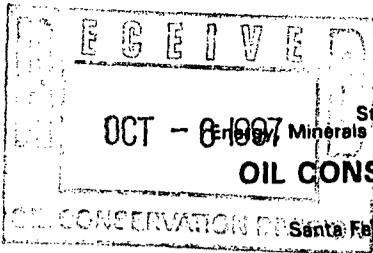


DHC 10/27/97



DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240  
DISTRICT II  
811 South First St., Artesia, NM 88210  
DISTRICT III  
1000 Rio Brazos Rd. Aztec, NM 87410

State of New Mexico  
Minerals and Natural Resources Department  
OIL CONSERVATION DIVISION  
2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429

Form C-107-A  
New 3-12-96  
APPROVAL PROCESS:  
\_\_\_ Administrative \_\_\_ Hearing  
EXISTING WELLBORE  
\_\_\_ YES \_\_\_ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Cross Timbers Operating Company, 3000 N. Garfield, Suite 175, Midland, TX 79705

Lease McCallister Well No. #4 Unit N-5-20S-38E Sec. 1 Twp. 10N Rge. 10E County Lea

OGRID NO. 005380 Property Code 003353 API NO. 30-025-27865 Spacing Unit Lease Types: (check 1 or more)  
Federal \_\_\_ State \_\_\_ Land/for Fee X

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Nadine Paddock Blinbry, West (47400)		Nadine Tubb, West (47530)
2. Top and Bottom of Pay Section (Perforations)	5,902'-6,287'		6,458'-6,591'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 1,300 psig b. (Original)	a.  b.	a. 2,000 psig b.
6. Oil Gravity (° API) or Gas BTU Content	36.0°		35.5°
7. Producing or Shut-In?	Producing		New Zone
Production Marginal? (yes or no)	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:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 8/20/97 Rates: 9/113/10	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 56 % Gas: 33 %	Oil: % Gas: %	Oil: 44 % Gas: 67 %

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? X Yes \_\_\_ No  
Have all offset operators been given written notice of the proposed downhole commingling? X Yes \_\_\_ No
11. Will cross-flow occur? \_\_\_ Yes X 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? 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. \_\_\_ Yes \_\_\_ No
15. NMOCD Reference Cases for Rule 303(C) Exceptions: ORDER NO(S). DHC-392
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 F. Terry Perkins Jr TITLE SR. RESERVOIR ENG. DATE 10.3.97

TYPE OR PRINT NAME F. TERRY PERKINS JR TELEPHONE NO. ( 817 ) 877-2360

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-102  
Revised October 18, 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

<sup>1</sup> API Number 30-025-07731	<sup>2</sup> Pool Code 47530	<sup>3</sup> Pool Name Nadine Tubb, West
<sup>4</sup> Property Code 003353	<sup>5</sup> Property Name McCallister	<sup>6</sup> Well Number 4
<sup>7</sup> OGRID No. 005380	<sup>8</sup> Operator Name Cross Timbers Operating Company	<sup>9</sup> Elevation 3570.5'

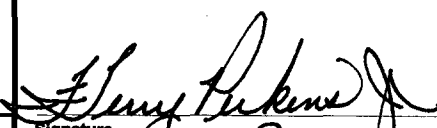
<sup>10</sup>Surface Location

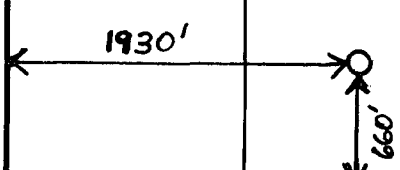
UL or lot no. N	Section 5	Township 20S	Range 38E	Lot Idn	Feet from the 660	North/South line South	Feet from the 1930	East/West Line West	County Lea
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<sup>11</sup>Bottom Hole Location If Different From Surface

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 40.00	<sup>13</sup> Joint or Infill N	<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>16</sup>	<sup>17</sup> OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature F. TERRY PERKINS, JR. Printed Name SR. RESERVOIR ENG. Title 10.3.97 Date
	<sup>18</sup> SURVEYOR CERTIFICATION <i>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.</i>  Date of Survey Signature and Seal of Professional Surveyer:  Certificate Number



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

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811 South First, Artesia, NM 88210

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1API Number 30-025-07731		2Pool Code 47400		3Pool Name Nadine, Paddock Blinebry, West	
4Property Code 003353		5Property Name McCallister			6Well Number 4
7OGRID No. 005380		8Operator Name Cross Timbers Operating Company			9Elevation 3570.5'

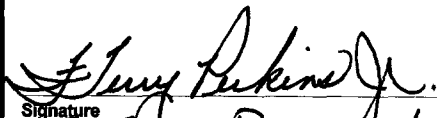
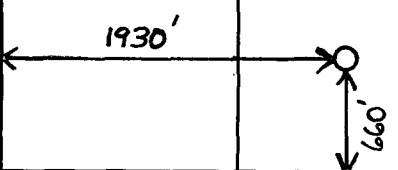
10Surface Location

UL or lot no. N	Section 5	Township 20S	Range 38E	Lot Idn	Feet from the 660	North/South line South	Feet from the 1930	East/West Line West	County Lea
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11Bottom 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
12Dedicated Acres 40.00		13Joint or Infill N		14Consolidation Code		15Order 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

16				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief   Signature F. TERRY PERKINS JR. Printed Name SR. RESERVOIR ENG. Title 10.3.97 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 Surveyer:	
				Certificate Number	

# Cross Timbers Oil Company

MCCALLISTER 4 (Z-1,2,5)

CROSS TIMBERS  
NADINE W ( BLINEBRY )  
LEA, NEW MEXICO

PERMIAN BASIN  
10710

05N 20S 38E  
FTP

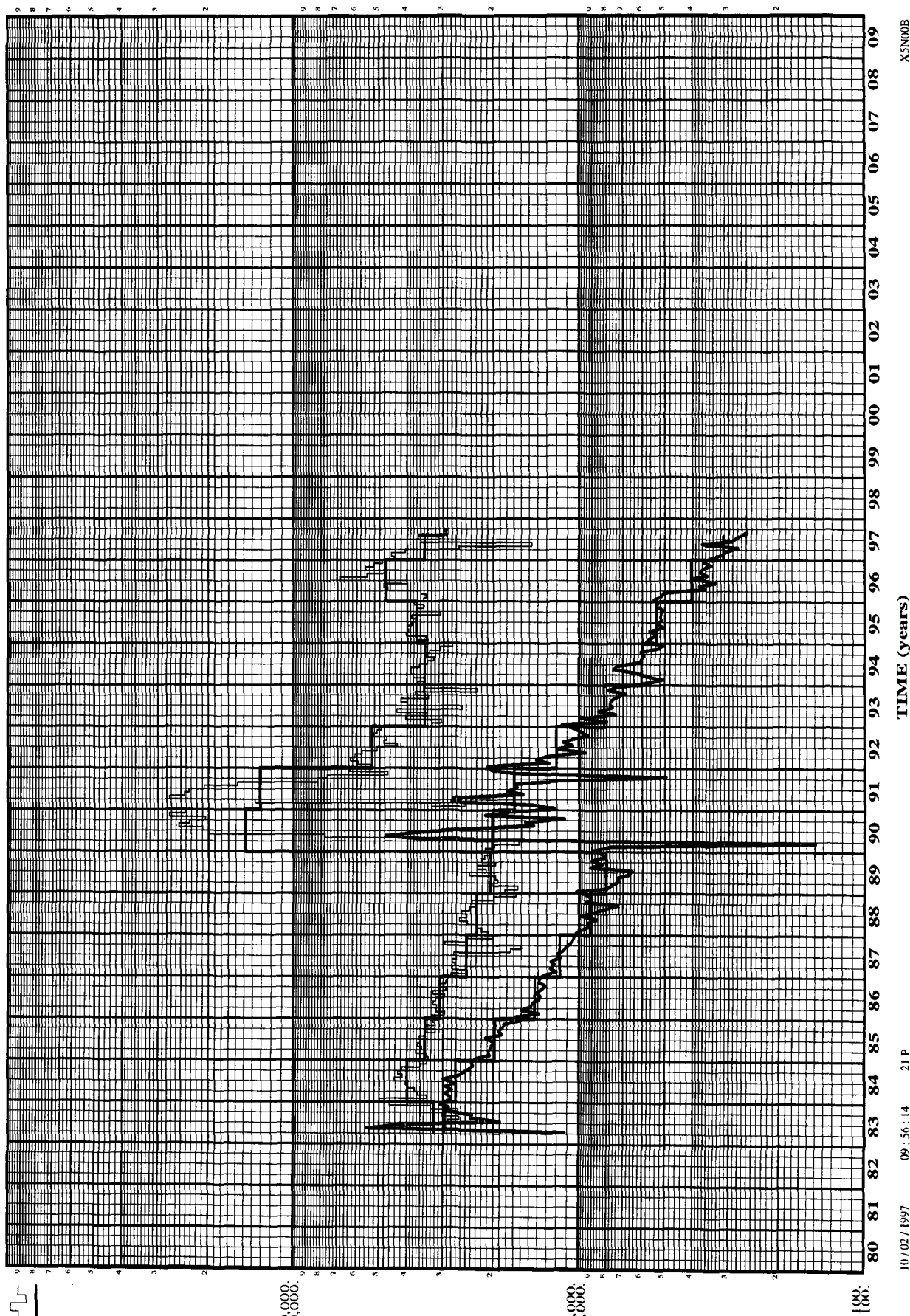
CO  
X5N00B

RFM JEB CP-AW

M & L - FORECAST

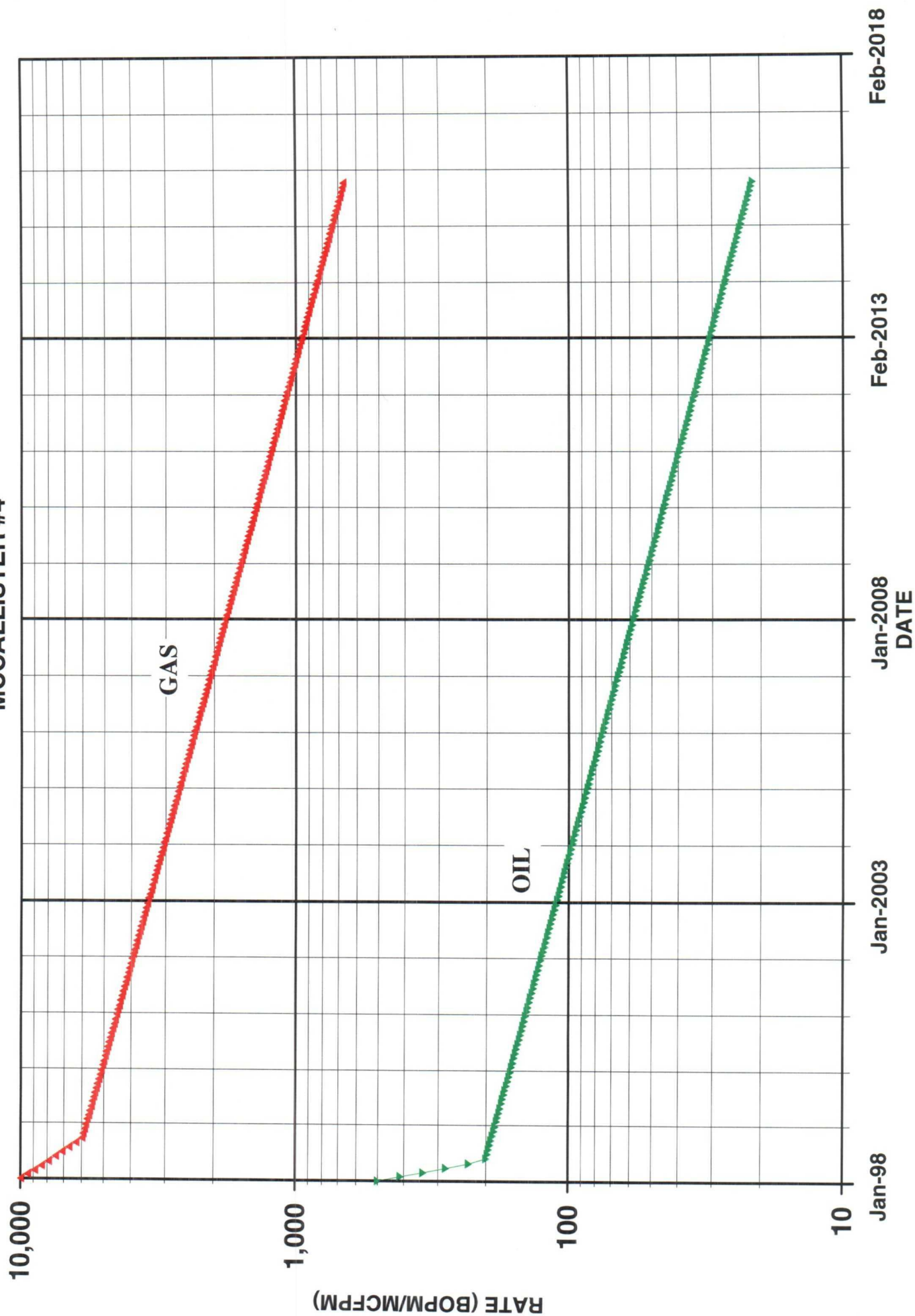
Run Date :  
Run Time :

GAS (mcf/mo) ▽  
OIL (bbls/mo) Δ



# PROJECTED TUBB PRODUCTION

MCCALLISTER #4



**CROSS TIMBERS OPERATING COMPANY  
ATTACHMENT TO FORM C-107-A  
APPLICATION FOR DOWNHOLE COMMINGLING  
MCCALLISTER #4**

- 16. (I) No production history exists for the Nadine Tubb, West Pool.**
- (II) The estimated production rates are based on offsetting Tubb production in the Nadine Tubb West Pool and the Monument Tubb Pool in the offsetting sections. Some of these offsetting wells include the Cross Timbers operated Turner #1, Moby #1 & Shamu #1, and the Byers B #5 operated by Oxy Petroleum.**
- (III) The percentage production allocation is based on the current production rates for the Nadine Paddock Blinbry, West Pool and the stabilized estimated production rates for the Nadine Tubb, West Pool.**

OFFSET OPERATORS  
McCallister #4  
N-5-T20S-R38E  
Lea County, New Mexico

Tamarack Petroleum Company, Inc.  
500 West Texas, Suite 1485  
Midland, Texas 79701

The above listed offset operator has been notified by Certified Mail of Cross Timbers Operating Company's Application for Downhole Commingling the Nadine Paddock Blinbry, West (47400) and Nadine Tubb, West (47530) Pools in the McCallister #4.



## Cross Timbers Operating Company

CERTIFIED MAIL

September 29, 1997

Tamarack Petroleum Company, Inc.  
500 West Texas, Suite 1485  
Midland, Texas 79701

Subject: DHC of McCallister #4, Unit Letter N, Section 5, T20S, R38E

Dear Sir,

Please be informed that Cross Timbers Operating Company intends to downhole commingle the McCallister #4 in the Nadine Paddock Blinbry, West (47400) and Nadine Tubb, West (47530) Pools. If you have any questions or objections, please contact Terry Perkins at 817-870-2800 or Ray Martin at 915-682-8873.

Sincerely,

CROSS TIMBERS OPERATING COMPANY

Ray F. Martin  
Operations Engineer

RFM/ml

s:\malfmcc4.rfm

P 268 416 087

US Postal Service  
**Receipt for Certified Mail**  
 No Insurance Coverage Provided.  
 Do not use for International Mail (See reverse)

Sent to	
Tamarack Petroleum Co., Inc.	
Street & Number	
500 W. Texas Suite 1485	
Post Office, State, & ZIP Code	
Midland, TX 79701	
Postage	\$ 0.32
Certified Fee	1.10
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 2.52
Postmark or Date	
9-30-97	

PS Form 3811 April 1995

Fold at line over top of envelope to the right of the return address.

**CERTIFIED**

P 268 416 087

**MAIL**

Is your **RETURN ADDRESS** completed on the reverse side?

<b>SENDER:</b> ■ Complete items 1 and/or 2 for additional services. ■ Complete items 3, 4a, and 4b. ■ Print your name and address on the reverse of this form so that we can return this card to you. ■ Attach this form to the front of the mailpiece, or on the back if space does not permit. ■ Write "Return Receipt Requested" on the mailpiece below the article number. ■ The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to:  Tamarack Petroleum Co. Inc. 500 W. Texas, Suite 1485 Midland, Texas 79701		4a. Article Number P 268-416 087	
4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD		<input checked="" type="checkbox"/> Certified <input type="checkbox"/> Insured	
5. Received By: (Print Name)  6. Signature: (Addressee or Agent) <b>X</b>		7. Date of Delivery  8. Addressee's Address (Only if requested and fee is paid)	

PS Form 3811, December 1994

102595-97-B-0179

Domestic Return Receipt

Thank you for using Return Receipt Service.

AHC-1713



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

10/14/97

GOVERNOR

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(505) 393-6161

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC \_\_\_\_\_  
DHC X \_\_\_\_\_  
NSL \_\_\_\_\_  
NSP \_\_\_\_\_  
SWD \_\_\_\_\_  
WFX \_\_\_\_\_  
PMX \_\_\_\_\_

Gentlemen:

I have examined the application for the:

Cross Timbers Oper Co McCallister #4-N 5-205-38e  
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

Must to provide production curves on already producing  
Table wells that offset McCallister #4N - Lukas: Moby #1,  
Shannon #1, Turner #1.

Yours very truly,

*Chris Williams*

Chris Williams  
Supervisor, District 1

/ed