

1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd. Aztec, NM 87410
DISTRICT IV
2040 S. Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107-A
Revised March 17, 1999

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

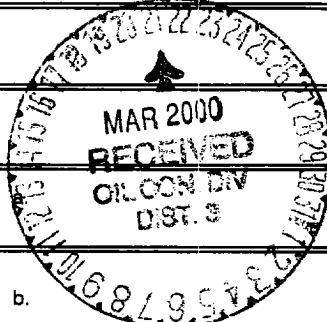
☒ YES ☐ NO

BURLINGTON RESOURCES OIL & GAS COMPANY PO Box 4289, Farmington, NM 87499
Operator Address

Zachry 40 I, Sec 10, T28N, R10W San Juan
Lease Well No. Unit Ltr. - Sec - Twp - Rge County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 14538 Property Code 7654 API NO. 30-045-2546900 Federal ☒ State (and/or) Fee

The following facts are submitted in support of downhole commingling: 1. Pool Name and Pool Code	Upper Zone Blanco Mesa Verde - 72319	Intermediate Zone	Lower Zone Armenta Gallup - 2290
2. Top and Bottom of Pay Section (Perforations)	3859' - 4554'		5464' - 5006'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	(Current) a. 168 psia @ 4206' (Original) b. 1355 psia @ 4206'	 b.	a. 656 psia @ 5735' b. 2952 psia @ 5735'
6. Oil Gravity (EAPI) or Gas BTU Content	1358 BTU		1000 BTU
7. Producing or Shut-In?	Producing		Shut-In
Production Marginal? (yes or no)	Yes		Yes
* If Shut-In, give 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:	Date: Rates:	Date: 04/30/95 Rates: 52 MCFD, 0 BOD, 0 BWD
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 12/31/99 Rates: 10 MCFD 0 BOD, 0 BWD	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: Gas: Will supply for commingling	Oil: % Gas: %	Oil: Gas: Will supply for commingling

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? ☒ Yes ☐ No

11. Will cross-flow occur? ☒ Yes ☐ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☒ Yes ☐ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No

13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S).

16. 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.

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

SIGNATURE  TITLE Operations Engineer DATE 03/15/00

TYPE OR PRINT NAME Joe A. Michetti TELEPHONE NO. (505) 326-9700