



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3097

ConocoPhillips Co.
P.O. Box 2197 WL3 4061
Houston, Texas 77252

Attention: Ms. Deborah Marberry

San Juan 29-6 Well No. 47
API No. 30-039-07550
Unit B, Section 28, Township 29 North, Range 6 West, NMPM,
Rio Arriba County, New Mexico
Blanco-Mesaverde (Prorated Gas 72319),
Basin-Fruitland Coal (Gas 71629), and
Undesignated South Blanco-Pictured Cliffs (Prorated Gas 72439) Pools

Dear Ms. Marberry:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Unless other Mesaverde production testing is done after commingling with the other zones, i.e. with spinner surveys, the allocation of production to the Mesaverde shall be based on an expected 15% annual production decline rate commencing from production before the workover. The remaining production from the well shall be allocated to the other completed zones in a ratio determined by well testing during completion of those zones. The applicant shall consult with the supervisor of the Aztec District Office of the Division in order to finalize an allocation of production from each of the commingled zones and this method of allocation and percentages used shall be recorded and submitted to the Division office in Santa Fe.

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on the 22nd day of January 2003.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery (WVD)
LORI WROTENBERY
Director

LW/wvjj

cc: Oil Conservation Division – Aztec
Bureau of Land Management - Farmington