

DATE <u>3/24/03</u>	SUSPENSE <u>NA</u>	ENGINEER <u>WVS</u>	LOGGED IN <u>KW</u>	TYPE <u>DHC</u>	APP NO <u>PKRVO 308557145</u>
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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



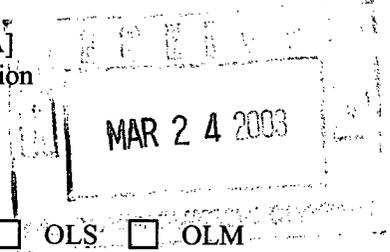
ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST 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
 [D] Other: Specify _____



- [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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Deborah Markberry Deborah Markberry Regulatory Analyst 3/18/03
 Print or Type Name Signature Title Date

Deborah.Markberry@Conservation.nm.gov
 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 68240

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

OIL CONSERVATION DIVISION

APPLICATION TYPE

District III
1000 Rio Brazos Road, Aztec, NM 87410

2040 South Pacheco
Santa Fe, New Mexico 87505

Single Well
Established Pre-Approved Pools
EXISTING WELLBORE
 Yes No

District IV
2040 South Pacheco, Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

CONOCOPHILLIPS CO.

P.O. BOX 2197 WL3 4061 HOUSTON TX 77252

Operator

Address

STATE COM O

11A

0 16 29N 8W

SAN JUAN

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 217817 Property Code _____ API No. 30-045-21699 Lease Type Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Basin Fruitland Coal <i>Gas</i> <i>Low Productivity</i>		Blanco Mesaverde <i>Pro Gas</i>
Pool Code	71629 ✓		72319 ✓
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2390 - 3277		4906 - 5723
Method of Production (Flowing or Artificial Lift)	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)	1200 psi		800 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1,123 BTU/CF		1325 BTU/CF
Producing, Shut-in or 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: NA	Date: Rates:	Date: 01/01/2003 Rates: 112mcf/d / .6bopd / 1bwpd
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil <i>0%</i> Gas allocation by subtraction%	Oil Gas %	Oil <i>100%</i> Gas <i>148.62%</i> allocation by subtraction%

ADDITIONAL DATA

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

Yes No
Yes No

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

Yes No

Will commingling decrease the value of production?

Yes No

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 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.
- 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 *Deborah Marberry* TITLE REGULATORY ANALYST DATE 03/12/2003

TYPE OR PRINT NAME DEBORAH MARBERRY TELEPHONE NO. (832)486-2326

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 Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-21699		² Pool Code 72319		³ Pool Name Blanco Mesaverde	
⁴ Property Code STATE COM O		⁵ Property Name CONOCOPHILLIPS CO.			⁶ Well Number 11A
⁷ OGRID No. 217817		⁸ Operator Name CONOCOPHILLIPS CO.			⁹ Elevation 6638'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	16	29N	8W		990	SOUTH	1850	EAST	SAN JUAN

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 320 E/2	¹³ Joint or Infill I	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				<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p style="text-align: center;"><i>Deborah Marberry</i> Signature</p> <p style="text-align: center;">DEBORAH MARBERRY Printed Name</p> <p style="text-align: center;">REGULATORY ANALYST Title</p> <p style="text-align: center;">02/17/2003 Date</p>
				<p>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.</p>
				<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
				<p>Certificate Number</p>

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2040 South Pacheco
Santa Fe, NM 87505

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-21699		² Pool Code 71629		³ Pool Name Basin Fruitland Coal	
⁴ Property Code STATE COM O		⁵ Property Name STATE COM O			⁶ Well Number 11A
⁷ OGRID No. 217817		⁸ Operator Name CONOCOPHILLIPS CO.			⁹ Elevation 6638'

¹⁰ Surface Location

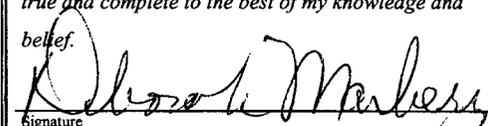
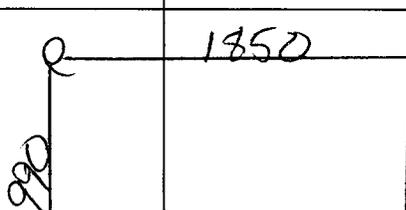
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¹¹ Bottom Hole Location If Different From Surface

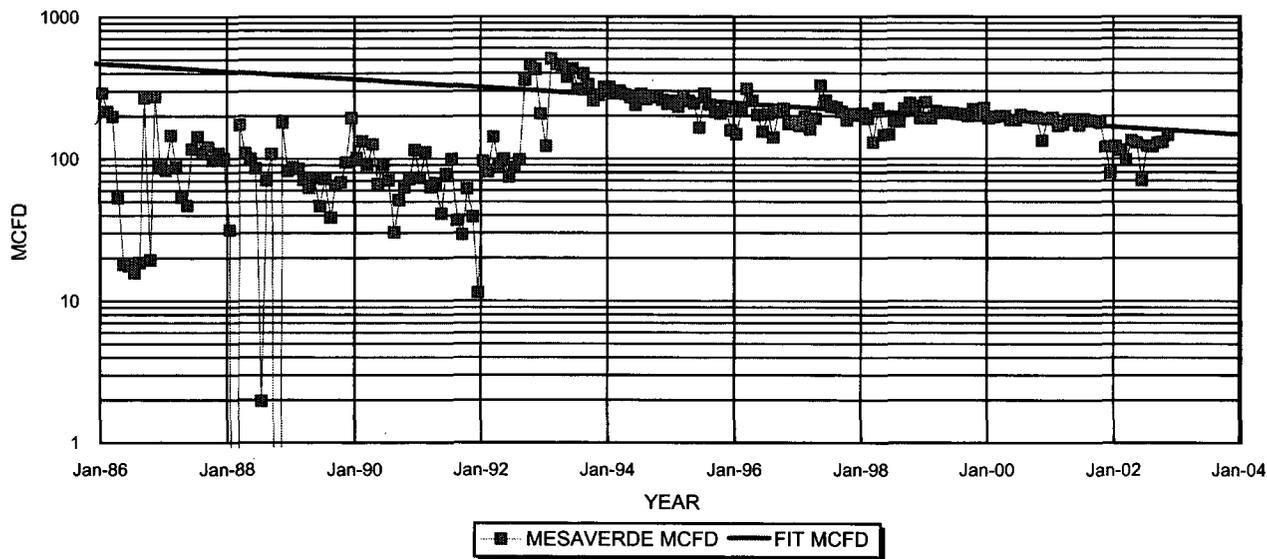
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16				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature DEBORAH MARBERRY Printed Name REGULATORY ANALYST Title 02/17/2003 Date	
				¹⁸ SURVEYOR CERTIFICATION 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 Surveyor:  Certificate Number	

**STATE COM O-11A MESAVERDE PRODUCTION
SECTION 16-29N-08W, SAN JUAN COUNTY, NEW MEXICO**



MESAVERDE PRODUCTION		1ST PROD: 08/79		MESAVERDE PROJECTED DATA		
OIL CUM:	1.27	MBO	Jan '03 Qi:	158	MCFD	
GAS CUM:	2093.6	MMCF	DECLINE RATE:	6.2%	(EXPONENTIAL)	
OIL YIELD:	0.61	BBL/MMCF	API #30-045-21699			

PRODUCTION FORECAST FOR SUBTRACTION METHOD COMMINGLE ALLOCATION

NOTE: Current yearly decline rate is approximately 6.2%.
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 PEEP.

YEAR	MID-YEAR	MID-YEAR
	AVG. MCFD	AVG. BOPD
2003	148	0.1
2004	139	0.1
2005	130	0.1
2006	122	0.1
2007	115	0.1
2008	108	0.1
2009	101	0.1
2010	95	0.1
2011	89	0.1
2012	83	0.1
2013	78	0.0
2014	73	0.0
2015	69	0.0
2016	64	0.0
2017	60	0.0
2018	57	0.0
2019	53	0.0
2020	50	0.0
2021	47	0.0
2022	44	0.0
2023	41	0.0
2024	39	0.0
2025	36	0.0
2026	34	0.0
2027	32	0.0
2028	30	0.0
2029	28	0.0
2030	26	0.0
2031	25	0.0
2032	23	0.0
2033	22	0.0