

DHC 3/30/00

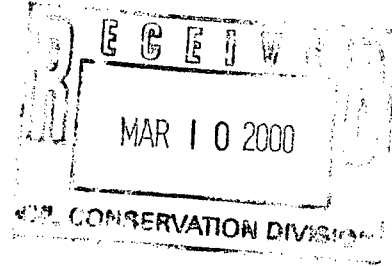
AMERADA HESS CORPORATION

2698

P. O. BOX 840
SEMINOLE, TEXAS 79360
915-758-6700

March 7, 2000

Attn: Lori Wrotenbery
State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505-5472



Re: Application to Downhole Commingle
State "Q" Well No. 1
API No. 30-025-06116
Unit J, Sec. 16, T20S, R37E
Lea County, N.M.

Dear Ms. Wrotenbery,

Amerada Hess Corporation respectfully request approval to downhole commingle oil and gas production from State "Q" Well No. 1 in Eunice Monument Grayburg San Andres and Monument Paddock Zones.

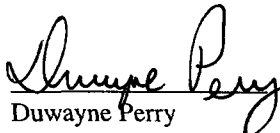
Well is currently producing from Eumont Yates 7RQ Zone by rod pump. With downhole commingling approval, plans are to isolate Eumont Zone by packer and request approval from Hobbs, District 1 Office, for approval to multiple complete well while pumping G/SA and Paddock Zones.

Attached are Form C-107-A with attachments for your review. Estimated production volumes are listed for Eunice Monument Grayburg San Andres Zone until actual rates are established through well work.

Your consideration in this matter is appreciated.

If we can furnish additional information, please let us know at your earliest convenience.

Sincerely,


Duwayne Perry
Sr. Petroleum Engineer

Xc: Mr. Chris Williams – NMOCD, Hobbs
Mr. Ray Powell – State of New Mexico, Commissioner of Public Lands

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410
DISTRICT IV
2040 S. Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

Form C-107-A
Revised August 1999

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Amerada Hess Corporation

P. O. Box 840, Seminole, Texas 79360

Operator

Address

State "Q"

1

Unit J, Sec. 16, T20S, R37E

Lea

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

OGRID NO. 000495 Property Code 000206 API NO. 30-025-06116 Federal ☐ State ☒ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Eunice Monument Grayburg San Andres (23000)		Monument Paddock (47080)
2. Top and Bottom of Pay Section (Perforations)	3615' - 3785'		5132' - 5190'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure	a. (Current) 750 PSI	a.	a. 500 PSI
Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	b. (Original)	b.	b.
6. Oil Gravity (EAPI) or Gas BTU Content			
7. Producing or Shut-In?	Shut-In		Shut-In
	Yes		Yes
Production Marginal? (yes or no)	Date: Estimate Rates: 1 B.O./D., 10 MCFGPD & 10 B.W./D.	Date: Rates:	Date: 12-5-99 Rates: 9 B.O./D., 8 MCFGPD, & 38 B.W./D.
* 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 * 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 (total of %'s to equal 100%)	Oil: 10 % Gas: 56 %	Oil: % Gas: %	Oil: 90 % Gas: 44 %

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

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(D) Exceptions: ORDER NO(S) _____

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 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 Duwayne Perry TITLE Sr. Petroleum Engineer DATE March 7, 2000

TYPE OR PRINT NAME Duwayne Perry TELEPHONE NO. (915) 758-6700

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street, Artesia, NM 88210-2834
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

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

☐ **AMENDED REPORT**


WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-06116	² Pool Code 23000	³ Pool Name Eunice Monument Grayburg San Andres
⁴ Property Code 000206	⁵ Property Name State "Q"	
⁷ OGRID No. 000495	⁸ Operator Name Amerada Hess Corporation	
		⁶ Well Number 1
		⁹ Elevation 3533'

¹⁰ Surface Location									
UL or lot no. J	Section 16	Township 20S	Range 37E	Lot. Idn	Feet from the 1980	North/South Line South	Feet from the 2310	East/West line East	County Lea

¹¹ 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
¹² Dedicated Acres 40		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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**

	<p>¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p style="text-align: right;"></p> <p>Signature Roy L. Wheeler, Jr.</p> <p>Printed Name Bus. Svc. Spec. II</p> <p>Title 3-7-2000</p> <p>Date</p>
	<p>¹⁸ 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></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyer:</p>
	<p>Certificate Number</p>

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised October 18, 1994

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

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

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street, Artesia, NM 88210-2834
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-06116	² Pool Code 47080	³ Pool Name Monument Paddock
⁴ Property Code 000206	⁵ Property Name State "Q"	⁶ Well Number 1
⁷ OGRID No. 000495	⁸ Operator Name Amerada Hess Corporation	⁹ Elevation 3533'


¹⁰ Surface Location

UL or lot no. J	Section 16	Township 20S	Range 37E	Lot. Idn	Feet from the 1980	North/South Line South	Feet from the 2310	East/West line East	County Lea
--------------------	---------------	-----------------	--------------	----------	-----------------------	---------------------------	-----------------------	------------------------	---------------

¹¹ 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
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

				¹⁷ 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 Roy L. Wheeler, Jr. Printed Name Bus. Svc. Spec. II Title 3-7-2000 Date
				¹⁸ 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

ONSHORE PRODUCTION
MONUMENT AREA
SEMINOLE DISTRICT

PADDOCK FORMATION

LEASE	LOCATION	WELL	STATUS
STATE Q	20S 37E 16 I	4	ACTIVE
STATE Q	20S 37E 16 J	1	ACTIVE
STATE Q	20S 37E 16 O	5	INACTIVE
STATE Q	20S 37E 16 P	6	INACTIVE

MONUMENT ABO SE FORMATION

LEASE	LOCATION	WELL	STATUS
STATE Q	20S 37E 16 J	7	ACTIVE

STATE "Q" STORAGE FACILITY

CONFIDENTIAL

LEASE INFORMATION



AHC

WELL INFORMATION



INJECTION WELL



SWD



OIL WELL



TA'D



P & A



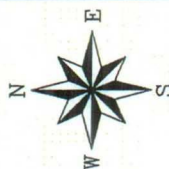
GAS WELL

AMERADA HESS CORPORATION

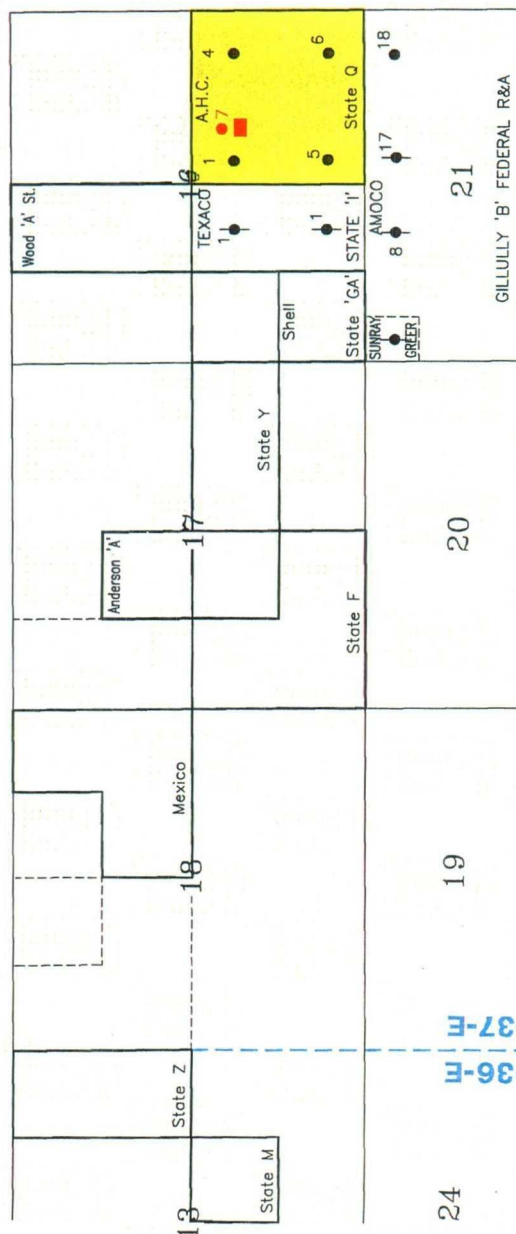
BASE MAP

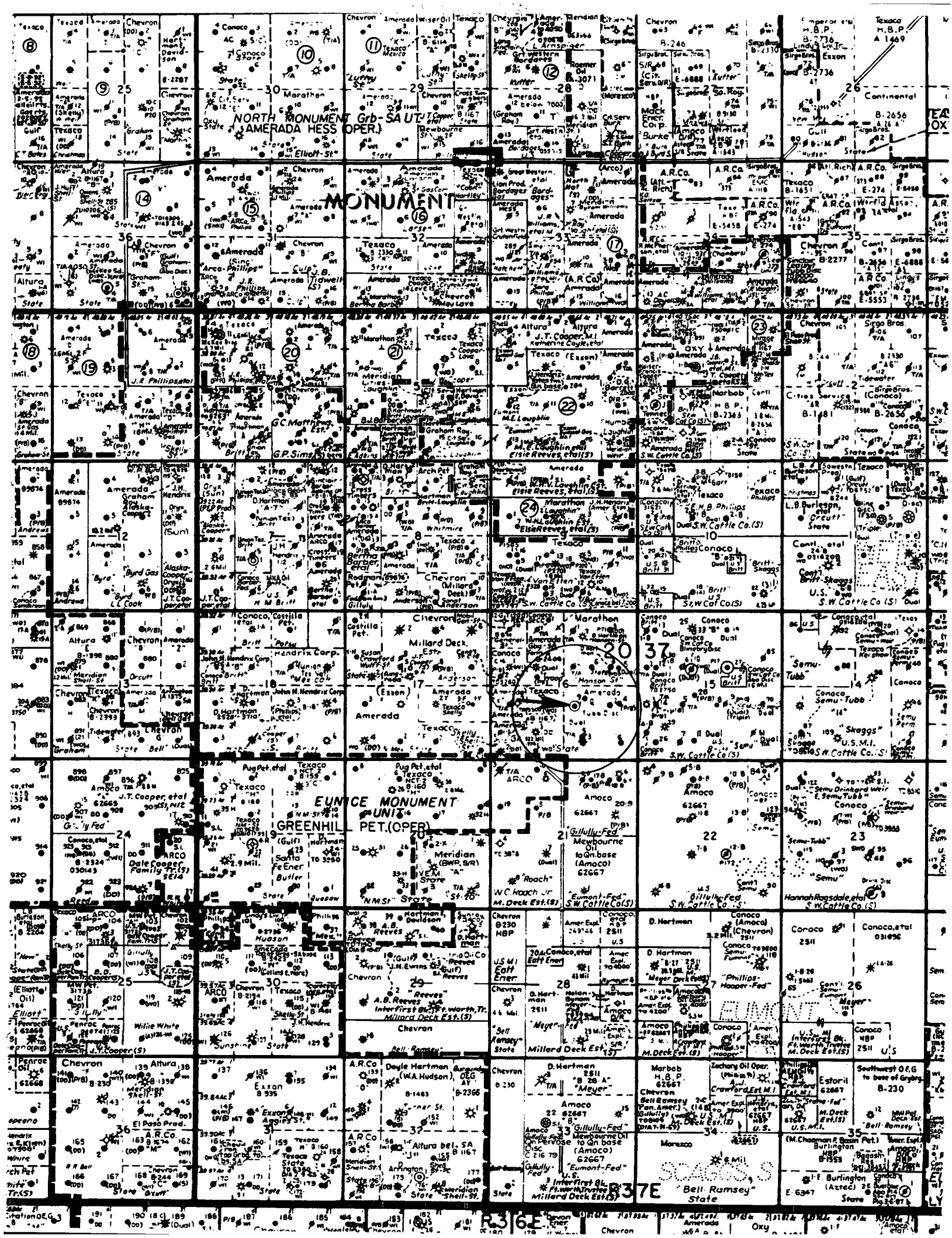
5-20-1998
MON-2b.DWG

MONUMENT FIELD
LEA COUNTY, NEW MEXICO



T-20-S





AMERADA HESS CORPORATION
DIVISION ORDER OWNERSHIP
LIVE DIVISION ORDER OWNERSHIP BY PROPERTY

PROPERTY-TRACT: 02106-0000 STATE: Q

STATE: NEW MEXICO
COUNTY: LIMA

TRACT FACTOR: 1.0000000

DESCRIPTION: 160 ACRES DESCR AS THE SE/4 SEC 16-20S-37E (AHC LEASE MP00516)

PAGE: 1
REPORT: BTDO10001
RUN DATE: 04/28/98 TIME: 09:42

NO. 00035

OWNER NUMBER	NAME AND ADDRESS	PAY/HOLD CODE	INTEREST DESC	TYPE	DESC	OIL	GAS	COND	CSGND	OTHER
00010	AMERADA HESS CORPORATION P O BOX 2040 HOUSTON, TX 77252-2040 TAX IDENTIFICATION: 134921002	40	ELM	11	WT	0.8750000	0.8750000	0.8750000	0.8750000	0.0000000
63902	COMMISSIONER OF PUBLIC LANDS NM TAXATION & REVENUE DEPARTMENT OIL & GAS PROCESSING SECTION P O BOX 2108 SANTA FE, NM 87504-2108 TAX IDENTIFICATION: 856000565	30	PAY	23	RI	0.0000000	0.1250000	0.0000000	0.1250000	0.0000000
63903	COMMISSIONER OF PUBLIC LANDS NM TAXATION & REVENUE DEPARTMENT P O BOX 2108 SANTA FE, NM 87504-2108 TAX IDENTIFICATION: 856000565	30	PAY	23	RI	0.1250000	0.0000000	0.1250000	0.0000000	0.0000000

THIS INFORMATION IS BEING PROVIDED TO YOU AS AN ACCOMMODATION ONLY. AMERADA HESS CORPORATION MAKES NO WARRANTY OR REPRESENTATION AS TO THE ACCURACY OR CORRECTNESS OF THIS INFORMATION, AND PARTIES RELYING ON SUCH INFORMATION DO SO AT THEIR OWN RISK AND WITHOUT RECOURSE AGAINST AMERADA HESS CORPORATION, OR ANY OF ITS AGENTS OR EMPLOYEES.

***** END OF REPORT *****



AMERADA HESS CORPORATION

P. O. BOX 840
SEMINOLE, TEXAS 79360
915-758-6700

March 7, 2000

State of New Mexico
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.
310 Old Santa Fe Trail, P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Re: Application to Downhole Commingle
State "Q" Well No. 1
State Lease No. NM00516
Unit J, Sec. 16, T20S, R37E
Lea County, New Mexico,

Dear Sir,

Amerada Hess Corporation respectfully request approval to downhole commingle production from State "Q" Well No. 1 as submitted to State of New Mexico Oil Conservation Division by Form C-107-A with attachments.

Your consideration in this matter is appreciated.

If we can furnish additional information, please let us know at your earliest convenience.

Sincerely,



Roy L. Wheeler, Jr.

Attachments

Xc: NMOCD - Santa Fe