

DISTRICT I:  
P.O. Box 1930, Hobbs, NM 88241-1980  
DISTRICT II:  
611 S. 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 875054-6429

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

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☒ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Taurus Exploration U.S.A., Inc. Address 2198 Bloomfield Highway, Farmington, New Mexico 87401

Lease San Juan 32-5 Well No. 17M Unit Ltr. - Sec - Twp - Rge N Sec. 26 T32N R6W County Rio Arriba

OGRID NO. 16928 Property Code \_\_\_\_\_ API NO. \_\_\_\_\_ 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	Blanco Mesa Verde 72319		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	4421-5823		7864-8013
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) Not drilled yet b. (Original) 1100	a. <b>RECEIVED</b> MAY 29 1998 <b>OIL CON. DIV.</b> DIST. 3 b. _____	a. Not drilled yet b. 1400
6. Oil Gravity ( <sup>o</sup> API) or Gas BTU Content)	1000	<b>RECEIVED</b> MAY 29 1998	974
7. Producing or Shut-In?	Not yet complete		Not yet complete
Production Marginal? (yes or no)	Yes (dual uneconomical)		Yes (dual uneconomical)
* 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: n/a Rates:	Date: <b>RECEIVED</b> MAY 29 1998 <b>OIL CON. DIV.</b> DIST. 3 Rates:	Date: n/a Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: n/a Rates:	Date: _____ Rates:	Date: n/a Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: _____ % Gas: _____ %	Oil: _____ % Gas: _____ %	Oil: _____ % Gas: _____ %

9. If a location 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
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 Richard P. Corcoran TITLE District Landman DATE 4/29/98

TYPE OR PRINT NAME Richard P. Corcoran TELEPHONE NO. ( 505 ) 325-6800

District I  
 199 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

Energy, Minerals & Natural Resources Department

Revised October 18, 1994

OIL CONSERVATION DIVISION  
 2040 South Pacheco  
 Santa Fe, NM 87505

Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> AIT Number	<sup>4</sup> Pool Code 72319/71599	<sup>3</sup> Pool Name Blanco Mesa Verde/Basin Dakota
<sup>4</sup> Property Code	<sup>3</sup> Property Name SAN JUAN 32-5 UNIT	<sup>5</sup> Well Number 17M
<sup>7</sup> OGRID No.	<sup>6</sup> Operator Name TAURUS EXPLORATION U.S.A, Inc.	<sup>8</sup> Elevation 6377'

<sup>10</sup> Surface Location

UL, or lot no. N	Section 26	Township 32N	Range 6W	Lot Idn	Feet from the 627	North/South line SOUTH	Feet from the 1517	East/West line WEST	County RIO ARRIBA
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<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<sup>17</sup> OPERATOR CERTIFICATION

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

Signature  
Gary W. Brink

Printed Name  
Production Superintendent

Title

Date

<sup>18</sup> SURVEYOR CERTIFICATION

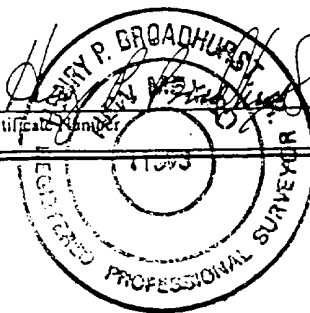
*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

3/25/98

Date of Survey

Signature and Seal of Professional Surveyor:

Certification Number

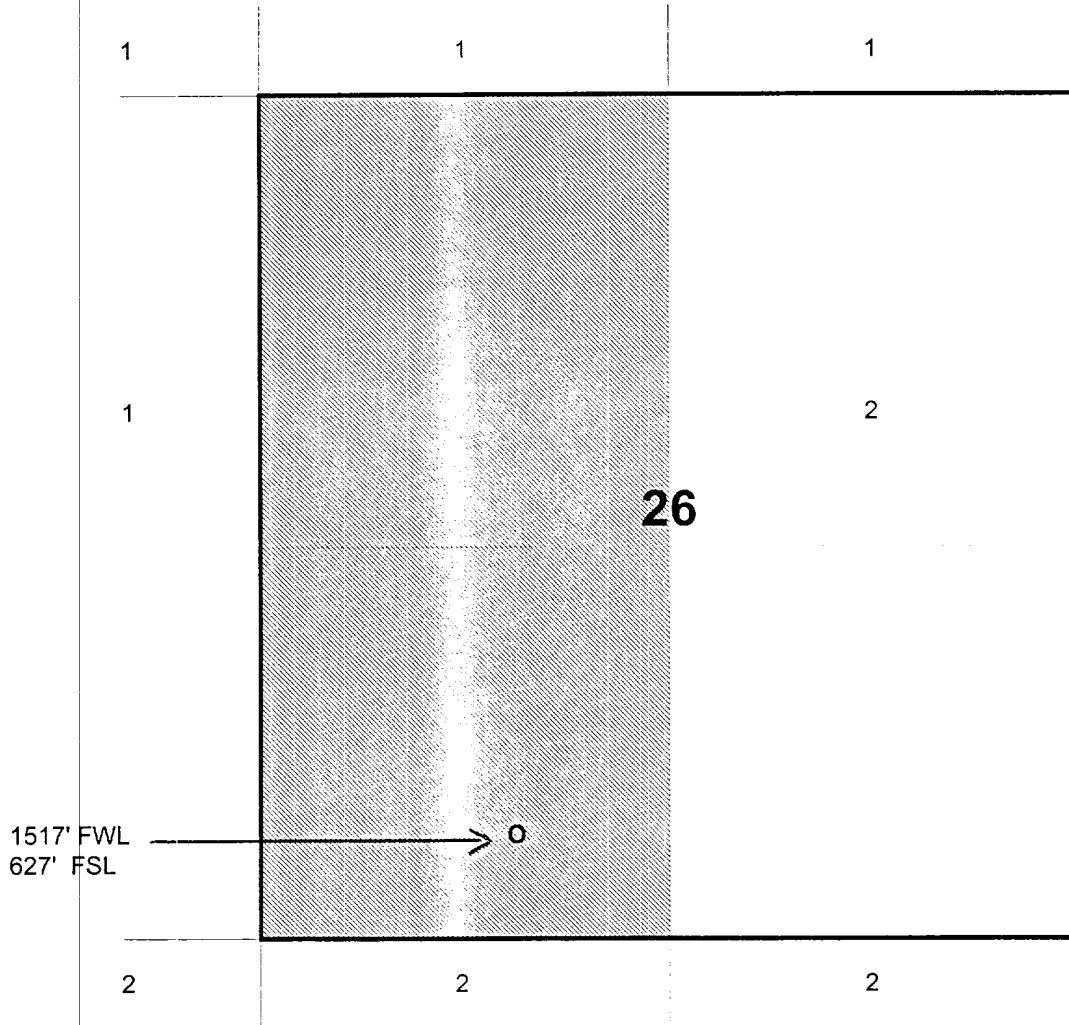


# Taurus Exploration U. S. A., Inc.

San Juan 32-5 Unit 17M  
OFFSET OPERATOR \ OWNER PLAT

Commingle Dakota \ Mesa Verde Formations

Township 32 North - Range 6 West



1. Taurus Exploration U S A, Inc.
2. Williams Production Company

TAURUS EXPLORATION  
SAN JUAN 32-5 UNIT #17M  
SE/4 SW/4 SEC.26, T.32 N., R.6 W., N.M.P.M.,  
RIO ARriba COUNTY, NEW MEXICO.

