

DISTRICT I

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

DISTRICT II

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

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429Form C-107-A
New 3-12-96

APPROVAL PROCESS:

___ Administrative ___ Hearing

EXISTING WELLBORE

___ YES ___ NO

APPLICATION FOR DOWNHOLE COMMINGLING

MERRION OIL & GAS CORPORATION

610 Reilly Avenue
Address

Farmington, NM 87401-2634

FiField Com

1E

E - 05-29N-11W

San Juan

Lease

Well No.

Unit Ltr - Sec - Twp - Rge

County

OGRID NO. 014634

Property Code 22343

API NO. 30-045-29517

Spacing Unit Lease Types: (check 1 or more)

Federal ☒ 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	Otero Chacra	Crouch Mesa Mesaverde	Basin Dakota
2. Top and Bottom of Pay Section (Perforations)	** Will be provided after well is drilled **		
3. Type of production (Oil or Gas)	Gas	Gas	Gas
4. Method of Production (Flowing or Artificial Lift)	Flow	Flow	Flow
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 488 psi b. (Original) 697 psi	a. 730 psi b. 990 psi	a. 820 psi b. 2525 psi
6. Oil Gravity (°API) or Gas BTU Content	BTU 1100	BTU 1100	BTU 1188
7. Producing or Shut-In?	SI-Not completed	SI - Not Completed	SI-Not completed
Production Marginal? (yes or no)	Yes	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: NA	Date: Rates: NA	Date: Rates: NA
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates: NA	Date: Rates: NA	Date: Rates: NA
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 ☒ No11. 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 ☒ No13. 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:

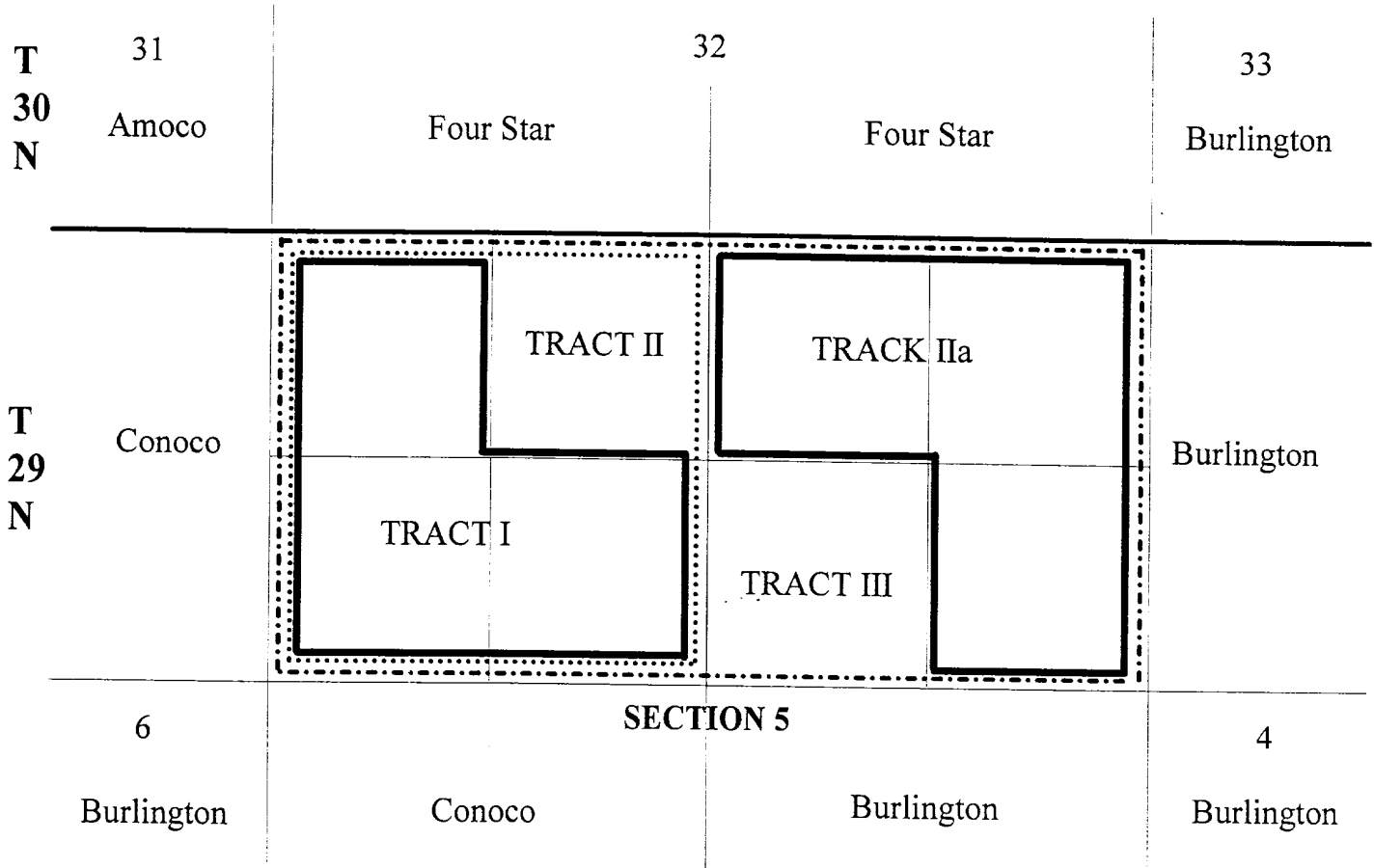
- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation method or formula.
- * 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 George Sharpe TITLE Engineer DATE 8/28/98TYPE OR PRINT NAME George F. Sharpe TELEPHONE NO. (505) 327-9801

EXHIBIT 1
FIFIELD COM #1E
Offset Operator Plat
Lease Ownership Plat
N/2 Section 5, T29N, R11W
San Juan County, NM

R11W



LEASE OWNERSHIP

Tract	Acres	Ownership	Chacra
I	114.11	Merrion et al	100.0%
II	33.65	Burlington	100.0%
IIa	105.92	Burlington	100.0%
III	40.00	Burlington	100.0%
TOTAL	293.68		

LEGEND

.....	Crouch Mesa Mesaverde and Otero Chacra
----	Spacing Unit
----	Basin Dakota Spacing Unit

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

57 DEC -9 PM 1:06

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 71599		3 Pool Name Basin Dakota	
4 Property Code		5 Property Name Fifield Com			
6 OGRID No. 014634		7 Operator Name MERRION OIL & GAS			
				8 Well Number # 1 E	
				9 Elevation 5849'	

10 Surface Location									
UL or lot no. E	Section 5	Township 29 N	Range 11 W	Lot Idn SWNW	Feet from the 1562	North/South line North	Feet from the 886	East/West line West	County 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 320 294		13 Joint or Infill		14 Consolidation Code		15 Order No. Will be communitized			

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



17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Steven S. Dunn
Signature

Steven S. Dunn
Printed Name
Drlg & Prod Manager
Title

12/8/97
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

6844
Certificate Number

RECEIVED
AUG 31 1998
OIL CON. DIV.
DIST 9

Exhibit 2

GERALD E. BIDDLESON
6844
REGISTERED LAND SURVEYOR

District I
PO Box 1980, Hobbs, NM 88241-1980
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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-10
Revised October 18, 199
Instructions on back
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-045-29517		* Pool Code 75680		* Pool Name CROUCH MESA MESAVERDE	
* Property Code 22343		* Property Name Field Com			
* OGRID No. 014634		* Operator Name MERRION OIL & GAS CORPORATION			* Well Number 1E
					* Elevation 5849'

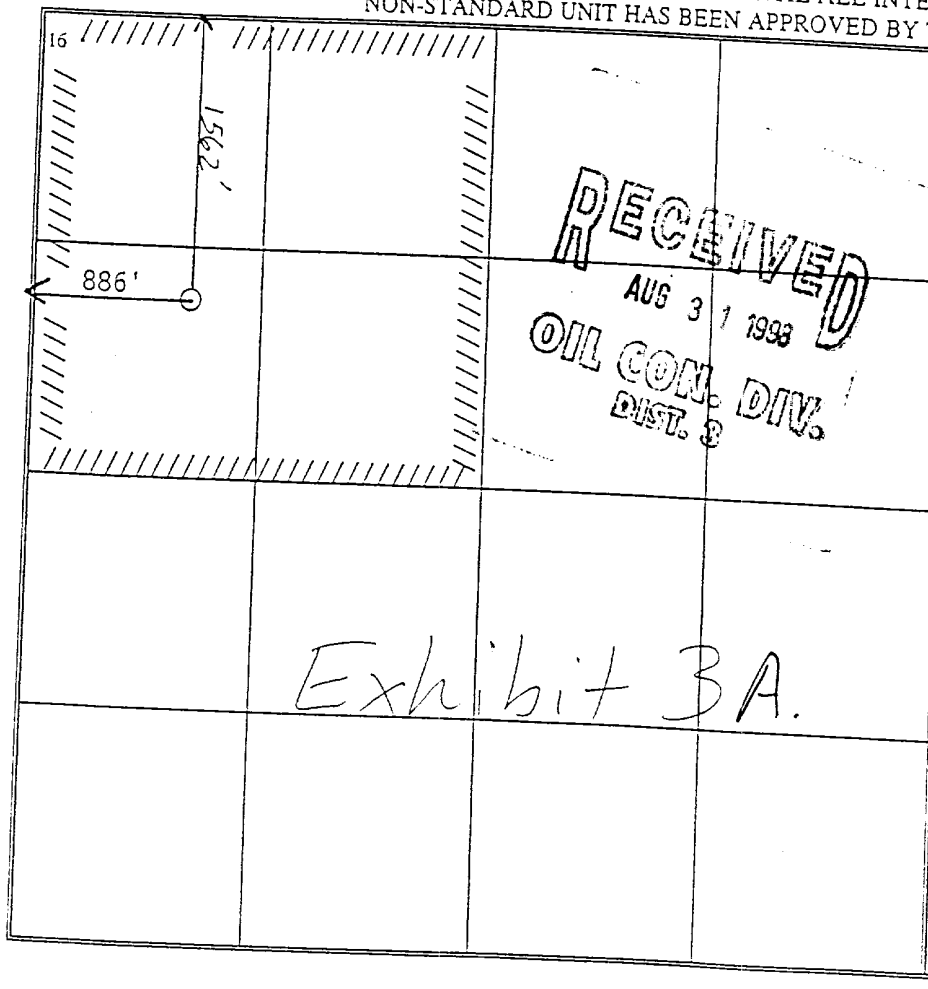
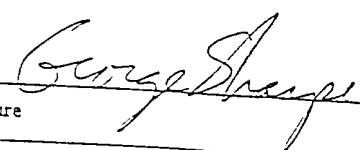
10 Surface Location

UL or lot no. E	Section 05	Township 29N	Range 11W	Lot Idn SWNW	Feet from the 1562	North/South line NORTH	Feet from the 886	East/West line WEST	County San Juan
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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
** Dedicated Acres 148		* Joint or Infill		** Consolidation Code		** Order No. Will be communitized			

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

				11 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and	
				Signature  Printed Name George F. Sharpe Title Engineer Date 7/20/98	
10 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by				Date of Survey	
				Signature and Seal of Professional Surveyer:	
				Certificate Number	

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State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-102
 Revised October 18, 1994
 Instructions on back
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-29517		² Pool Code 82329	³ Pool Name OTERO CHACRA
⁴ Property Code 22343	⁵ Property Name FiField Com		⁶ Well Number 1E
⁷ OGRID No. 014634	⁸ Operator Name MERRION OIL & GAS CORPORAITON		⁹ Elevation 5849

¹⁰ Surface Location

UL or lot no. E	Section 05	Township 29N	Range 11W	Lot Idn SWNW	Feet from the 1562	North/South line NORTH	Feet from the 886	East/West line WEST	County SAN JUAN
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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 148	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. Will be communitized						

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

	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <i>George Sharpe</i> Printed Name George F. Sharpe Title Engineer Date 8/28/98
	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 Date of Survey Signature and Seal of Professional Surveyer: Certificate Number

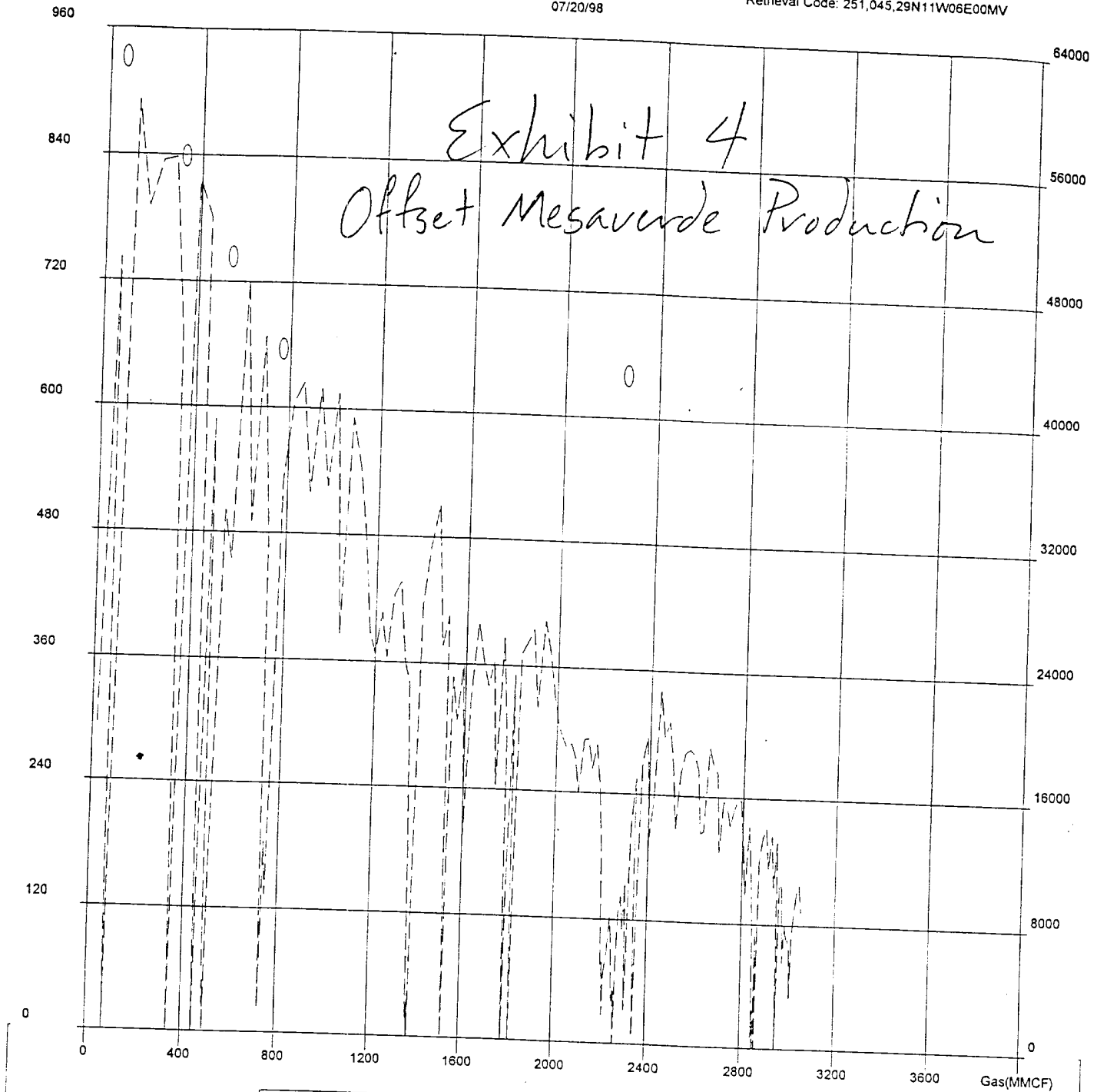
Exhibit 3 B

Dwights

Lease: FEDERAL (6E)

07/20/98

Retrieval Code: 251,045,29N11W06E00MV



WHSIP

County: SAN JUAN, NM

F.P. Date: 09/81

Field: CROUCH MESA (MESAVERDE) MV

Oil Cum: 10.75 mmbbl

Reservoir: MESAVERDE

Gas Cum: 3054 mmcf

Operator: CONOCO INC

Location: 6E 29N 11W

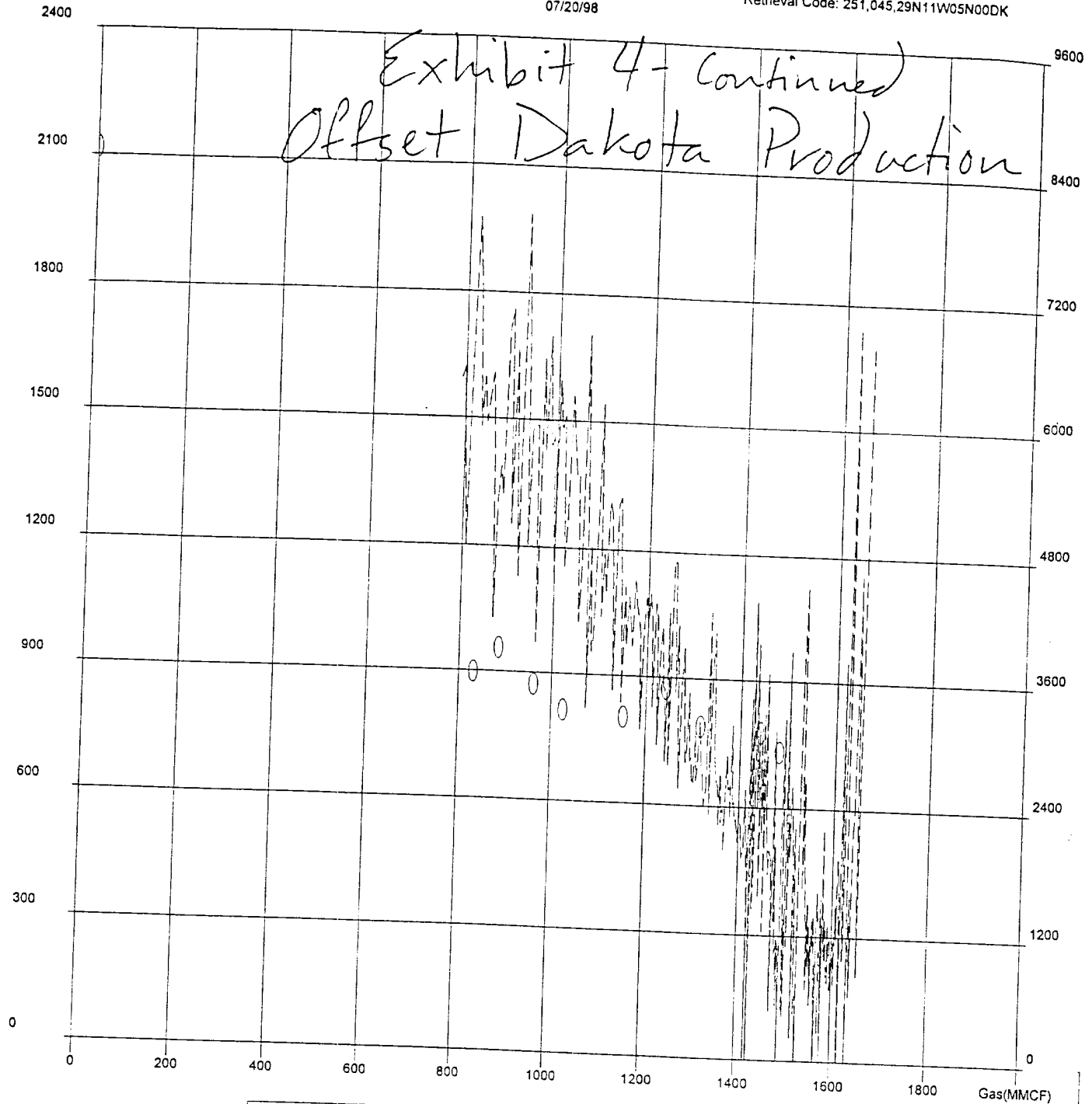
Gas (mcf/mo)

Dwights

Lease: FIFIELD 5 (1)

07/20/98

Retrieval Code: 251,045,29N11W05N00DK



WHSIP

County: SAN JUAN, NM

F.P. Date: 01/67

Field: BASIN (DAKOTA) DK

Oil Cum: 9417 bbl

Reservoir: DAKOTA

Gas Cum: 1659 mmcf

Operator: CONOCO INC

Location: 5N 29N 11W

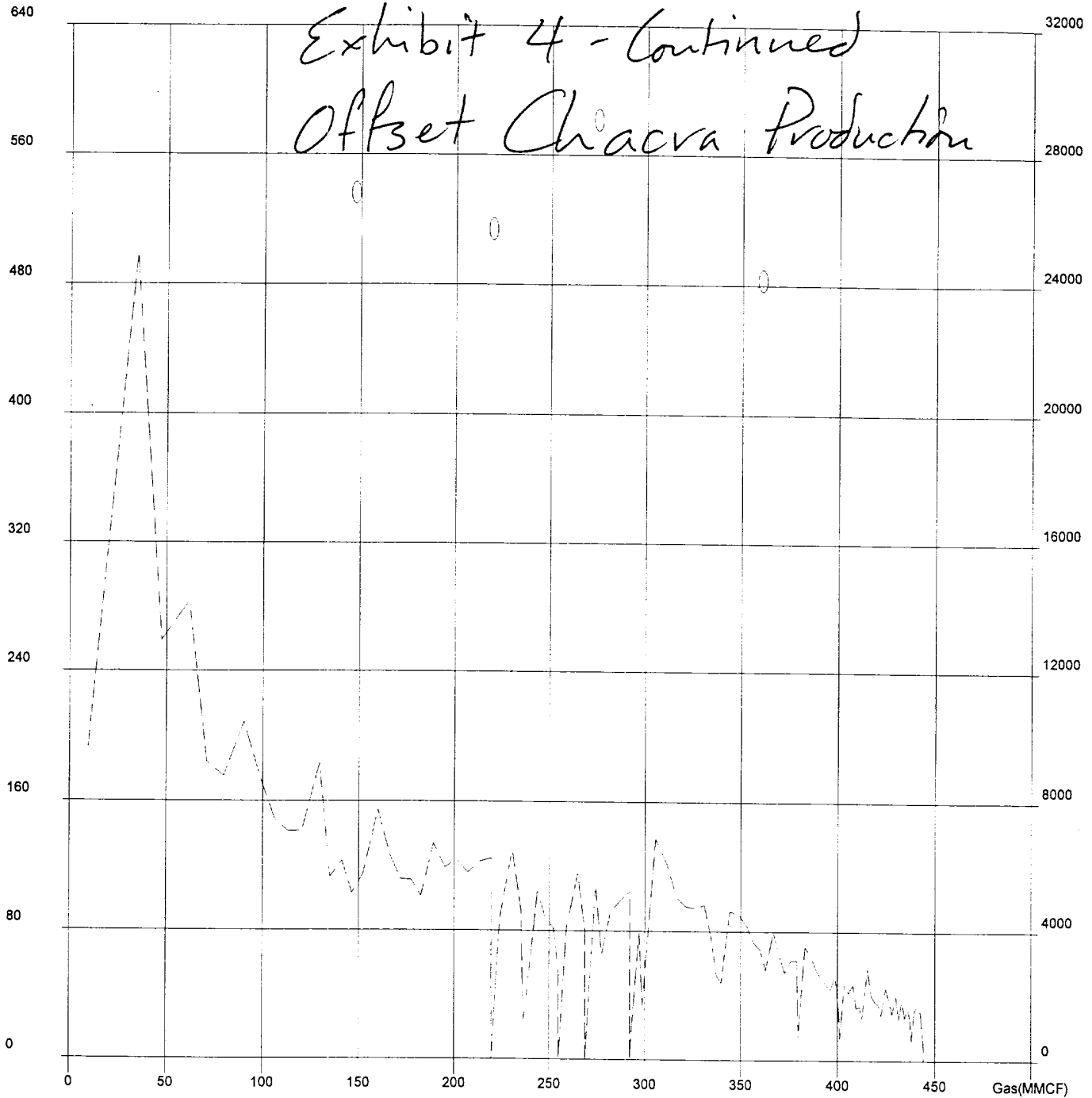
Gas (mcf/mo)

Dwights

Lease: DUFF (000007)

08/27/98

Retrieval Code: 251,045,29N11W08P00CK



WHSIP

County: SAN JUAN, NM

F.P. Date: 02/80

Gas (mcf/mo)

Field: OTERO (CHACRA) CK

Oil Cum: 0 bbl

Reservoir: CHACRA

Gas Cum: 444.3 mmcf

Operator: BURLINGTON RES O&G CO

Location: 8P 29N 11W

-- BHP or Pwf Calculation --

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Version 1.1

20-Jul-98

Well Name: **CROUCH MESA MESAVERDE - INITIAL**
 Gas Gravity: **0.70** % N2 **1.10**
 Condensate (yes=1): **1** % CO2 **0.60 %**
 Reservoir Temp: **110 'F** % H2S **0.00 %**
 Surface Temp: **60 'F** Pc = **665.45 %**
 Depth of Zone: **3,300 feet** Tc = **380.43**
 Tubing Diameter: **1.995 inches**

SITP	Rate	BHP	Z	BHP/Z
psia	Mcf/d	psia		psia
900	0	989	0.860	1,151

Exhibit 5
Calculated Bottom Hole Pressure

- BHP or Pwf Calculation -

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Version 1.1

20-Jul-98

Well Name: CROUCH MESA MESAVERDE - *Current*
 Gas Gravity: 0.70 % N2 1.10
 Condensate (yes=1): 1 % CO2 0.60 %
 Reservoir Temp: 110 'F % H2S 0.00 %
 Surface Temp: 60 'F Pc = 665.45 %
 Depth of Zone: 3,300 feet Tc = 380.43
 Tubing Diameter: 1.995 inches

SITP	Rate	BHP	Z	BHP/Z
psia	Mcf/d	psia		psia
600	0	656	0.904	726

Exhibit 5 - cont.

-- BHP or Pwf Calculation --

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20-Jul-98

Well Name:	BASIN DAKOTA - INITIAL		
Gas Gravity:	0.70	% N2	1.10
Condensate (yes=1):	1	% CO2	0.60 %
Reservoir Temp:	150 'F	% H2S	0.00 %
Surface Temp:	60 'F	Pc =	665.45 %
Depth of Zone:	6,000 feet	Tc =	380.43
Tubing Diameter:	1.995 inches		

SITP	Rate	BHP	Z	BHP/Z
psia	Mcf/d	psia		psia
2,100	0	2,525	0.828	3,051.

Exhibit 5 - cont.

-- BHP or Pwf Calculation --

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 Version 1.1
 20-Jul-98

Well Name: **BASIN DAKOTA - CURRENT**
 Gas Gravity: **0.70** % N2 **1.10**
 Condensate (yes=1): **1** % CO2 **0.60 %**
 Reservoir Temp: **150 'F** % H2S **0.00 %**
 Surface Temp: **60 'F** Pc = **665.45 %**
 Depth of Zone: **6,000 feet** Tc = **380.43**
 Tubing Diameter: **1.995 inches**

SITP	Rate	BHP	Z	BHP/Z
psia	Mcf/d	psia		psia
700	0	820	0.908	903

Exhibit 5 - cont.

-- BHP or Pwf Calculation --

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27-Aug-98

Well Name: **OTERO CHACRA - INITIAL**
 Gas Gravity: **0.70** % N2 **1.10**
 Condensate (yes=1): **1** % CO2 **0.60 %**
 Reservoir Temp: **120 'F** % H2S **0.00 %**
 Surface Temp: **60 'F** Pc = **665.45 %**
 Depth of Zone: **3,160 feet** Tc = **380.43**
 Tubing Diameter: **1.995 inches**

SITP	Rate	BHP	Z	BHP/Z
psia	Mcf/d	psia		psia
640	0	697	0.905	770

Exhibit 5
cont.

-- BHP or Pwf Calculation --

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27-Aug-98

Well Name: **OTERO CHACRA - CURRENT**
Gas Gravity: **0.70** % N2 **1.10**
Condensate (yes=1): **1** % CO2 **0.60 %**
Reservoir Temp: **120 'F** % H2S **0.00 %**
Surface Temp: **60 'F** Pc = **665.45 %**
Depth of Zone: **3,160 feet** Tc = **380.43**
Tubing Diameter: **1.995 inches**

SITP	Rate	BHP	Z	BHP/Z
psia	Mcf/d	psia		psia
450	0	488	0.932	524

Exhibit 5
cont.

EXHIBIT "6"

Fifield Com #1E Commingling Application Notification of Owners in Well

Working Interest Owners:

Burlington Resources Oil & Gas Co.
PO Box 4289
Farmington, NM 87499-4289

Attn: Dean Price

Royalty Interest Owners:

Department of the Interior
Minerals Management Service
PO Box 5810
Denver, CO 80217-5810

Catherine L. Fifield
6412 Prairie, NE
Albuquerque, NM 87109

Ethel F. Garrison Zenor
19502 Keystone Drive
Sun City West, AZ 85375

Myra Frances E. Clark, Trustee
Estate of Lois F. Everett, Dec'd.
PO Box 1094
Prescott, AZ 86302-1094

Overriding Royalty Interest Owners:

Gayle D. Fogelson
300 Crescent Court, Suite 920
Dallas, TX 75201-1841

Chase Oil Corporation
PO Box 1767
Artesia, NM 88211-1767

Henrietta E. Schultz, Trustee
Henrietta Schultz Revocable Trust
500 N. Akard Street, #2160
Dallas, TX 75201

Exhibit "7"

Fifield Com #1E Commingling Application
Notification of Offset Operators

Amoco Production Company
PO Box 800
Denver, CO 80201-0800

Attn: Steve Trefz

Burlington Resources Oil & Gas Co.
PO Box 4289
Farmington, NM 87499-4289

Attn: Dean Price

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500

Attn: Steve Klein

Four Star Oil & Gas Co.
PO Box 2100
Denver, CO 80201-2100

Attn: Chuck Snure