

NMOCD Case 12209
Affidavit of Oscar L. Peters
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C. My expert opinions are based on the following facts and events:

CHRONOLOGICAL SUMMARY OF SIGNIFICANT EVENTS

1. On April 19, 1999, the Division entered Order R-11165 in Case 12141 which approved Falcon Creek's application for surface commingling, off-lease measurement and storage of West Teas-Yates Seven Rivers Pool production from the following described wells being produced from the West Teas Yates-Seven Rivers Pool all within Township 20 South, Range 33 East" (See Exhibit "A")

	Well	Location	Status
(a)	Conoco State Well No. 2,	NW/4NW/4 Section 16	active
(b)	BF State Well No. 3,	NW/4SW/4 Section 16	active
(c)	Conoco State Well No. 1,	NE/4NW/4 Section 16	active
(b)	BF State Well No. 1,	SW/4SE/4 Section 16	inactive
(b)	BF State Well No. 2,	NE/4SW/4 Section 16	inactive
(b)	BF State Well No. 4,	NE/4NE/4 Section 16	inactive

2. The centralized facility is located in the SW/4NE/4 (Unit G) of Section 16, T20S, R33E for the gathering of production from all these wells.

3. Division Rules authorized administrative approval of surface commingling "only so long as all commingled production is of identical ownership...."

4. Falcon Creek is the operator of portions of two different State of New Mexico oil & gas leases in the following parts of Section 16:

- (a) Conoco State Lease (V-4021): N/2NW/4
- (b) BF State Lease (E-3441): S/2NW/4; E/2NE/4,
SW/4NE/4, NW/4SE/4, N/2SW/4

