

DISTRICT I

P.O. Box 1880, Hobbs, NM 88241-1880

DISTRICT II

1 South First St., Artesia, NM 88210-2838

DISTRICT III

1000 Rio Brazos Rd, Artesia, NM 87410-1889

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6425Form C-107-A
New 3-12-98

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Mallon Oil Company

999 - 18th Street, Suite 1700, Denver, CO 80202

Operator

Address

Mescalero 30 Federal

4

G-30-19S-34E

Lea

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Sealing Unit Lease Types: (check 1 or more)

OGRID NO. 009171 Property Code 16285 API NO. 3002533813 Federal ☒ State ☐ (under) Fee ☐

The following facts are submitted in support of this application for commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Strawn Undesignated	Quail Ridge Morrow 83280	
2. Top and Bottom of Pay Section (Perforations)	12214-12224'	13227-13374'	
3. Type of production (Oil or Gas)	Oil	Gas	
4. Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) SEE ATTACHMENT A b. (Original)	a. b.	a. b.
6. Oil Gravity (°API) or Gas BTU Content	46.8 API	126.5 BTU 51.5 API	
7. Producing or Shut-In?	SI, Not Perforated	Producing	
Production Marginal? (yes or no)	Y	N	
* If Shut-In, give date and oil/gas/water rates of last production Note: For new wells with no production history, applicant shall be required to attach production estimates and supporting data	Date: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Estimated Rates: 30 BOPD 50 MCFG, BWPD	Date: 7/3/97 Rates: 42 BOPD 688 MCFD, 27 BWPD	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 40 % Gas: 5 %	Oil: 60 % Gas: 95 %	Oil: % Gas: %

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 ☐ No11. 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 ☐ No13. 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: