

258 27111

AMEND DHC 9/28/00

Sapient Energy Corp.

Western Operations
621 17th Street, Suite 1800
Denver, Colorado 8029 3-0621

Telephone 303 675-0007
Facsimile 303 675-0008

September 6, 2000

Oil Conservation Division
2040 South Pacheco St.
Santa Fe, New Mexico 87505


RE: Application for Downhole Commingling
NMFU Federal #1
"P" Section 23, T20S-R38E
Lea County, New Mexico

Gentlemen:

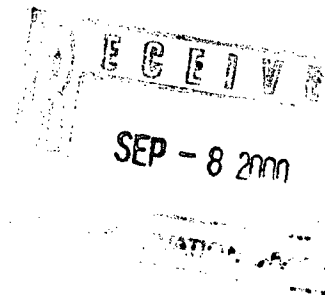
Please find enclosed an Amended Application for Downhole Commingling. Percentage allocations are based on current and past production. All affected parties have been notified of this application by certified mail. I have included a copy of the previously approved DHC-Order.

Please advise if you have any questions, or need additional information. We appreciate your prompt attention with this matter.

Sincerely,


April J. Carlson
Operations Technician

cc: Hobbs District Office



District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 South First Street, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505
APPLICATION FOR DOWNHOLE COMMINGLING

APPLICATION TYPE
Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
Yes No

Sapient Energy Corporation 621 17th Street, Suite 1800 Denver Co. 80293-0621

Operator Address

NMFU Federal I P Section 23, T20S-R38E Lea

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 169415 Property Code 23404 API No. 30-025-33836 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Blinebry	Tubb	Abo
Pool Code	06660	87085	15200
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6,038-6,050 6,092-6,112	6,530-36, 6,656- 60, 6,760-75, 6,776-85	7,546-51, 7,564-72 7,584-86, 7,592-95 7,606-08, 7,606-08 7,618-24 7640-7650, 7605- 7625, 7510-7530
Method of Production (Flowing or Artificial Lift)	Pumping	Pumping	Pumping
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	38.5	38.5	36.5
Producing, Shut-In or New Zone	Producing	Producing	Producing
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: 04-2000 Rates: 11.19 Oil, 52.5 Gas 18.92 Water	Date: 04-2000 Rates: 8.8 Oil, 48.42 Gas 48.42 Water	Date: 5-7-00 thur 6-7-00 Rates: 12.24 Oil, 16.78 Gas 68.86 Water
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas Water 35% 45% 20%	Oil Gas Water 27% 41% 6%	Oil Gas Water 38% 14% 74%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes x No

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes x No

Are all produced fluids from all commingled zones compatible with each other? Yes x No

Will commingling decrease the value of production? Yes No x

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No

NMOCD Reference Case No. applicable to this well:

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 working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.

Bottomhole pressure data.

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

SIGNATURE Gerald Lucero TITLE Manager of Operations DATE September 6, 2000

TYPE OR PRINT NAME Gerald Lucero TELEPHONE NO. (303) 675-0007

Sapient Energy Corporation
NMFU Federal #1 Commingling Allocations
Amended 9-6-2000

	Oil	Water	Gas
5/7/00	25	140	72
5/8/00	12	105	80
5/9/00	34	85	85
5/10/00	34	40	124
5/11/00	40	154	118
5/12/00	36	144	122
5/13/00	37	158	128
5/14/00	40	141	126
5/15/00	42	153	130
5/16/00	39	141	116
5/17/00	39	148	125
5/18/00	36	127	127
5/19/00	32	101	120
5/20/00	33	95	117
5/21/00	28	85	118
5/22/00	31	78	122
5/23/00	33	77	118
5/24/00	28	69	123
5/25/00	33	66	118
5/26/00	33	65	122
5/27/00	0	23	106
5/28/00	0	0	80
5/29/00	0	0	0
5/30/00	0	0	100
5/31/00	53	75	125
6/1/00	31	51	100
6/2/00	0	0	100
6/3/00	39	82	127
6/4/00	62	110	125
6/5/00	53	129	121
6/6/00	33	85	118
6/7/00	31	67	118
	967	2794	3531
Daily Avg.	32.23	93.13	117.70

Blinebry average daily production from 4-2000

Oil	Water	Gas
11.19	18.92	52.5

Tubb average daily production from 4-2000

Oil	Water	Gas
8.8	5.35	48.42

Total of both Blinebry and Tubb daily averages

Oil	Water	Gas
19.99	24.27	100.92

Abo Prod. -(total of previous production subtracted from total commingled tested production)

Oil	Water	Gas
12.24	68.86	16.78

Commingling Allocations		
Abo		
Oil	Water	Gas
38%	74%	14%
Blinebry		
Oil	Water	Gas
35%	20%	45%
Tubb		
Oil	Water	Gas
27%	6%	41%

DISTRICT I
P.O. Box 1860, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

OIL CONSERVATION DIVISION

DISTRICT III
1008 Rio Brazos Rd., Artec, NM 87410

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-33836	Pool Code 15200	Pool Name Abo
Property Code 23404	Property Name NMFU Federal	Well Number 1
OGRID No. 169415	Operator Name Sapient Energy Corporation	Elevation 3567'

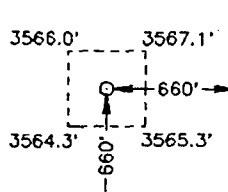
Surface Location

UL or lot No. P	Section 23	Township 20 S	Range 38 E	Lot Idn	Feet from the 660	North/South line South	Feet from the 660	East/West line East	County Lea
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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	Joint or Infill	Consolidation Code	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

				OPERATOR CERTIFICATION <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i> <u>Gerald Lucero</u> Signature <u>Gerald Lucero</u> Printed Name <u>Manager of Operations</u> Title <u>September 6, 2000</u> Date	
				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> <u>November 12, 1996</u> Date Surveyed <u>GARY L. JONES</u> Signature & Seal of Professional Surveyor <u>7977</u> W.O. No. 64858 Certificate No. Gary L. Jones 7977 BASIN SURVEYS	
					

Sapient Energy Corp.

April Carlson
Western Operations
621 17th Street, Suite 1800
Denver, Colorado 80293-0621

Telephone 303 675-0007
Facsimile 303 675-0008
ACarlson@falconcreek.net

The following are the Working Interest Owners that were notified by Certified Mail on 9-6-2000

Sheehy & Richardson
1408 Washington
Waco, TX 76701

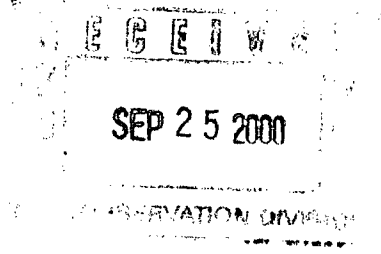
Sid Cowan
P.O. Box 1448
Del Rio, TX 78841

Sapient Energy Corp.

Western Operations
621 17th Street, Suite 1800
Denver, Colorado 80293-0621

Telephone 303 675-0007
Facsimile 303 675-0008

September 6, 2000



Sheehy & Richardson
1408 Washington
Waco, TX 76701

RE: Application for Downhole Commingling
NMFU Federal #1
"P" Section 23, T20S-R38E
Lea County, New Mexico

To Whom It May Concern:

We request that you execute this letter signifying your waiver to any objection of said commingling.

- ✓ Please route an executed copy of this letter to the New Mexico Oil Conservation Division at 2040 Pacheco Street, Santa Fe, New Mexico 87505. Thank you for your cooperation in this matter.

Sincerely

April J. Carlson
Operations Technician

We hereby waive any objection to Falcon Creek Resources, Inc.'s Application for Downhole Commingling of the NMFU Federal #1.

Sheehy & Richardson

By:

Title: Partner

Print Name: JOHN F. SHEEHY JR.

Date: 9/15/00