

DATE IN 4/21/04	SUSPENSE 5/11/04	ENGINEER WJ	LOGGED IN	TYPE RC-248	APP NO. PWV50413548339
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



## ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM *SURFACE COMMINGLING*

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

[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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Paul C. Thompson  
Print or Type Name

Paul C. Thompson  
Signature

AGENT  
Title

4/15/04  
Date

PAUL C. WALSH@NM. GOV  
e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
1301 W. Grand Ave, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised June 10, 2003

**OIL CONSERVATION DIVISION**

1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: Manana Gas, Inc.

OPERATOR ADDRESS: c/o Walsh Engineering, 7415 E. Main St., Farmington, NM 87402

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☒ Fee ☐ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. \_\_\_\_\_

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
☐ Yes ☒ No

**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Basin Dakota 71599					
Basin Fruitland Coal 71629					
Aztec Pictured Cliffs 71280					

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved \_\_\_\_\_

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

(1) Pool Name and Code. Basin Dakota 71599, Basin Fruitland Coal 71629, Aztec Pictured Cliffs 71280

(2) Is all production from same source of supply? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Paul C. Thompson  
TYPE OR PRINT NAME Paul C. Thompson, P.E.

TITLE: Agent

DATE: 4/13/04

TELEPHONE NO.: (505) 327-4892

E-MAIL ADDRESS: paul@walsheng.net

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT I  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT I  
1000 Rio Brazons Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.  
Santa Fe, New Mexico 87505

WELL API NO.

30-045-32010

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"  
(FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well:

OIL

GAS

WELL ☐

WELL ☒

OTHER

2. Name of Operator

Manana Gas Company

3. Address of Operator

c/o Walsh Engineering, 7415 East Main Street, Farmington, NM 87402

4. Well Location

Unit Letter N : 750' Feet From The South Line and 1426' Feet From The West Line

Section 13

Township 30N Range 12W NMPM

County

8. Well No.

#1

9. Pool name or Wildcat

Basin Fruitland Coal / Aztec Pictured Cliffs

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

5540' GR 5545' KB

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

11. NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: Surface Commingle ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG & ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work).  
SEE RULE 1103.

Manana Gas Company seeks administrative approval to surface commingle the production from the  
Aztec PC and Basin Fruitland Coal in the Lucky Lindy #1 with the Basin Dakota in the Annie B #1.

Ownership in the two wells is not common. All interest owners of both wells have been notified of this application  
by certified mail. A copy of the notification letter and a list of the interest owners is attached.

The current El Paso meter on the Annie B #1 will become the CPD meter. Both wells will be equipped with allocation meters.

The actual commercial value of the commingled production will not be less than the sum of the values of the production from each well.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Paul C. Thompson

TITLE Agent/Engineer

DATE 04/15/04

TYPE OR PRINT NAME

Paul C. Thompson

TELEPHONE NO. (505) 327-4892

(This space for State Use)

APPROVED BY

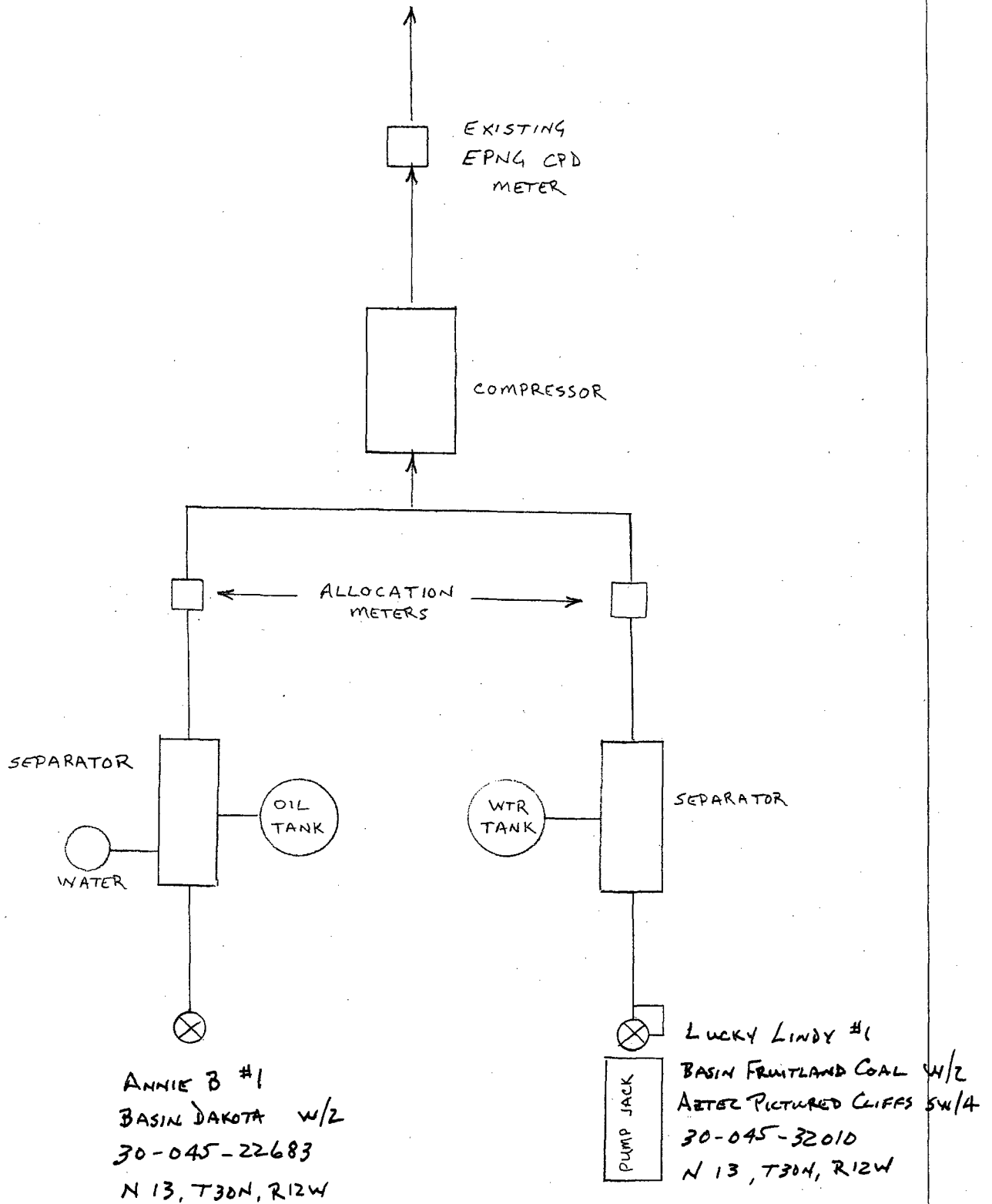
TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:



**National<sup>®</sup> Brand**



**WALSH**

ENGINEERING &amp; PRODUCTION CORP.

Petroleum Engineering Consulting  
Lease Management  
Contract Pumping7415 East Main  
Farmington, New Mexico 87402  
(505) 327-4892 • Fax: (505) 327-9834CERTIFIED- RETURN RECEIPT

April 15, 2004

Merrion Oil and Gas  
610 Reilly Ave  
Farmington NM 87401*Example*Re: Surface Commingling Application  
Manana Gas, Inc.  
Annie B #1  
Lucky Lindy #1  
Section 13, T30N R12W  
San Juan County, NM  
Basin Dakota and Aztec Pictured Cliffs/Basin Fruitland Coal

Dear Merrion Oil and Gas ,

Manana Gas, Inc. has applied to the New Mexico Oil Conservation Division for administrative approval to surface commingle the gas production from the two referenced wells. Commingling will allow the use of a single wellsite compressor and the existing El Paso meter. As an interest owner in one or both of these wells, you are being notified of this application pursuant to NMOC rules.

If you desire to submit remarks concerning the application, please send them to the New Mexico Oil Conservation Division, 1220 S. St. Francis Drive, Santa Fe, New Mexico, within 20 days from the receipt of this notice. If you have no objection to the proposal, no action is required on your part.

Thank you for your consideration in this matter and if you have any questions, please do not hesitate to call upon me.

Sincerely,

Paul C. Thompson, P.E.

Annie B #1 & Lucky Lindy #1, Basin Dakota and Aztec Pictured Cliffs/ Basin Fruitland Coal  
Interest Owners

Merriam Oil and Gas  
10 Reilly Ave  
Farmington NM 87401

McCulliss Resources Co  
PO Box 3248  
Littleton CO 80161

George Vaught  
PO Box 13557  
Denver CO 80201

Burlington Resources  
101 Cherry Street Ste 200  
Fort Worth TX 76102

XTO Energy  
810 Houston St  
Fort Worth TX 76102

Four Star Oil & Gas  
PO Box 730424  
Dallas TX 75373

Edward Hartman  
2520 Tramway Terrace Ct NE  
Albuquerque NM 87122

Betty Hartman QTIP Trust  
1002 Tramway Lane NE  
Albuquerque NM 87122

Hartman Oil and Gas  
2520 Tramway Terrace Ct NE  
Albuquerque NM 87122

Harvard & Lemay Exploration  
PO Box 936  
Roswell NM 88201

Lamp Investments  
PO Box 85  
Bronte TX 76933

Sylvia Little  
PO Box 1258  
Farmington NM 87499

Manana Gas Inc  
2520 Tramway Terrace Ct NE  
Albuquerque NM 87122

BP American Production Co  
PO Box 277897  
Atlanta GA 30384

Robert Bayless  
PO Box 168  
Farmington NM 87499

Cynthia Calvin  
747 Newport Street  
Denver CO 80220

Edward Calvin  
2380 Forest St  
Denver CO 80207

Max Coll  
Arroyo Hondo Rd #152  
Santa Fe NM 87505

Duff-Leach Family Trust  
PO Box 30396  
Albuquerque NM 87190

TE Duff Trust  
PO Box 9908  
Midland TX 79708

Howard Henderson Living Trust  
5809 N 24th Pl  
Phoenix AZ 85016

Weldon C. & John Julander Trustees  
PO Box 2773  
Littleton CO 80161

Mrs. BJ McDonald  
PO Box 50014  
Albuquerque NM 87181

Christine Buvens Living Trust  
301 La Chamisal Lane NE  
Albuquerque NM 87107

Carl Bannowsky  
20 Rd 2595  
Aztec NM 87410

Shirley Bannowsky  
#4 RD 3589  
Flora Vista NM 87415

CH & BR Beaty Trustees  
#77 Rd 3235  
Aztec NM 87410

na Bohen  
17 Thunderbird  
ullerton CA 92635

Bob & Gywenh Browning  
301 Browning Rd  
Farmington NM 87401

Carmen Burson  
437 Rd 2900  
Aztec NM 87410

Barbara Butler  
601 West MacArthur Apt 32-A  
Santa Ana CA 92704

Dwayne Butler  
26732 NE Comegys  
Duvall WA 98019

Melvin Eugene and Sylvia Payne  
7635 East Mesa Drive  
Cornville AZ 86325

Charles & Eula Dunagan  
PO Box 8  
Aztec NM 87410

DJ Elkins  
PO Box 1326  
Aztec NM 87410

Craig & Angela Erickson  
RT 3 Box 23  
Aztec NM 87410

Jancy Hartman  
002 Tramway Lane NE  
Albuquerque NM 87122

Donna Denne Frye  
2505 Riverside Dr.  
Farmington NM 87401

Shelly Greer c/o Carolyn Schnack  
4876 Durham St  
Boulder CO 80501

Decil Henry  
63 Rd 3050  
Aztec NM 87410

James & Christine Hopper  
2204 Ranch Dr  
Farmington NM 87401

Dorothy Hopper  
PO Box 832  
Aztec NM 87410

Richard Irvin  
208 Hallmark Rd  
Farmington NM 87402

Amanda Lasky  
PO Box 134  
Lone Pine CA 93545

Adelia Luna Trustee  
PO Box 753  
Bloomfield NM 87413

Lynda Lyons  
5123 Brookhurst #65  
Westminster CA 92683

Janice McCoy  
PO Box 4  
Flora Vista NM 87415

Eugene & Nancy Minor  
187 Rd 3050  
Aztec NM 87410

Joe W & Janet Palmer  
3 Rd 3235  
Aztec NM 87410

Ernest & Olinda Reneau  
14 Campbell Farms Road  
Belen NM 87002

Riggs Oil & Gas Co.  
PO Box 711  
Farmington NM 87499

Esther & Lou Emma Roberts  
PO Box 1514  
Farmington NM 87499

Carolyn Schnack  
4876 Durham Street  
Boulder CO 80501

Kermit & Faye Sloan  
Box 178 Rd 3050  
Aztec NM 87410

Blondora Smith  
605 Dakota NE  
Albuquerque NM 87110

Watson Spencer Administrator  
PO Box 361  
Farmington NM 87499

Coy Stocking Administrator  
PO Box  
Aztec NM 87410

Douglas & Joetta Thomas  
10 Rd 3050  
Aztec NM 87410

Louise Windsor  
319 E Tycksen  
Farmington NM 87401