7/21/:	2008 14:43	4325808501 TOR	CH ENERGY		PAGE	09/10
			T KOLLO	NUDDON	751/20	टन -
DATE	ZIOS SUSPEN	E ENGINEER JOURS MILLIOGGED IN	D DAC	PKUR.0820	3545	51-
· · ·		ABOVE THIS LINE FOR DIVISION U	ISE ONLY 406			
		NEW MEXICO OIL CONSERVATIO	ON DIVISION	40		
		- Engineering Bureau - 1220 South St. Francis Drive, Santa Fe,	NM 87505			
		ADMINISTRATIVE APPLIC	ATION CHEC	KLIST		
	HIS CHECKLIST IS M	ANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS	FOR EXCEPTIONS TO DIV	ISION RULES AND REGUL	ATIONS	<u> </u>
Appil	cation Acronym					
	[DHC-Dow	idard Location] [NSP-Non-Standard Prorat ihole Commingling] [CTB-Lease Commin	ngling] [PLC-Pool/L	ease Commingling]		
	[PC-P 0	ol Commingling) [OLS - Off-Lease Storag [WFX-Waterflood Expansion] [PMX-Press	ye] [OLM-Off-Lease sure Maintenance Ex	Measurement] [pansion]	201	
	FEOR-Qua	[SWD-Salt Water Disposal] [IPI-Injectified Enhanced Oil Recovery Certification]			L 800	بالمعلمين مسلم المعلمين المعلم
[1]	-	PLICATION - Check Those Which Apply			JUL	\square
נין	[A]	Location - Spacing Unit - Simultaneous De	edication		21	\bigcirc
		X NSL NSP SD N	52-5560		PM	$\overline{<}$
		One Only for [B] or [C]			M 2	
	[B]	Commingling - Storage - Measurement	PC 🗌 OLS 🔲	OLM	252	\bigcirc
	[C]	Injection - Disposal - Pressure Increase - E			N	
		WFX PMX SWD		PPR		
	[D]	Other: Specify				
[2]	NOTIFICAT [A]	ON REQUIRED TO: - Check Those Whice Working, Royalty or Overriding Roya		lot Apply		
	[B]	Offset Operators, Leaseholders or Sur	face Owner			
	[C]	Application is One Which Requires P	ublished Legal Notice	•		
	[D]	Notification and/or Concurrent Appro U.S. Bureau of Land Management - Commissioner of Public	val by BLM or SLO lic Lands, State Land Office			
	[E]	For all of the above, Proof of Notifica	tion or Publication is	Attached, and/or,		
	[F]	Waivers are Attached				
[3]		CURATE AND COMPLETE INFORMA' TION INDICATED ABOVE.	TION REQUIRED 1	O PROCESS THE	ТУРЕ	
[4]	CERTIFICA	ION: I hereby certify that the information s	submitted with this ap	plication for adminis	trative	

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.

Production Assistant 7-21-08 Title Date <u>revesme odessa.teai.com</u> c-mail Address Cooper Ja/Unit #508 <u>Melanie Reyes</u> Print or Type Name Signature

District I 1625 N. Fre

District II

1301 W. Grand Avenue, Artesia, NM 88210

1220 S. St. Francis Dr., Santa Fe, NM 87505

obbs_NM 88240

District III . id, Aztec, NM 87410 1000 Rio Brazos R

District IV

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-107A Revised June 10, 2003

Oil Conservation Division

1220 South St. Francis Dr. Santa Fe, New Mexico 87505

APPLICATION TYPE Yes_Single Well Establish Pre-Approved Pools EXISTING WELLBORE <u>X</u> Yes <u>No</u>

APPLICATION FOR DOWNHOLE COMMINGLING

Torch Energy Services, Inc.	1331 Lan	mar, Suite 1450 Houston, TX 77010
Operator Cooper Jal Unit	508	Address H-18-T24S-R37E
Lease	Well No.	Unit Letter-Section-Township-Range County

OGRID No. <u>241401</u> Property Code <u>302966</u> API No. <u>30-025-38270</u> Lease Type: ____Federal ____State <u>X</u>__Fee

DATA ELEMENT	UPPER ZONI	5	INTE	RMEDIATE 2	ZONE	LC	OWER	ZONE	
Pool Name	Jalmat					L	anglie	Mattix	
Pool Code	33820						372	40	
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3326'-3518'			,			3519'-	3695'	
Method of Production (Flowing or Artificial Lift)	Artificial Lift						Artifici	al Lift	
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)	37.7 Degree AF	21				37	.7 Deg	gree API	
Producing, Shut-In or New Zone	Producing						Produ	icing	
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: 4/17/07 Rates: 0.5 BOPD, 3 MCFPD		Date: Rates:			Date: 4/		D, 66 M	CFPD
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 4 % 4	%	Oil	Gas %	%	Oil 96	%	Gas 96	%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes <u>X</u> Yes		No No
Are all produced fluids from all commingled zones compatible with each other?	Yes	<u>X</u>	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 <u>X</u>
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.

Innl	1 ·				
SIGNATURE		Production Assistant	DATE	7/8/08	
TYPE OR PRINT NAME	Melanie Reyes	TELEPHONE NO. ((432)5	580-8500	
E-MAIL ADDRESS	reyesm@odessa.teai.com				

DISTRICT 1 1625 N. French Dr., Hobbs, NM 88240 DISTRICT II 1301 W. Grand Ave., Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 DISTRICT IV 1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Drive Santa Fe, NM 87505

Form C-102 Revised October 12, 2005

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 A	VPI Number			² Pool Code		· · · · · · · · · · · · · · · · · · ·	³ Pool Nan	ne	
					Jair	nat; Langlie Mat	tix		
Property Co	de				⁵ Property N	lame			⁶ Well Number
					Cooper Jo	al Unit			508
OGRID No.					80perator N	lame			⁹ Elevation
193003				TO	RCH ENERGY	SERVICES, INC.			3297'
					¹⁰ Surface L	ocation			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
н	18	24–S	37E		2546.1'	North	1238.1'	East	Lea
			" Bo	ottom Hol	e 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	7County
Dedicated Acres 40	13 Joi	int or Infill	¹ Consolide	ation Code	¹⁵ Order No.				<u> </u>

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.

16 155	101	102	1238.1'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
<u>501</u> _0	<u> </u>	507		Signature Date Date Date
104 🔶	-+ 105	145 924 40.23 Ac.	100' 106	
	<u> </u>	8	100	¹⁸ SURVEYOR CERTIFICATION
513 O 108	. 109	+ 306	³³ 5'. 110	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.
₅₀₃ 0		0 <u>506</u> <u>509</u>	 	September 19 & 21, 2006 Date of Survey
116 (235)	• 117	÷ ₁₁₈	+ 119	Signature & Seal of Professional Surveyor:
0 330 660 990 1320	1650 1980 2310 264	0 2000 1500	1000 500 0	Confifcate No. 7254

ADDITIONAL INFORMATION ON THE LOCATION State Plane Coordinates Easting 892617.15 Northing 444780.10 Latitude 32°13'03.625" Longitude 103'11'50.893" North American Datum Combined Grid Factor Coordinate File Zone 1983/86 0.99988900 Coop_Jal.Crd East Drawing File Field Book LEA #24, Pg. 8 Coop_Jal.Dwg

^{• =} Staked Location • = Producing Well 🔎 = Injection Well 👁 = Water Supply Well 🔶 = Plugged & Abandon Well ◎ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. o = Found /4 Section Corner, 1" Iron Pipe & GLO B.C.



June 30, 2008

New Mexico Oil Conservation Division 1220 South St. Francis Santa Fe, NM 87505

Attn: Mr. William Jones

Re:

Cooper Jal Unit Ownership Lea County, New Mexico

Dear Mr. Jones,

Melanie Reyes forwarded to me an email that you sent to her regarding our downhole commingling applications. Please be advised that although the Cooper Jal Unit was approved for waterflooding by separate orders in both the Jalmat and the Langlie Mattix pools, the ownership in each wellbore within the unit is identical as the term is defined in Rule 303.

Please advise if you have any questions; I can be reached at (713) 756-1620.

Sincerely, NG Zulatu

Randy Ziebarth Vice President

1331 LAMAR, SUITE 1450 HOUSTON, TEXAS 77010-3039 TELEPHONE: 713.650.1246 FAX: 713.655.1866

			ç	JU 500	SERI	ES WE	CJU 500 SERIES WELLS - PRODUCTIC	ROD	UCTIO	ON TESTS	TS			
						ALL TE	ALL TESTS ARE STABILIZED	ABILIZED						
			LANGL	LANGLIE-MATTIX POOL TEST	X POOL	TEST	٩ſ	JALMAT POOL TES	DOL TES		FINAL CC	FINAL COMMINGLED TEST (BOTH POOLS)	EST (BOTH F	°00LS)
	WELL	API #	DATE	ворр	MCF/D	BWPD	DATE	ворр	MCF/D	BWPD	DATE	ворр	MCF/D	BWPD
	501	30-025-38180	2/23/2007	12	33	54	2/24/2007	0.6	1.7	ω	3/3/2007	13	34	50
2	502	30-025-38188	4/3/2007	ნ	23	38	IAC	MAT not o	JALMAT not completed yet	et				
ω	503	30-025-38330	5/18/2007		38	123	JAL	_MAT not c	JALMAT not completed yet	et				
4	504	30-025-38189	3/15/2007	14	30	41	3/16/2007	0.8	1.5	2	4/2/2007	14	31	40
σ	505	30-025-38263	3/22/2007	16		152	3/2/2007	0.5	0.5	4	3/28/2007	15	14	131
ი	506	30-025-38201	2/23/2007	ი	43	19	3/19/2007	3.5	20	22	4/15/2007	9	60	36
7	507	30-025-38269	5/1/2007	13	40	70	5/2/2007	0.7	2	З	5/5/2007	13	35	81
8	508	30-025-38270	4/16/2007	11	66	90	4/17/2007	0.5	3	თ	4/23/2007	10	63	102
9	509	30-025-38202	3/20/2007	7.5	31	93	3/21/2007	0.4	1.5	5	3/30/2007	10	38	84
10														