

10/18/99

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

DISTRICT II
811 South First St., Artesia, NM 88210

DISTRICT III
1000 Rio Grande Rd., Aztec, NM 87410

SEP 27 1999

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-8429

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

APPROVAL PROCESS:
☒ Administrative ☐ Hearing

EXISTING WELLBORE
☒ YES ☐ NO

Kaiser-Francis Oil Company P. O. Box 21468, Tulsa, OK 74121-1468

Operator: Bell Lake Unit 12 J 31-23S-34E Lea

Case: Web No. Unit Lev. - 549 - 1WB - Rgt

OGRID NO. 012361 Property Code 005436 API NO. 30-025-24335 Federal State ☒ Land/rent Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Bell Lake 5/60 Cherry Canyon		Bell Lake Bone Springs 5/30
2. Top and Bottom of Pay Section (Perforations)	6821 - 6840		8697 - 8778
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	AL		AL
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 500 psi b. (Original) unk	a. b.	a. 500 psi b. 2764 psi
6. Oil Gravity (° API) or Gas BTU Content	Oil - 36° Gas - 1183 BTU		Oil - 43° Gas - 1203 BTU
7. Producing or Shut-In?	SI		SI
Production Marginal? (yes or no)	Yes		No
* 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: 12/94 Rates: 2 BO, 20 BW, 6 MCF	Date: Rates:	Date: 7/87 Rates: 8 BO, 17 BW, 14 MCF
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 20 % Gas: 30 %	Oil: % Gas: %	Oil: 80 % Gas: 70 %

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? ☒ 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. NMOC Reference Cases for Rule 303(C) Exceptions: ORDER NO(S). n/a
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 Charlotte Van Valkenburg TITLE Technical Coordinator DATE 9/23/99

TYPE OR PRINT NAME Charlotte Van Valkenburg TELEPHONE NO. (918) 491-4314

DISTRICT I

P.O. Box 1880, Hobbs, NM 88240

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811 South First St., Artesia, NM 88210

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State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-8429Form C-107-A
New 3-12-86

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Kaiser-Francis Oil Company P. O. Box 21468, Tulsa, OK 74121-1468

Operator

Bell Lake Unit

12

J

31-23S-34E

Lea

County

Well No.

Unit Cr. - 500 - 1000 - 1000

Existing Well Lease Terms: (check 1 or more)

OGRID NO. 012361 Property Code 005436 API NO. 30-025-24335 Federal ☐ State ☒ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Cherry Canyon		Bone Springs
2. Top and Bottom of Pay Section (Perforations)	6821 - 6840		8697 - 8778
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	AL		AL
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 500 psi b. (Original) unk	a. b.	a. 500 psi b. 2764 psi
6. Oil Gravity (°API) or Gas BTU Content	Oil - 36° Gas - 1183 BTU		Oil - 43° Gas - 1203 BTU
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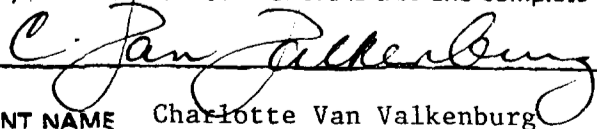
15. NMOCD Reference Cases for Rule 303(C) Exceptions: ORDER NO(S). n/a

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- * 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



TITLE

Technical Coordinator

DATE

9/23/99

TYPE OR PRINT NAME

Charlotte Van Valkenburg

TELEPHONE NO. (918)

491-4314

Well file

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

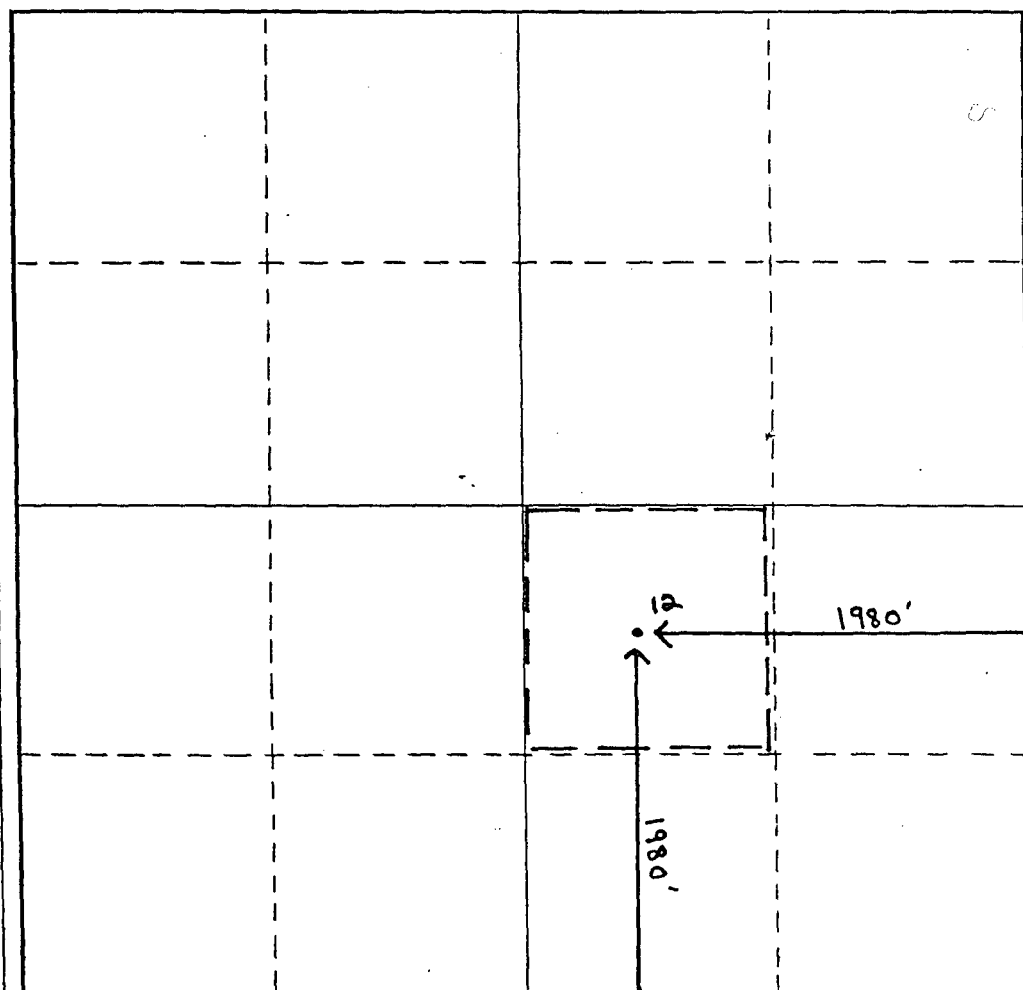
Operator Conoco Inc.		Lease Bell Lake Unit		Well No. 12	
Unit Letter J	Section 31	Township 23S	Range 34E	County Lea	
Actual Footage Location of Well: 1980 feet from the South line and 1980 feet from the East line					
Ground Level Elev. 3613'	Producing Formation Cherry Canyon		Pool Bell Lake Cherry Canyon		Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name
D.F. Finney **D.F. Finney**
Position
Adm. Supervisor
Company
Conoco Inc.

Date
5/11/88

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 knowledge and belief.

Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

Certificate No.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION AT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

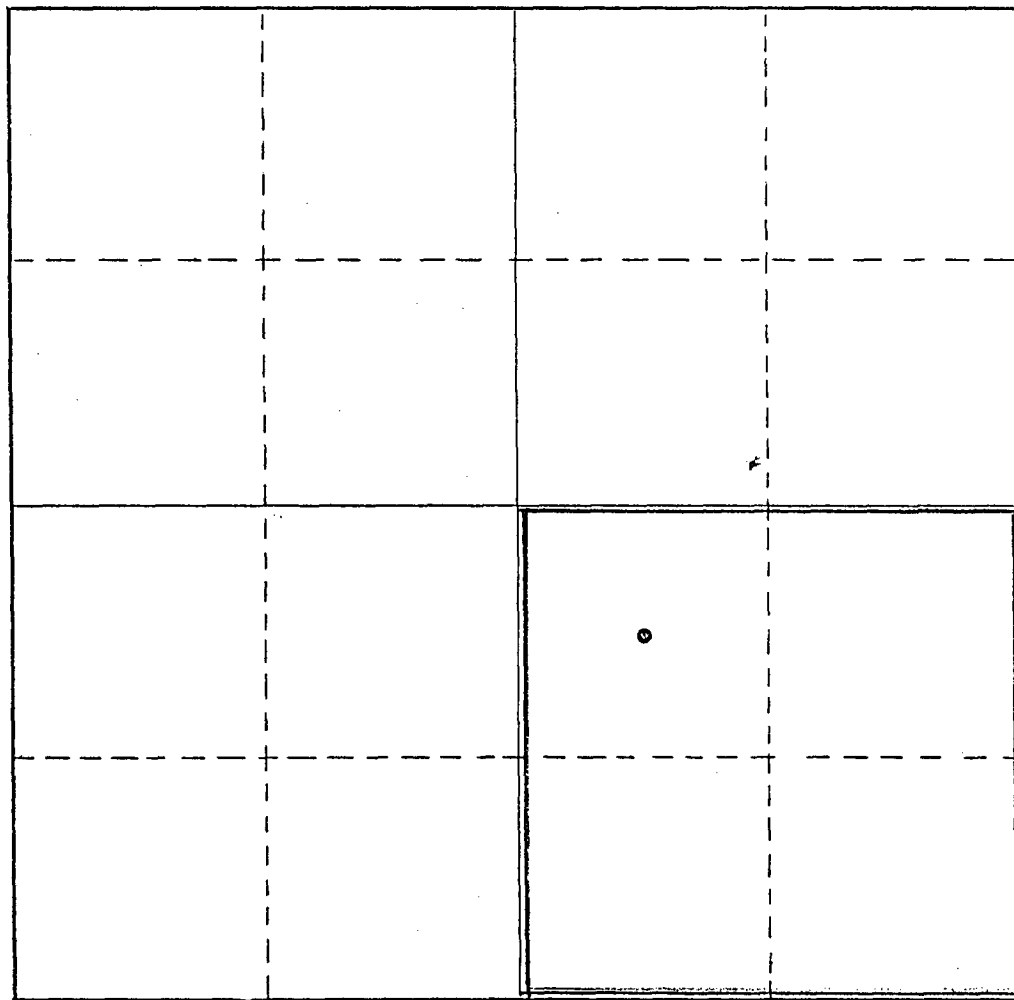
Operator <i>Continental Oil Company</i>			Lease <i>Salt Lake Unit</i>		Well No. <i>12</i>
Unit Letter <i>J</i>	Section <i>31</i>	Township <i>23 S</i>	Range <i>34 E</i>	County <i>Lee</i>	
Actual Footage Location of Well: <i>1980</i> feet from the <i>South</i> line and <i>1980</i> feet from the <i>East</i> line					
Ground Level Elev. <i>3613</i>	Producing Formation <i>Bone Spring</i>	Pool <i>Salt Lake Bone Spring</i>		Dedicated Acreage: <i>160</i> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Robert Gault
Name

Administrative Supervisor
Position

Continental Oil Company
Company

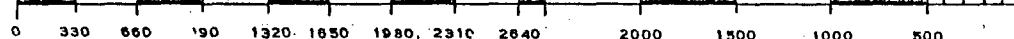
6-7-73
Date

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 knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

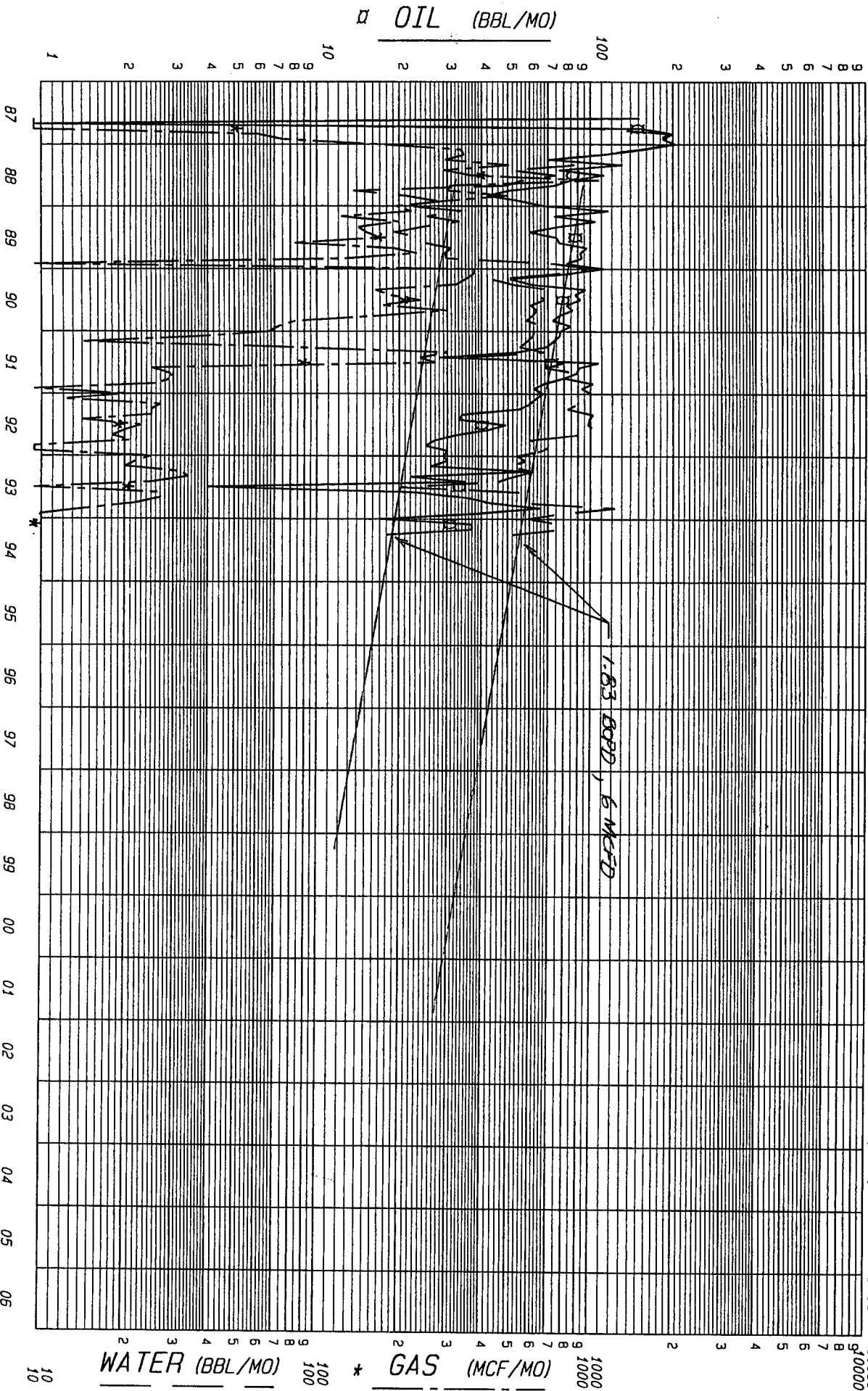


1000 Lease: BELL LAKE STATE

012

Dwights

Retrieval Code: 100, 025, 3002524335051



F.P. Date 07-87

County: LEA
Field: BELL LAKE (CHERRY CANYON)
Reservoir: CHERRY CANYON
Operator: KAISER-FRANCIS OIL CO
Oil Cum: 5768
Gas Cum: 11171
Location: 23534F31J
State: NM

Date: 09-13-99

DWIGHTS ENERGY DATA, INC. File: BELL.DMP RUN DATE: 09/13/99
 KAISER-FRANCIS OIL CO DATA CURRENT THRU: 03/94
 BELL LAKE STATE (#100,025,3002524335051)

*** ANNUAL PRODUCTION HISTORY ***

YEAR	OIL		CASINGHEAD		WATER	
	BBLS		GAS/MCF		BBLS	
1987	892		303		7838	
1988	1034		4808		7322	
1989	1058		2019		4491	
1990	950		2501		7471	
1991	865		1068		8908	
1992	479		227		10114	
1993	398		245		7163	
1994	92		0		2084	

Avg 2.6 BOPD, 6.85 MCFD, 20.47 BOPD

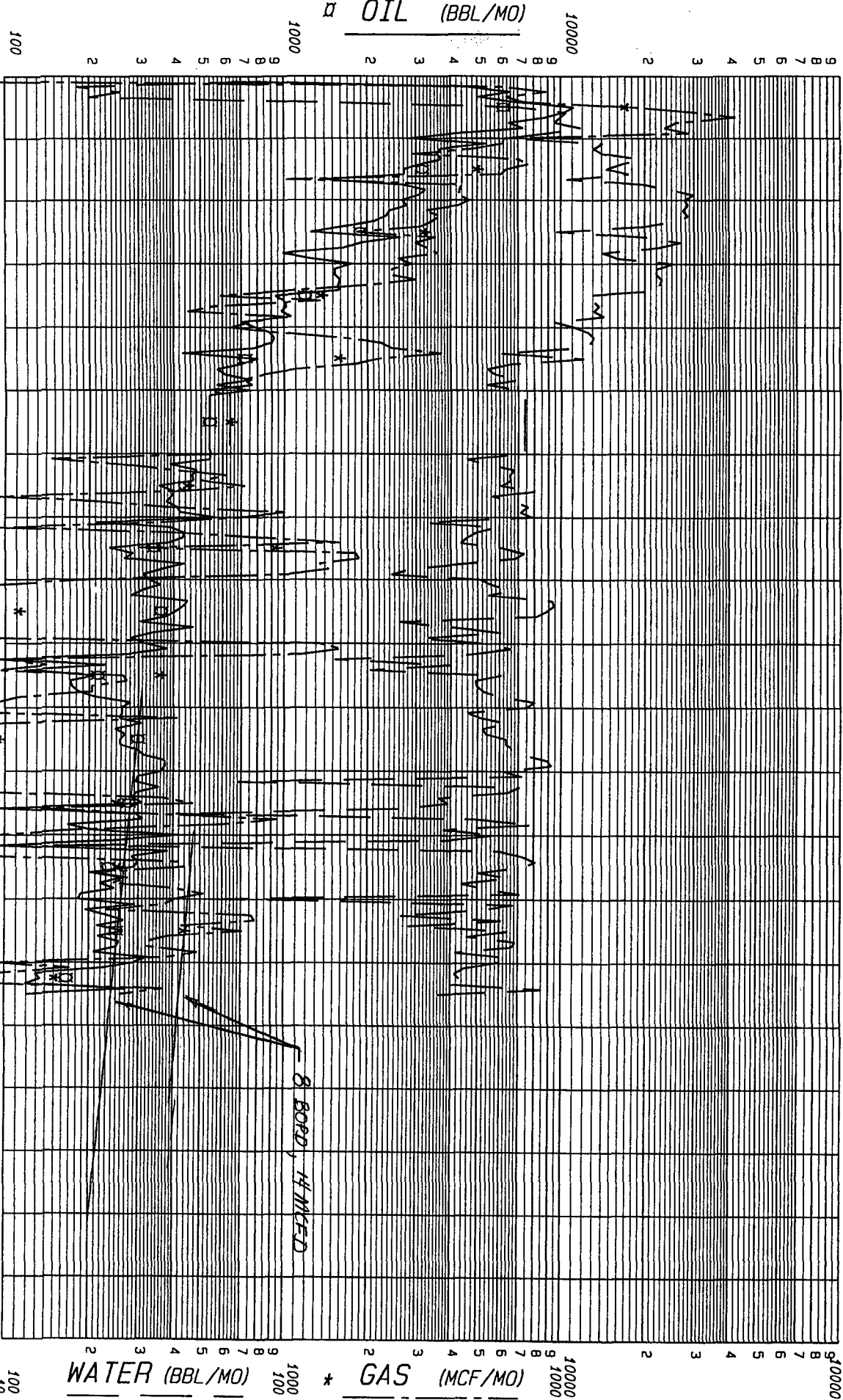
100000 Lease: BELL LAKE UNIT

012

Dwights

Retrieval Code: 100, 025, 23534E31J00B5

100000



OIL (BBL/MO)

GAS (MCF/MO)

WATER (BBL/MO)

F.P. Date 01-73

Date: 09-13-99

County: LEA
Field: BELL LAKE (BONE SPRING)
Reservoir: BONE SPRING
Operator: CONOCO, INC.
Oil Cum: 194682
Location: 23534E31J
State: NM
Gas Cum: 380572

DWIGHTS ENERGYDATA, INC. File: BELL.DMP RUN DATE: 09/13/99
 CONOCO, INC. DATA CURRENT THRU: 06/87
 BELL LAKE UNIT (#100,025,23S34E31J00BS)

*** ANNUAL PRODUCTION HISTORY ***

YEAR	OIL		CASINGHEAD		WATER	
	BBLS		GAS/MCF		BBLS	
1973	74769		204460		6695	
1974	37854		59681		22195	
1975	22668		38366		26449	
1976	14272		16318		19939	
1977	8700		18948		10523	
1978	6450		7638		8857	
1979	5272		5380		7911	
1980	4082		11178		5799	
1981	4321		1338		7453	
1982	2576		4288		6161	
1983	3572		764		7781	
1984	3331		3015		5451	
1985	2814		3046		6153	
1986	3003		5246		6423	
1987	998		906		2891	

Ave 8.23 BOPD, 14.87 MCFD, 17.6 BOPD

Affidavit of Mailing

I, Charlotte Van Valkenburg, Technical Coordinator for Kaiser-Francis Oil Company, duly states that notice of the Application for Downhole Commingling for the Bell Lake Unit #12, J Sec. 31-23S-34E, Lea Co., NM, was given by certified mail on September 23, 1999 to the offset operators as listed below:

BHP Petroleum (Americas) Inc.
Attn: Reg. Dept.
1360 Post Oak Blvd., Suite 500
Houston, TX 77056-3020

Toco LLC
P. O. Box 754
Midland, TX 79702-0754

Conoco, Inc.
10 Desta Drive W., Suite 100W
Midland, TX 79705

Ray Westall Operating, Inc.
P. O. Box 4
Loco Hills, NM 88255-0004

Certification

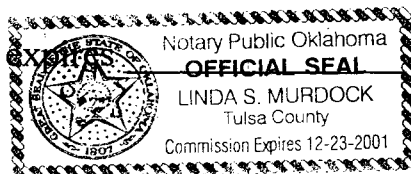
I declare that the data and facts stated herein are true, correct and complete to the best of my knowledge.


Charlotte Van Valkenburg

918-491-4314

Signed and sworn to before me this 23rd day of September, 1999.

My commission expires




Notary Public