DISTRICT III

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 APPROVAL PROCESS:

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

1000 Rio Brazos Rd, Aztec, NM 87410-1693

Taurus Exploration U.S.A., Inc.

OIL CONSERVATION DIVISION 2040 S. Pacheco Santa Fe, New Mexico 875054-6429

 \underline{X} _Administrative ___Hearing

2198 Bloomfield Highway, Farmington, New Mexico 87401

EXISTING WELLBORE

APPLICATION FOR DOWNHOLE COMMINGLING

____YES <u>X</u>_NO

Operator	Address				
San Juan 32-5 Lease	14M P Well No. Unit Ltr S	Sec. 26 T32N R6W	Rio Arriba County		
OGRID NO. 16928 Property Co		Spacing	Unit Lease Types: (check 1 or more)		
The following facts are submitted in support of downhole commingling:		Intermediate Zone	Lower Zone		
Pool Name and Pool Code	Blanco Mesa Verde 72319		Basin Dakota 71599		
Top and Bottom of Pay Section (Perforations)	4386-5788	กายเกาย	7829-7978		
Type of production (Oil or Gas)	Gas	MAY 2 9 1998	Gas		
Method of Production (Flowing or Artificial Lift)	Flowing	OIL COM. DIV	o Flowing		
5. Bottomhole Pressure	a. (Current)	a DIST. 3	a.		
Oil Zones - Artificial Lift: Estimated Current	Not drilled yet		Not drilled yet		
Gas & Oil - Flowing: Measured Current	b. (Original)	b.	b.		
All Gas Zones: Estimated Or Measured Original	1100		1400		
6. Oil Gravity (^O API) or Gas BTU Content)	1000		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	Date: n/a	Date:	Date: n/a Rates:		
Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	nates:	ndies.	nales.		
* 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:		
Fixed Percentage Allocation Formula -% for each zone	Oil: % Gas: %	Oil: Gas: %	Oil: Gas: %		
If allocation formula is based submit attachments with supplications.	upon something other than curr	rent or past production, or is be method and providing rate proje	ased upon some other method ections or other required data		
10. Are all working, overriding, and ro If not, have all working, overridin Have all offset operators been g	oyalty interests identical in all com g, and royalty interests been notific iven written notice of the proposed	mingled zones? ed by certified mail? I downhole commingling?	Yes X No X Yes No X Yes No		
11. Will cross-flow occur? flowed production be recovered.	Yes X No If yes, are fluids, and will the allocation formula be	compatible, will the formations re reliable.	not be damaged, will any cross No (If No, attach explanation		
12. Are all produced fluids from all c	ommingled zones compatible with	each other? X	/es No		
13. Will the value of production be de	ecreased by commingling?	Yes <u>X</u> No (If Yes	, attach explanation)		
 If this well in on, or communitize United States Bureau of Land Ma 	d with, state or federal lands, eithe anagement has been notified in wri	er the Commissioner of Public Lanting of this applicationX_ Yes	ds or the No		
15. NMOCD Reference Cases for Ru	le 303(D) Exceptions: ORD	DER NO(S)			
* For zones with no pro * Data to support alloca * Notification list of all	to be commingled showing its spa each zone for at least one year. (If duction history, estimated product ation method or formula. offset operators. rking, overriding, and royalty intere ents, data, or documents required	ion rates and supporting data.)		
I hereby certify that the information a	above is true and complete to the b	pest of my knowledge and belief.			
SIGNATURE LICHARD	orcoran	TITLE <u>District Landman</u>	DATE <u>4/29/98</u>		
TYPE OR PRINT NAME Richard F	o. Corcoran	TELEPHONE NO. (_	505) 325-6800		

District I PO Box 1980, Hobbs, NM 88241-1980 District II 811 South First, Artisia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410

STATE OF TYCKY TYTEATED Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Revised October 18, 1994 Instructions on back

Submit to Appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Copies

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District IV 2040 South Pach	eco, Santa l	c, NM 87505								AMEN	NDED REPOR	
		WI	ELL LO	CATIO	N AND A	CREAGE D	DEDICA					
'All Number 723				1 Pool Code			esa Ver	'Pool Name Verde/Basin Dakota				
⁴ Property Code			2 Property Name				• Well Number 14M					
OGRID No.				SAN JUAN 32-5 UNIT Operator Name TAURUS EXPLORATION U.S.A								
OGRID	110.						U.S.A	., Inc.			342	
	·	T	, -	1		e Location	, line F	ret from the	East/West	line	County -	
UL, or lot no.	Section	Township	Runge	ldn اما	Feet from the	SOUTH		795	EAST		RIO ARRIB	
P	26	32N		tom Ho	le Location	D: CC		Surface	, '			
UL or lot no.	Section	Township	Runge	Lat Idn	Feet from the	North/South	ı line F	ect from the	East/West	linc	County	
11 Dedicated Ac 320			Consolidatio		Order No.				12 DEEN 0	01/00/1	TO ATTEN OR	
NO ALLOW.	ABLE WI	LL BE AS	SIGNED ON-STAN	TO THIS	COMPLETIC INIT HAS BE	N UNTIL AL EN APPROVI	L INTER ED BY T	RESTS HAV HE DIVISIO	'E BEEN C ON	ONSOLI	IDATED OR A	
(D) [I]		9 1998 W. D. W. 3		2. 26 _			0-26 E N 00-55 E 1.06' . 2648,58'	Signature Gary I Printed Nau Produ Title Date 18 SUR I hereby cert was plotted for under my correct to the Date of Surv	N. Brink N. Brink OCTION Su VEYOR (One of the best of my belive to the original models)	perint CERTI location sh of actual su d that the s icf.	FICATION www. on this plat urveys made by me ame is true and	
						828	00 N 95'	de Miliana N	EROADHU	20. X	d	
	S 89-2 2632.				N 89- 2657			Let al	POFESSION!			

Taurus Exploration U. S. A., Inc.

San Juan 32-5 Unit 14M OFFSET OPERATOR \ OWNER PLAT

Commingle Dakota \ Mesa Verde Formations

Township 32 North - Range 6 West



