

DISTRICT I  
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

Form C-107-A  
Revised August 1999

APPROVAL PROCESS:

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

EXISTING WELLBORE

X YES \_\_\_ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Mallon Oil Company

P.O Box 2797 Durango, Colorado 81302

Operator

Address

Jicarilla 458-6

#3

G

6-30N-3W

Rio Arriba

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 013925

Property Code 00022859

API NO. 30-039-25782

Federal X

State \_\_\_ (and/or) Fee \_\_\_

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Cabresto Canyon San Jose Extension (96822)	Cabresto Canyon Nacimiento (96821) & Ojo Alamo (96538) Extension	Pictured Cliffs (72400)
2. Top and Bottom of Pay Section (Perforations)	1494' - 1594'	2500' - 2650' & 3150' - 3170'	3719' - 3814'
3. Type of production (Oil or Gas)	Gas	Gas	Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing	NA	Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 170 psig	a. 597 psig & 750 psig	a. 400 psig
	b. (Original) 275 psig	b. 597 psig & 1108 psig	b. 1166 psig
6. Oil Gravity (EAPI) or Gas BTU Content	1070 Btu	1063 Btu & 1098 Btu	1154 Btu
7. Producing or Shut-In?	Producing	Not Completed	Producing
Production Marginal? (yes or no)  * 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  * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	No	Yes	No
	Date: NA Rates: NA	Date: NA Rates: NA	Date: NA Rates: NA
	Date: 4/19/00 Rates: 174 mcf/d, 0 bwpd	Date: NA Rates: NA	Date: 4/19/00 Rates: 333 mcf/d, 2 bwpd
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	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? X Yes \_\_\_ No  
If not, have all working, overriding, and royalty interests been notified by certified mail? \_\_\_ Yes \_\_\_ No

11. Will cross-flow occur? X 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. X Yes \_\_\_ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? X Yes \_\_\_ No

13. Will the value of production be decreased by commingling? \_\_\_ Yes X 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. X 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.
- \* 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 District Engineer DATE 4/20/00

TYPE OR PRINT NAME

John Zellitti

TELEPHONE NO. (970) 382-9100