

1/7/01	2/27/01	ENGINEER	LOGGED IN	PLC	APP NO. 103940457
--------	---------	----------	-----------	-----	-------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

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



183

**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.**

Yolanda Perez  
 Print or Type Name

Yolanda Perez  
 Signature

Sr. Regulatory Analyst 2/6/01  
 Title Date

yolanda.perez@usa.conoco.com  
 e-mail Address



Yolanda Perez  
Sr. Regulatory Analyst  
EP Americas  
Lobo/San Juan Asset Unit

P.O. Box 2197 – DU3084  
Houston, TX 77252-2197  
(281) 293-1613

February 6, 2001

State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87504-2088

**RE: Application to Surface Commingle**

Gentlemen:

Conoco Inc. seeks permission to Surface Commingle the wells listed on the attached spreadsheet.

The following items are submitted in support of this application:

1. A list of the wells, location, pool name, state lease number, volumes and BTU content
2. A plat of the affected leases with the subject wells identified.
3. A schematic of the Central Facility.
4. Working interest, royalty interest and ORRI are identical for all producing horizons.

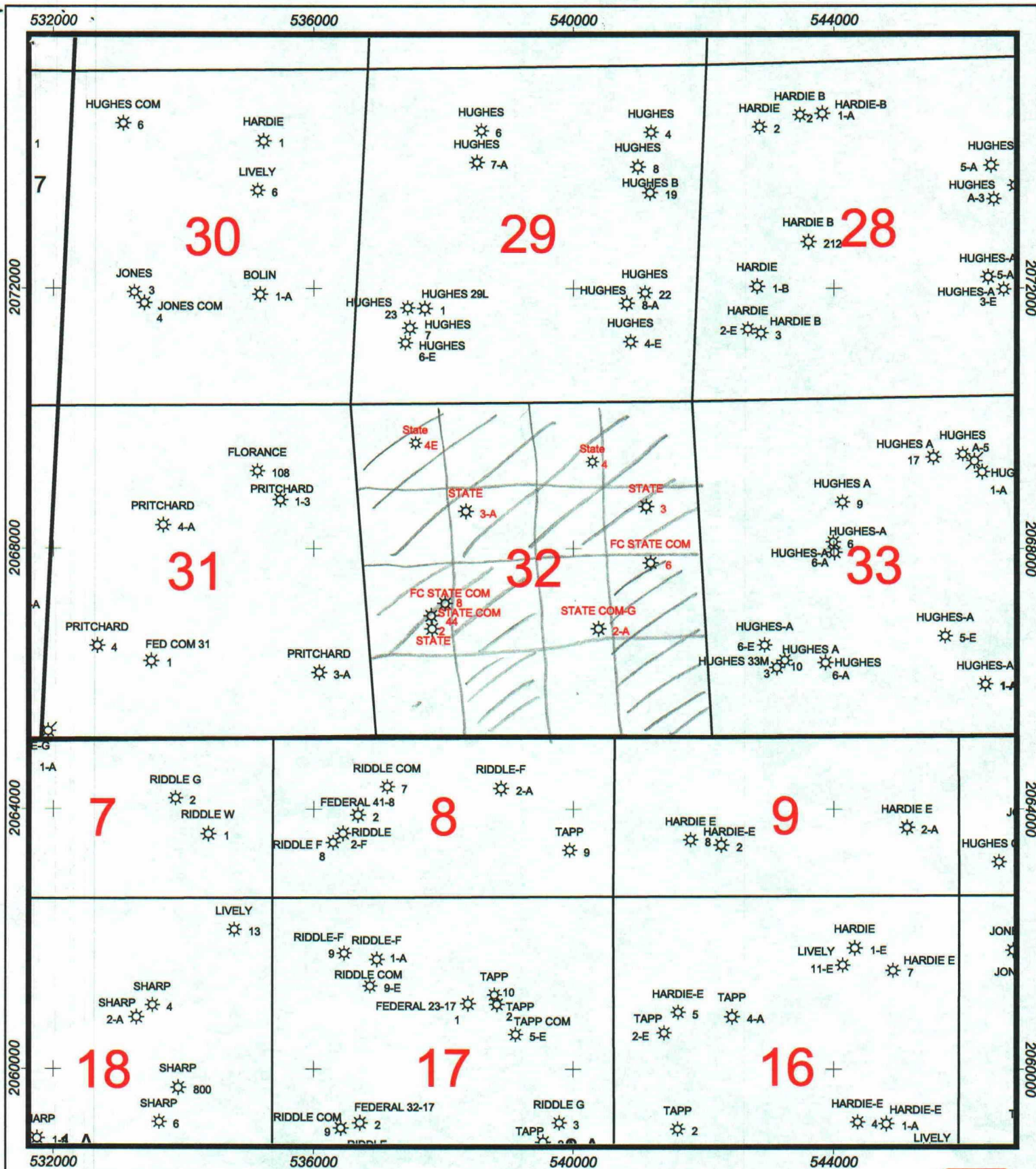
If you have any questions or require any further information please feel free to contact me at (281) 293-1613.

Sincerely,

A handwritten signature in cursive script that reads "Yolanda Perez".

Yolanda Perez  
Regulatory Analyst  
Lobo/San Juan Asset

Lease Name, Producing	Well	API #	Location Sec, Twn, Rge, Unit Ltr.	Pool	State Lease #	Wellhead MCF	BTU Content
FC STATE COM	6	30-045-27504	32 29N 08W H	Basin Fruitland Coal	E 5226-1	1,169	1088
FC STATE COM	8	30-045-27500	32 29N 08W L	Basin Fruitland Coal	E 5226-1	2,595	1068
STATE	3	30-045-07689	32 29N 08W H	Blanco Mesaverde	E 5226	3,130	1267
STATE	3	30-045-07689	32 29N 08W H	Blanco Pictured Cliffs	E 5226	668	1127
STATE	3A	30-045-21632	32 29N 08W F	Blanco Mesaverde	E 5226-1	2,915	1245
STATE	3A	30-045-21632	32 29N 08W F	Blanco Pictured Cliffs	E 5226-1	1,712	1245
STATE COM	44	30-045-22585	32 29N 08W L	Blanco Pictured Cliffs	E 5226-1	1,026	1092
STATE COM G	2	30-045-07647	32 29N 08W L	Blanco Mesaverde	E 3374-3, E 4426-46, E 5226-3, E 1202-10	2,538	1256
STATE COM G	2A	30-045-21633	32 29N 08W J	Blanco Mesaverde	E 3374-3, E 4426-46, E 5226-3, E 1202-10	6,419	1221
STATE COM G	2A	30-045-21633	32 29N 08W J	Blanco Pictured Cliffs	E 3374-3, E 4426-46, E 5226-3	714	1221
STATE	4E	30-045-29781	32 29N 08W D	Basin Dakota	E 5226-3	5148	1207
STATE	4E	30-045-29781	32 29N 08W D	Blanco Mesaverde	E 5226-3	4046	1207



All wells in section 32 to be commingled.

2000 0 2000 Feet



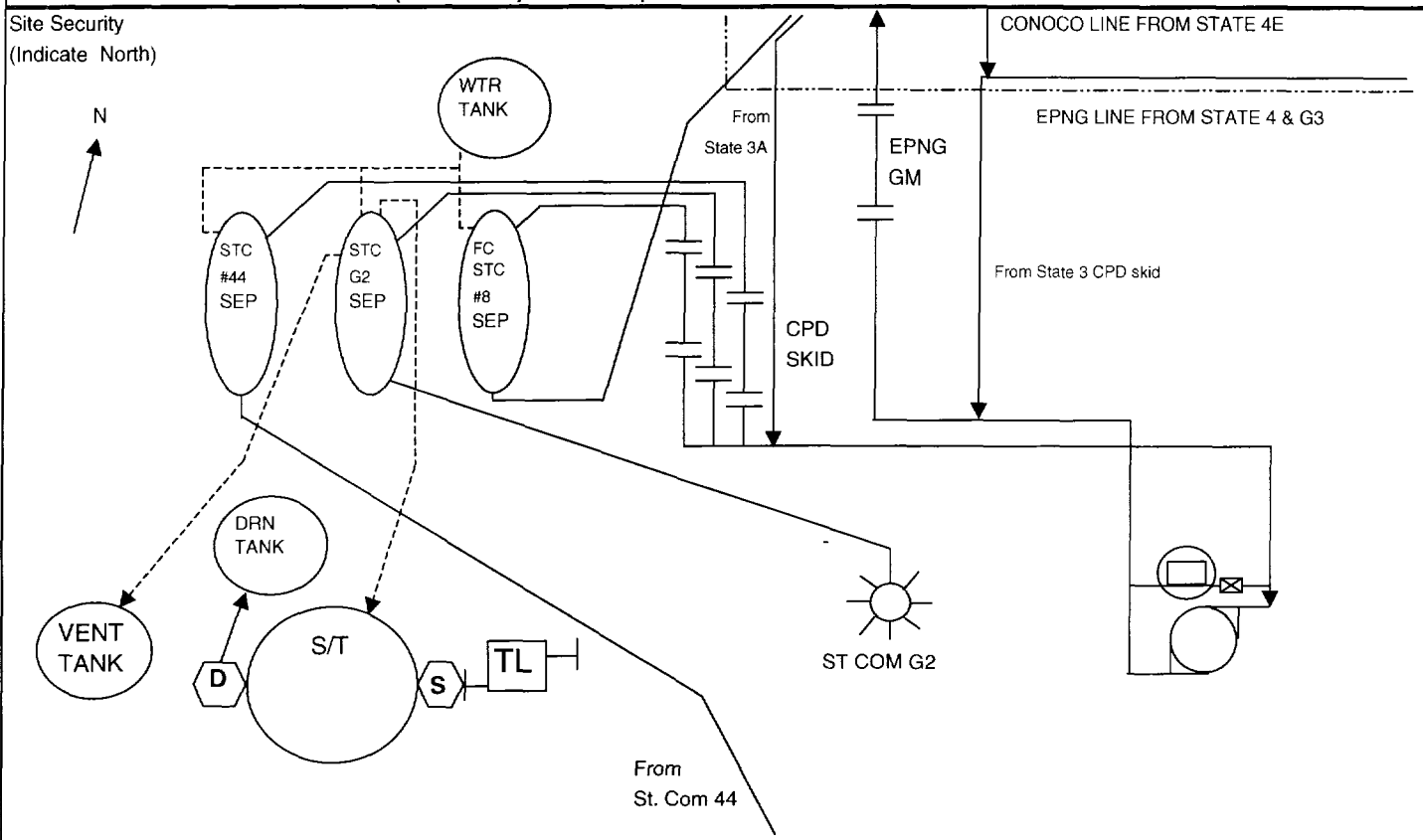
<b>conoco</b>	
San Juan Basin, N. M.	
<b>T29N R8W</b>	
<b>Section 32</b>	
Author: Angela Whitfield	Date: 1-22-2001
Compiled by:	Map of
MDR File	

Lease Name: **STATE COM G2 ( and CPD )**

Operator: **CONOCO INC.**

Date: **11/30/00**

Site Security  
(Indicate North)



Lease Name: **STATE COM G2**

Federal/ Indian Lease No: **ST E 52261**

CA No.: **n/a**

Unit : **L**

Legal Description: **SEC 32, T29N, R8W**

County: **SAN JUAN COUNTY, NM**

Load line valves :  
Sealed during Production

Drain line valves :  
Sealed during Production

Production Line valve:  
Sealed during sales

This lease is subject to the site security plan for  
San Juan Basin Operations. The plan is located at:  
Conoco Inc.  
3315 Bloomfield Hwy  
Farmington, NM

Earthen pits:	#					
	0	Type: (vent, sep, H2O etc)	Size:	Oil Stained Yes No		
Steel pits:		Type: (vent, sep, H2O etc)	Size:			
	1	Vent tank - galvanized stock tank	10' dia x 2' deep - appr. 20 bbl			
	2	Drain tank - galvanized stock tank	10' dia x 2' deep - appr. 20 bbl			
	3	Compressor lube oil secondary containment	10' dia x 2' deep - appr. 20 bbl			
Storage Tanks:		Water/Oil	Bbls.	Ht.	Dia.	Color:
	1	OIL	300 bbl	15'	12'	Tan
		Avg. volume stored: 75 bbls		Annual thruput: 180 bbls		Sep Psi. Upstream: 65 psig
		Water/Oil	Bbls.	Ht.	Dia.	Color:
	1	WATER	100 bbl	12'	8'	Tan
		Avg. volume stored: 50 bbls		Annual thruput: 300 bbls		Sep Psi. Upstream: 65 psig
Natural Gas Fired Vessels: (Htr/trt, Sep, Glycol Reb.)		Type/size:	MFR:	Vessel Size (btu/hr)		
	1	St Com G2 sep: L-23-375-3 Ph	INFAB	375,000 Btu		
	2	FC SC #8 sep: 2 Ph-10C	Olman Heath	Non-Fired		
	3	St Com 44 sep: 2 Ph Vertical	PESCO	25,000 Btu		
Glycol Dehy's		Glycol flowrate (gpm)	Design	Actual		
	0	Natural gas rate (mmcf/d):	Design	Glycol type (TEG, DEG, EG, Other)		
Compressor	1	Engine description (include LxWxH)	3406 Cat: 25' x 11' x 12'			
		Ht of Ex Stack above Equip:	6'	MFR:	Caterpillar	
		Max RPM's run on sustained basis:	1400 RPM			
SPCC	Yes	Top	Bottom XXX	Distance from water source: Appr. 1000' to wash		
Chem Storage (bulk)		Chemical Vendor	Chemical Name	Quantity Stored	# of Bulk Containers	
	1	Dial Oil	Elmar 3000 Engine Oil	300 gal	1	
	2	Unichem	TECHNI-HIB 6389	125 gal	1	
	3	Coastal Chemical	Chevron HDAX SAE 20-50 engine oil	35 gal	1	
Asbestos		Is tin on vessel torn, punctured, etc.?				
	n/a	Insulation visible?				
		Other				
H2S	Yes	PPM	Appr. 2 PPM (Injecting H2S scavenger down casing.)			
Remarks:						
Updated 4/20/00 to include lube oil secondary containment tank, Unichem H2S scavenger chemical, new EPNG pipelines.						
8/24/00 - Replaced Cat 3306, 126 HP compressor with HPI rental Cat 3406, 325 HP compressor. Added HDAX engine oil to chemical list.						

Please be advised that copies of Conoco's application to surface commingle wells in Section 32, T29N-R8W, San Juan County, New Mexico were sent Certified Mail/Return receipt requested to the following parties on February 7, 2001.

  
Yolanda Perez - Sr. Regulatory Analyst

Surface Owner:

United States Department of the Interior  
Bureau of Land Management  
Farmington Field Office  
1235 La Plata Highway, Suite A  
Farmington, NM 87401

Interest Owners:

Amoco Production Co.  
510 Westlake Park Blvd.  
Houston, TX 77079

Madeline E. Clarke Trust  
21D Center Dr.  
Lancaster, PA 17601-3421

State Land Office  
P. O. Box 1148  
Santa Fe, NM 87504-1148

Purchasers:

Giant Industries, Inc.  
111 County Road 4990  
Bloomfield, NM 87413  
Attn: Patti Donnelly

El Paso Field Services  
614 Reilly Avenue  
Farmington, NM 87401  
Attn: Lynda Anderson