	3004523862	MV gas 75% oil 10 0%	PC gas 25% oil 0%
Sunray E #2	SF-077730	L sec 9, T30N,R10W	3004509662	MV/PC	
Sunray F #1B	NM-103103	A sec 26, T30N,R10W	3004530173	MV gas 36% oil 0%	DK gas 64% oil 0%
Sunray F #1M	SF-080750	A sec 26, T30N,R10W	3004530830	MV/DK	
Talliaferro #4E	SF-078244	C sec 21, T30N,R10W	3004524452	MV gas 86% oil 68%	DK gas 14% oil 32%
Walker Koch #1R	NM-014110	A sec 13, T31N,R10W	3004522340	FC/PC/MV	
Zachry #16E	SF-080724A	P sec 33, T29N,R10W	3004524434	Chacra gas 44% oil 0%	DK gas 56% oil 100%
Zachry #17E	SF-080724A	O sec 35, T29N,R10W	3004524801	Chacra gas 30% oil 0%	DK gas 70% oil 100%
Zachry #40	SF-080724A	I sec 10, T28N,R10W	3004525469	Gallup gas 89% oil 77%	MV gas 11% oil 23%

blanks indicate no allocation factors submitted only application