

DISTRICT I  
P.O. Box 1980, Hobbs NM 88241-1980

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-A  
New 3-12-96

DISTRICT II  
811 South First St., Artesia, NM 88210-2835

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

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

DISTRICT III  
1000 Rio Brazos Rd. Aztec, NM 87410-1993

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE  
☒ YES ☐ NO

Amoco Production Company

PO Box 3092 Houston, TX 77253-3092

Operator

Address

Valencia Gas Com B

1

O-18-29N-09W

San Juan

Lease

Well No.

Unit Ltr. - Sec Twp - Rge

County

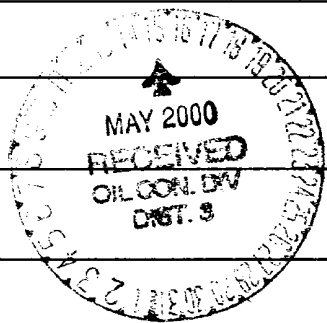
Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 000778

Property Code 001192

API NO. 30-045-08203

Federal, State, (and/or) Fee X

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blanco Mesaverde 72319		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	3735' - 4480' EST		6402' - 6578'
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: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	a. (Current) 496 psig (est) b. (Original) 1923 psig (est)	a.  b.	a. 719 psig b. 2853 psig
6. Oil Gravity (* API) or Gas BTU Content	1280 BTU		1155 BTU
7. Producing or Shut-In?	New zone		Producing
Production Marginal? (yes or no)	YES		YES
• If Shut-In, give data 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: Rates:
• If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	3/10/2000 Date: Rates: 93 MCFD 1 BCPD 1 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: % Gas %	Oil: % Gas %	Oil: % Gas %

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  
If not, have all working, overriding, and royalty interests been notified by certified mail? ☐ Yes ☒ No  
Have all offset operators been given written notice of the proposed downhole commingling? ☒ 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 NO FEDERAL OR STATE LANDS

15. NMOCD Reference Cases for Rule 303(D) Exceptions:

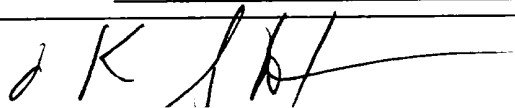
ORDER NO(S) R 11363

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. SEE ATTACHED
- \* Notification list of all offset operators.
- \* Notification list of working, overriding, and royalty interests for uncommon interest cases.
- \* 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 See Attached Fax TITLE Sr. Business Analyst DATE 04/05/2000  
TYPE OR PRINT NAME Mary Corley TELEPHONE NO. ( 281 ) 366-4491



**DISTRICT 1**

P.O. Box 1002, Hobbs NM 88241-1002

State of New Mexico  
Energy, Minerals and Natural Resources DepartmentForm C-107-A  
New 3-12-98**DISTRICT 2**

917 South First St., Hobbs NM 88241-2023

**OIL CONSERVATION DIVISION**2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429**APPROVAL PROCESS:**

\_\_\_ Administrative \_\_\_ Hearing

**DISTRICT 3**

1000 N. Graham Rd., Azusa, NM 87410-1000

**APPLICATION FOR DOWNHOLE COMMINGLING****EXISTING WELLBORE**

\_\_\_ YES \_\_\_ NO

**Amoco Production Company****PO Box 3092 Houston, TX 77253-3092****Valencia Gas Com B****1****O-18-29N-09W****San Juan**

OGRID NO.

000778

Property Code

801192

API NO.

38-045-00283

Federal

State

(Add'l) Fed

X

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blanco Mesaverte 72318		Basin Dakota 71589
2. Top and Bottom of Pay Section (Partitions)	3738' - 4480' EST		5462' - 5578'
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: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	a. (Current) 485 psig (est)		a. 718 psig
	b. (Original) 1023 psig (est)		b. 2853 psig
6. Oil Gravity (" API) or Gas BTU Content	1280 BTU		1155 BTU
7. Producing or Shut-in?	New zone		Producing
Production Marginal? (yes or no)  • If Shut-in, give date shut 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.  • If Producing, give date and oil/gas/water rates of recent test (within 60 days)	YES		YES
	Date: _____ Rate: _____	Date: _____ Rate: _____	Date: _____ Rate: _____
	Date: _____ Rate: _____	Date: _____ Rate: _____	Date: 3/10/2000 Rate: 93 MCFD 1 BCFD 1 BWPD
8. Fixed Percentage Allocation Formula - % for each zone	Oil: _____ % Gas: _____ %	Oil: _____ % Gas: _____ %	Oil: _____ % Gas: _____ %

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

If not, have all working, overriding, and royalty interests been notified by certified mail?

\_\_\_ Yes \_\_\_ No

Have all offset operators been given written notice of the proposed downhole commingling?

\_\_\_ 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 commingled 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 NO FEDERAL OR STATE LANDS

15. NMOC 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.)
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- Data to support allocation method or formula. SEE ATTACHED
- Notification list of all offset operators.
- Notification list of working, overriding, and royalty interests for uncommon interest cases.
- 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

Sr. Business Analyst

DATE

04/05/2000

TYPE OR PRINT NAME

Mary Corley

TELEPHONE NO. ( 281 )

368-4491

Tests shall be completed before November 1, 2000.

Each operator of wells in the referenced areas will submit a schedule to this office before April 1, 2000, indicating when the individual wells will be tested. Identify the wells by API number, property name, well number and location using unit letter, section, township and range. INDICATE BY ASTERISK (\*) WELLS THAT ARE IN THE VULNERABLE AREA  
AS DEFINED BY DIVISION ORDER R-7940-C.

Division personnel will witness the tests as our schedules permit.

All buried valves MUST be dug out and checked BEFORE testing begins.

NOTE: THE BRADENHEAD TEST REPORTING PROCEDURE HAS  
BEEN REVISED. SUBMIT ALL REQUIRED INFORMATION

**DISTRICT I**

P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**

311 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 and Natural Resources Department

**OIL CONSERVATION DIVISION**

2040 South Pacheco  
Santa Fe, New Mexico 87505

Form C-102

Revised October 18, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-045-08203	Pool Code 71599 & 72319	Pool Name Basin Dakota & Blanco Mesaverde
Property Code 001192	Property Name Valencia Gas Com B	Well Number 1
OGRID No. 000778	Operator Name AMOCO PRODUCTION COMPANY	Elevation 5631' GR

**Surface Location**

UL or lot no. UNIT O	Section 18	Township 29N	Range 9W	Lot. Idn	Feet from the 940'	North/South Line SOUTH	Feet from the 1670'	East/West Line EAST	County San Juan
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**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
Dedicated Acreage: 330.98		Joint or Infill	Consolidation Code		Order No.				

**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**

	<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <i>Mary Corley</i> Printed Name Mary Corley Position Sr. Business Analyst Date 05/11/2000
	<b>SURVEY CERTIFICATION</b> 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 of Survey 01/01/2000
	Signature & Seal of Professional Surveyor On File
	Certificate No.

DATE IN	SUSPENSE	ENGINEER	LOGGED	TYPE
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

### ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

#### Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
 [DD-Directional Drilling] [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]

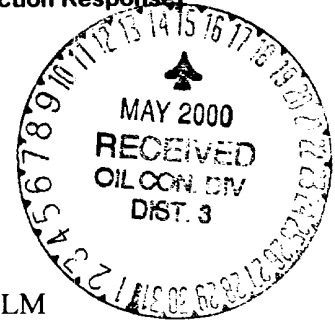
#### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling  
☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [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 - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all 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, information or notification is cause to have the application package returned with no action taken.

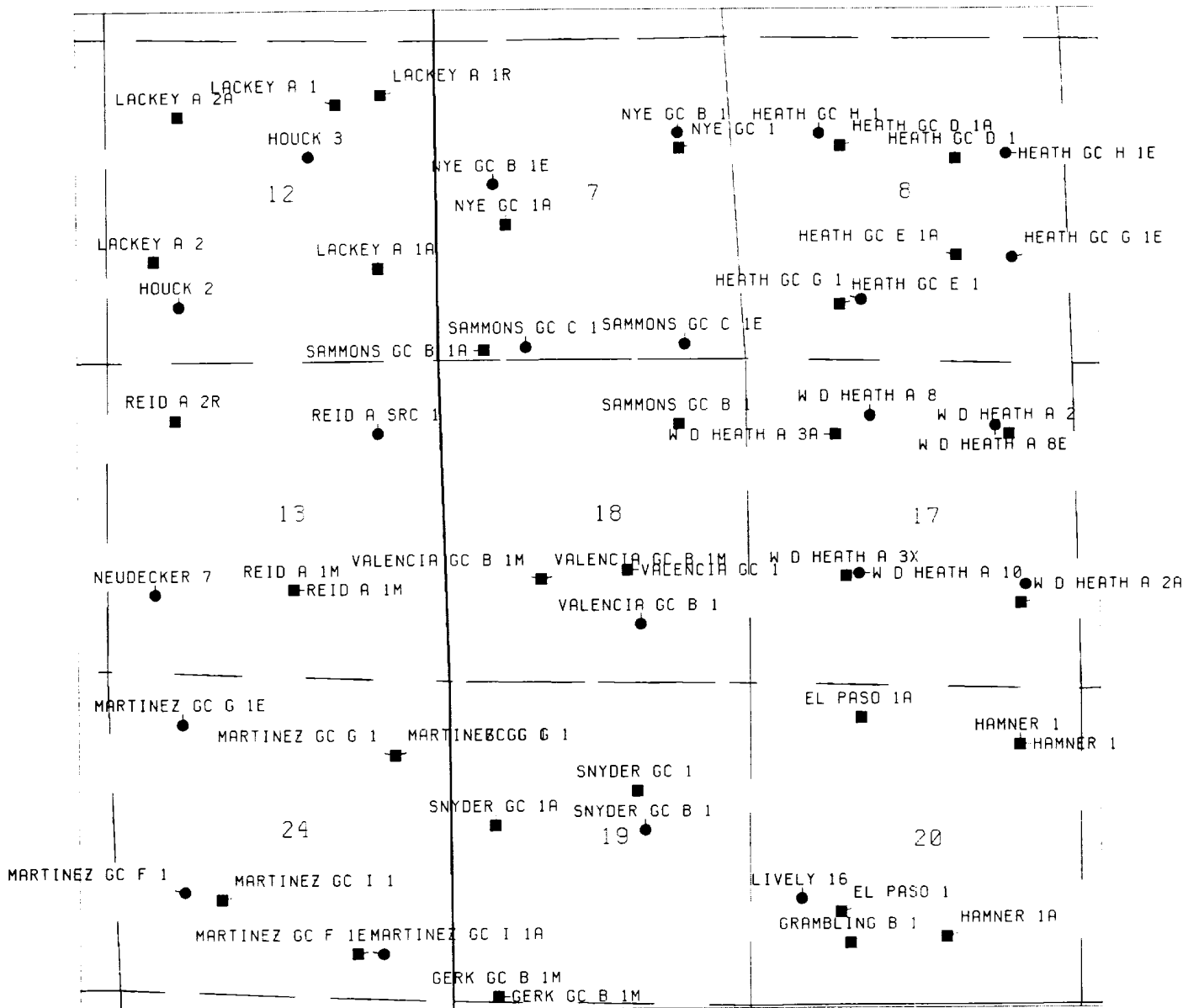
Note: Statement must be completed by an individual with supervisory capacity.

Mary Corley  
 Print or Type Name

*Mary Corley*  
 Signature

Sr. Business Analyst  
 Title

04/05/2000  
 Date



■ *Mesaverde*  
● *Dakota*

AMOCO PRODUCTION COMPANY  
HOUSTON, TX

WESTERN GAS BUSINESS UNIT

MESAVERDE & DAKOTA WELLS  
T29N R9W SEC. 18  
[REF. VALENCIA GAS COM B #1]

SCALE 1"=2500'

DRAWN M. J. RITZ

DATE 22-MAR-2000

DRAWING