

DHC

1376 8/1/96

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

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

DISTRICT II
811 South First St., Artesia, NM 88210-2835

OIL CONSERVATION DIVISION

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

APPROVAL PROCESS:

Administrative Hearing

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410-1893

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

YES NO

Operator Caroco Inc. Address 10 Desta Dr., Ste 100W, Midland TX 79705

Lease Heaton "LS" Well No. 6 Unlt Ltr. - Sec - Twp - Rge B-33-31N-11W County San Juan

OGRID NO 005073 Property Code 16730 API NO. 30-045-10175 Spacing Unit Lease Types: (check 1 or more)
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	Aztec PC 71280		Blanco Mesaverde 72319
2. Top and Bottom of Pay Section (Perforations)	2386' - 2428'		4695' - 4772'
3. Type of production (Oil or Gas)	Gas		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) 247 psia	a.	a. 581 psia
	b. (Original) 712 psia	b.	b. 1171 psia
6. Oil Gravity (°API) or Gas BTU Content	1188 BTU		1210 BTU
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	Yes		Yes
* 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:
	Date: 1996 mid-yr Rates: 7 mcf/gpd 0 bopd, 0 bwpd	Date: Rates:	Date: 1996 mid-yr Rates: 49 mcf/gpd 0 bopd, 0 bwpd
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 0 % Gas: 12 %	Oil: % Gas: %	Oil: 100 % Gas: 88 %

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. NMOCD 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 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 Jerry W. Hoover TITLE Sr. Conservation Coordinator DATE 6/28/96

TYPE OR PRINT NAME Jerry W. Hoover TELEPHONE NO. (915) 686-6549

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.

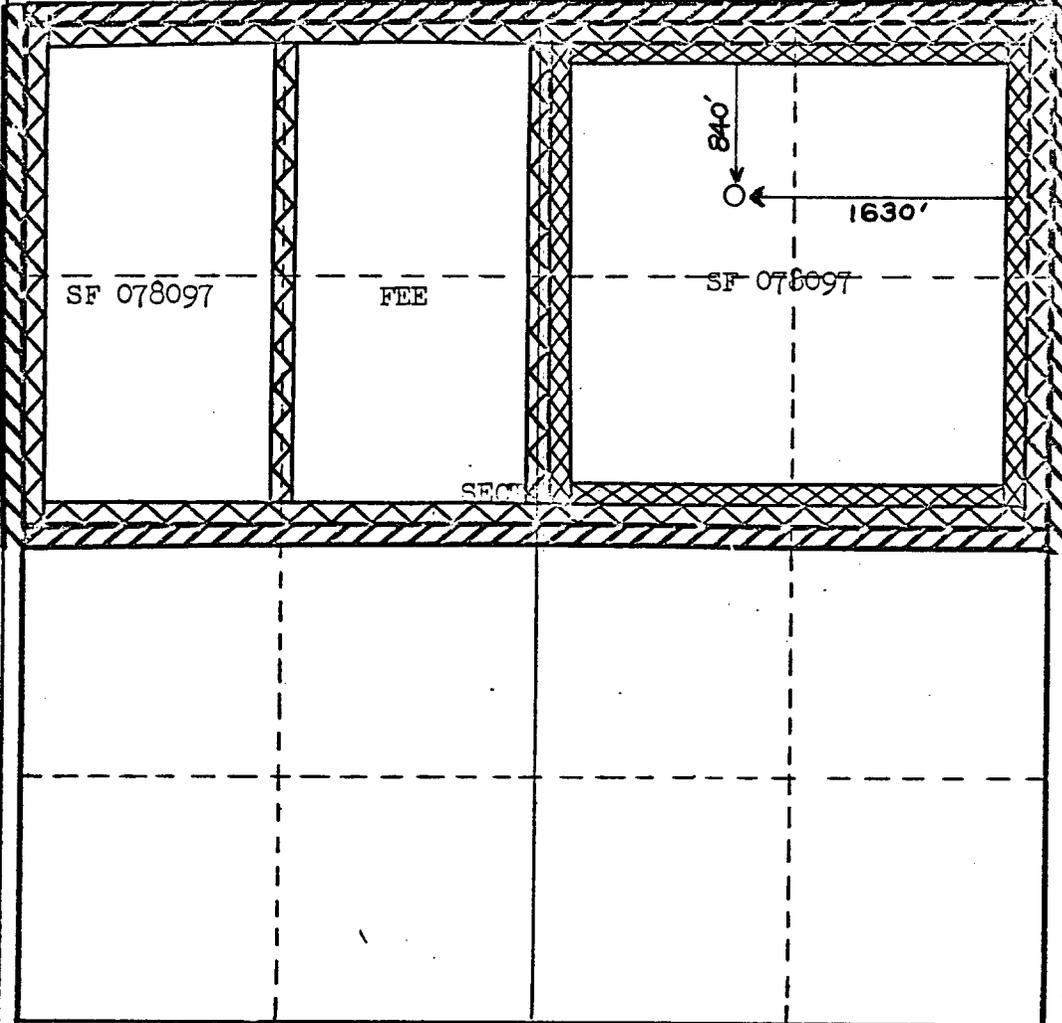
Operator EL PASO NATURAL GAS COMPANY		Lease HEATON (SF 078097)		Well No. 6 (PM)
Unit Letter B	Section 33	Township 31-N	Range 11-W	County SAN JUAN
Actual Footage Location of Well: 840 feet from the N line and 1630 feet from the E line				
Ground Level Elev. .	Producing Formation PC & MV	Pool BLANCO MV & AZTEC PC		Dedicated Acreage: 155.61 PC 315.61 MV <small>Acres</small>

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 Communitization

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. THIS PLAT REISSUED TO SHOW CORRECTED ACREAGE AS PER LETTER N.M.O.C. DATED 2-11-68.



CERTIFICATION

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

Carl E. Matthews

Name
Petroleum Engineer

Position
El Paso Natural Gas Co.

Company
March 11, 1968

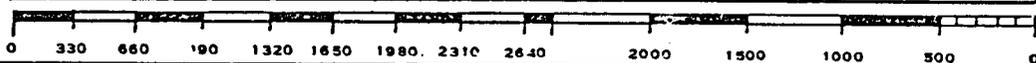
Date

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.



Dwights

Lease: HEATON LS 000006

Retrieval Code: 251,045,31N11W33B00PC

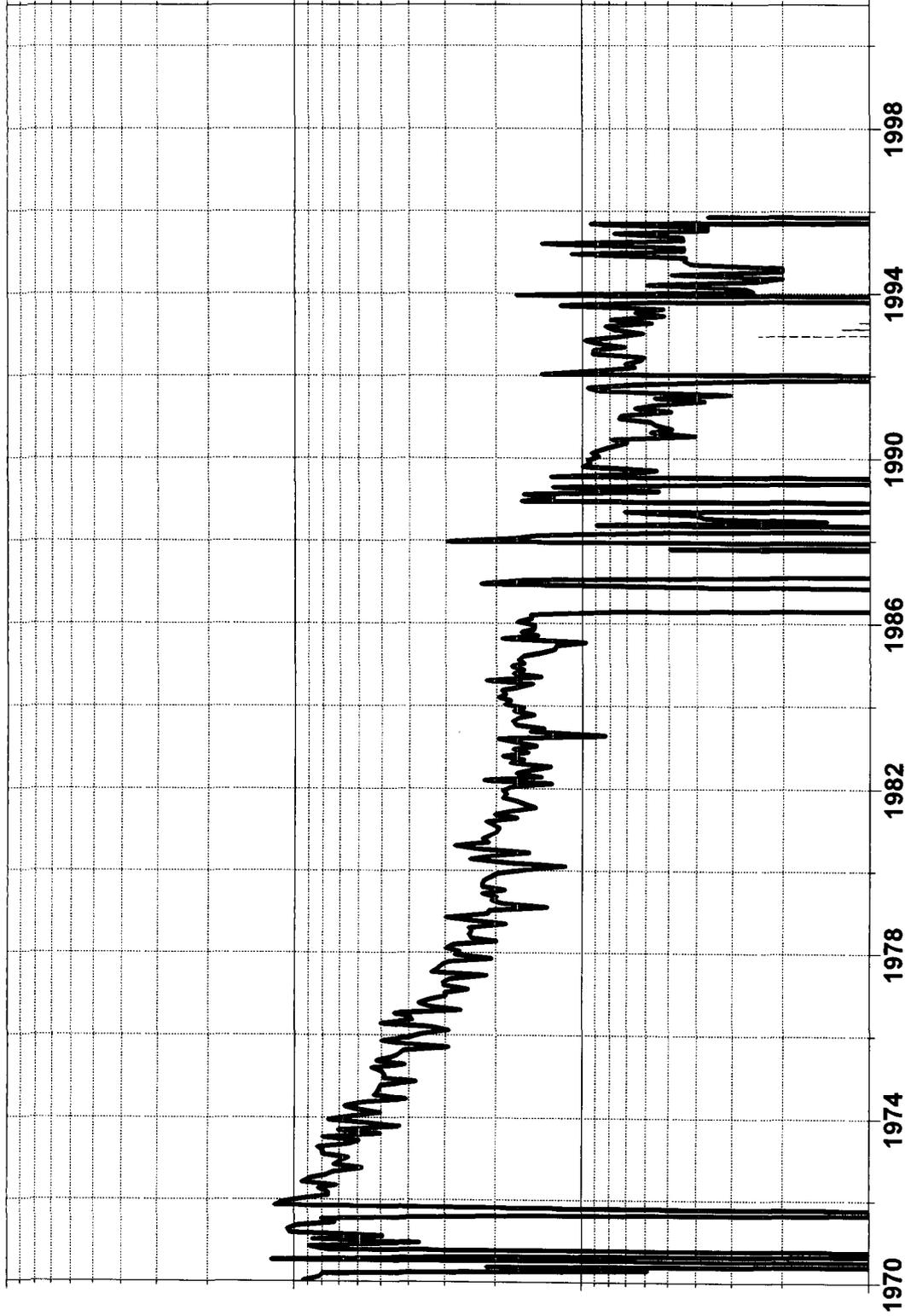
06/03/96

10^3
 10^3

10^2
 10^2

10
10

1
1



Oil (bbl/day)
Well Count

County: SAN JUAN, NM
Field: AZTEC (PICTURED CLIFFS) PC
Reservoir: PICTURED CLIFFS
Operator: CONOCO INC

F.P. Date: 04/57
Oil Cum: 166 bbl
Gas Cum: 593.0 mmcf
Location: 33B 31N 11W

Gas (mcf/day)
Water (bbl/day)

Dwights

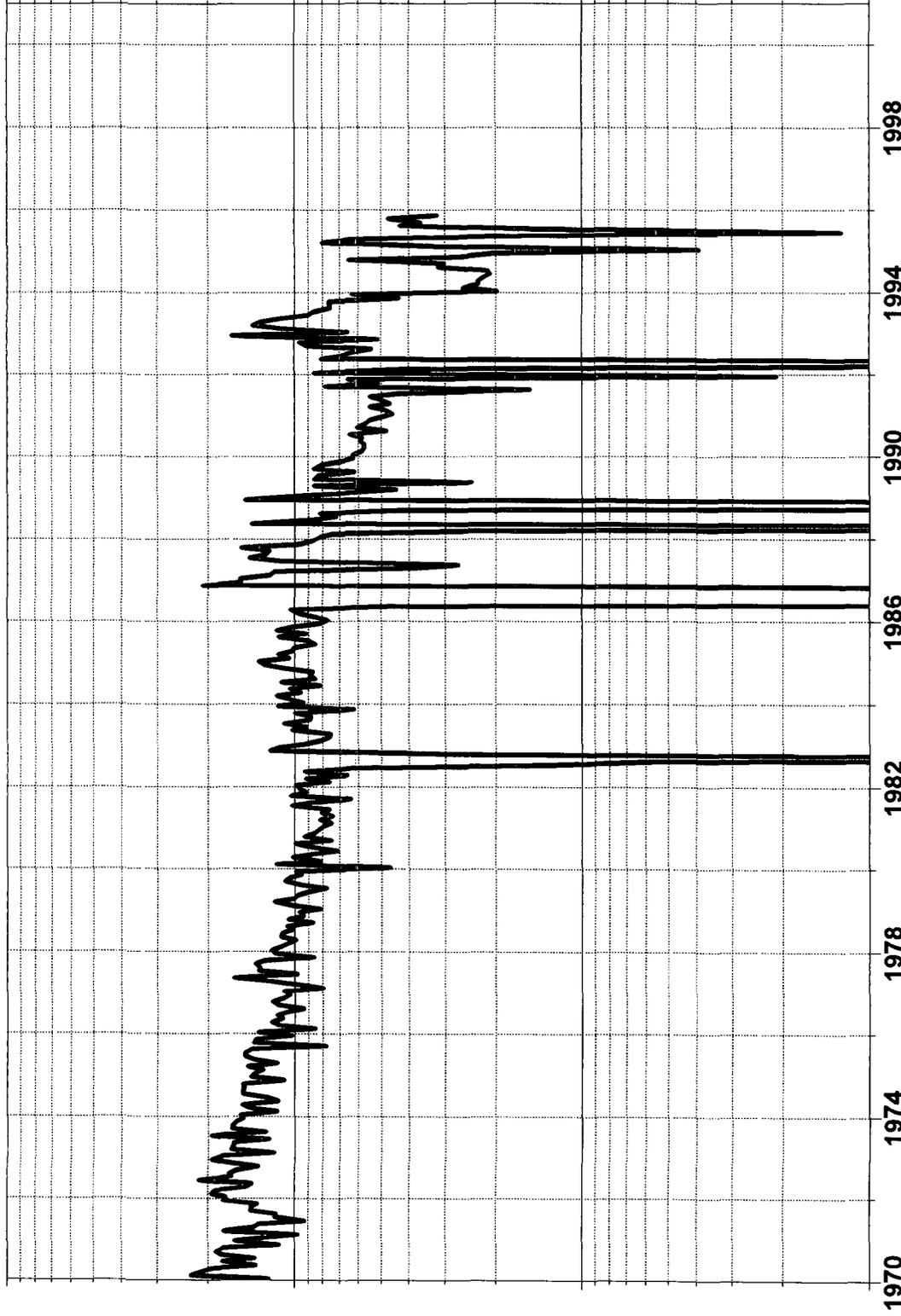
Lease: HEATON LS 000006

Retrieval Code: 251,045,31N11W33B00MV

06/03/96

10³
10³

10³
10³



10²
10²

10
10

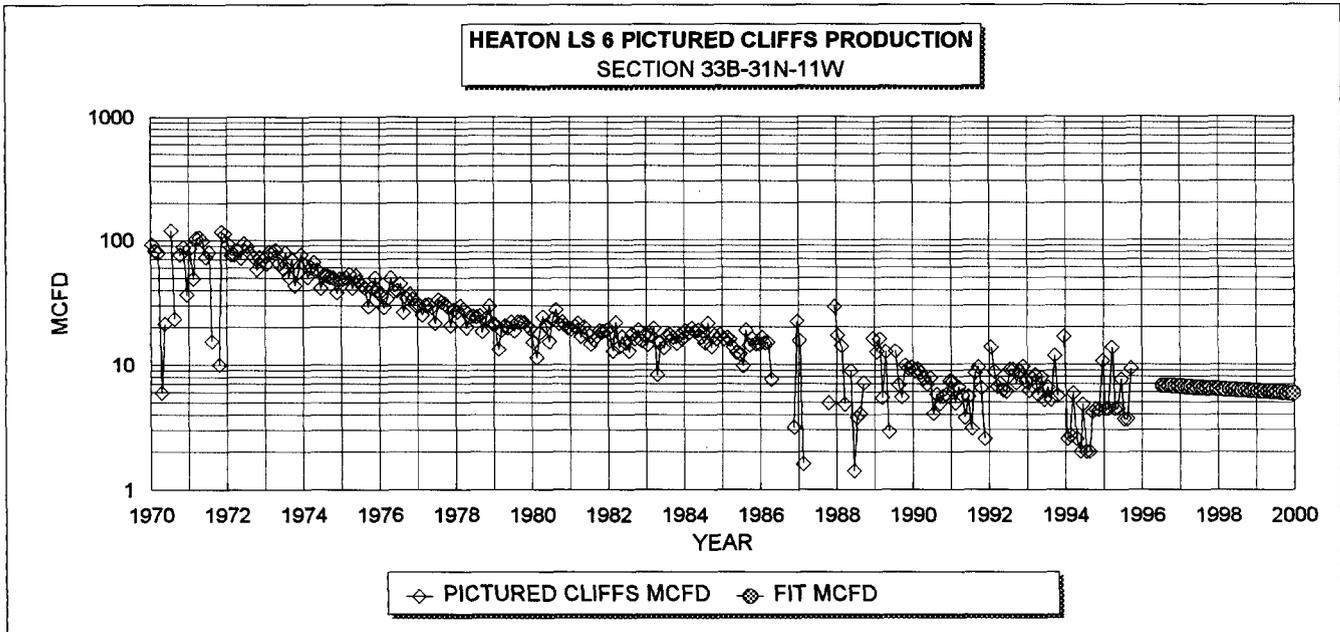
1
1

Oil (bbl/day)
Well Count

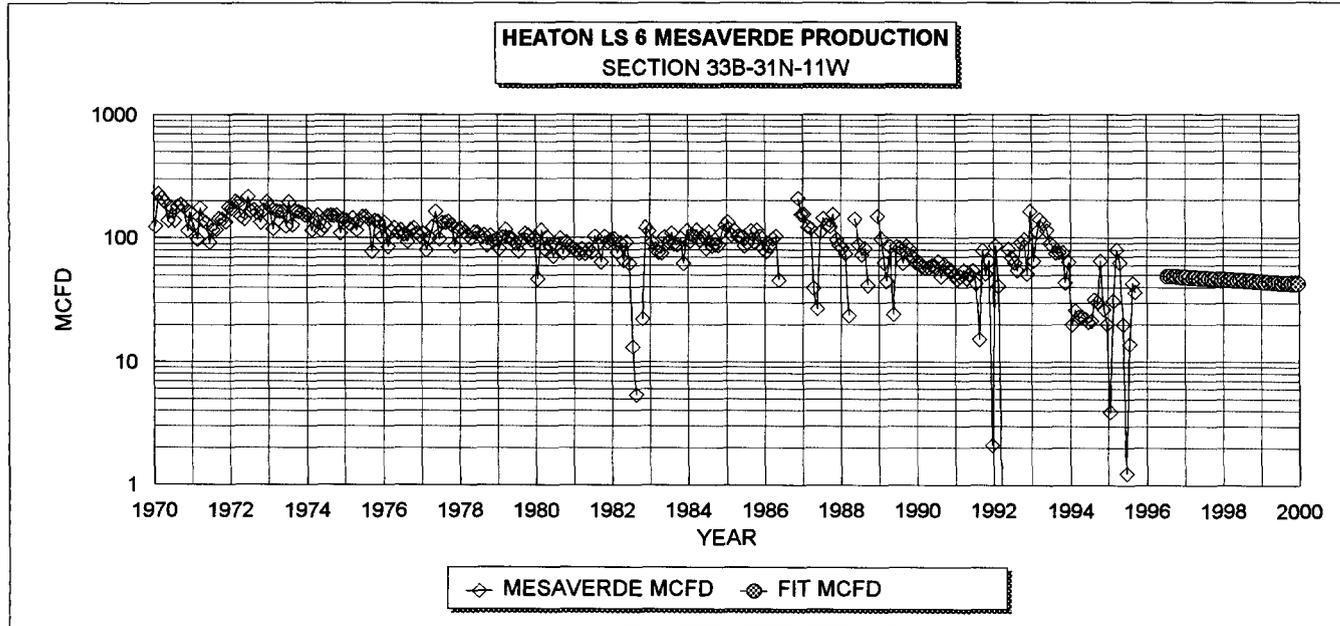
County: SAN JUAN, NM
Field: BLANCO (MESAVERDE) MV
Reservoir: MESAVERDE
Operator: CONOCO INC

F.P. Date: 10/56
Oil Cum: 608 bbl
Gas Cum: 1555 mmcf
Location: 33B 31N 11W

Gas (mcf/day)
Water (bbl/day)



PICT. CLIFFS HISTORICAL DATA: 1ST PROD: 4/57		PICTURED CLIFFS PROJECTED DATA	
OIL CUM:	0.17 MBO	7/1/96 QI:	7 MCFD
GAS CUM:	592.87 MMCF	DECLINE RATE:	4.0% (EXPONENTIAL)
OIL YIELD:	0.0003 BBL/MCF		



MESAVERDE HISTORICAL DATA 1ST PROD: 10/56		MESAVERDE PROJECTED DATA	
OIL CUM:	0.61 MBO	7/1/96 QI:	49 MCFD
GAS CUM:	1552.00 MMCF	DECLINE RATE:	4.0% (EXPONENTIAL)
OIL YIELD:	0.0004 BBL/MCF		

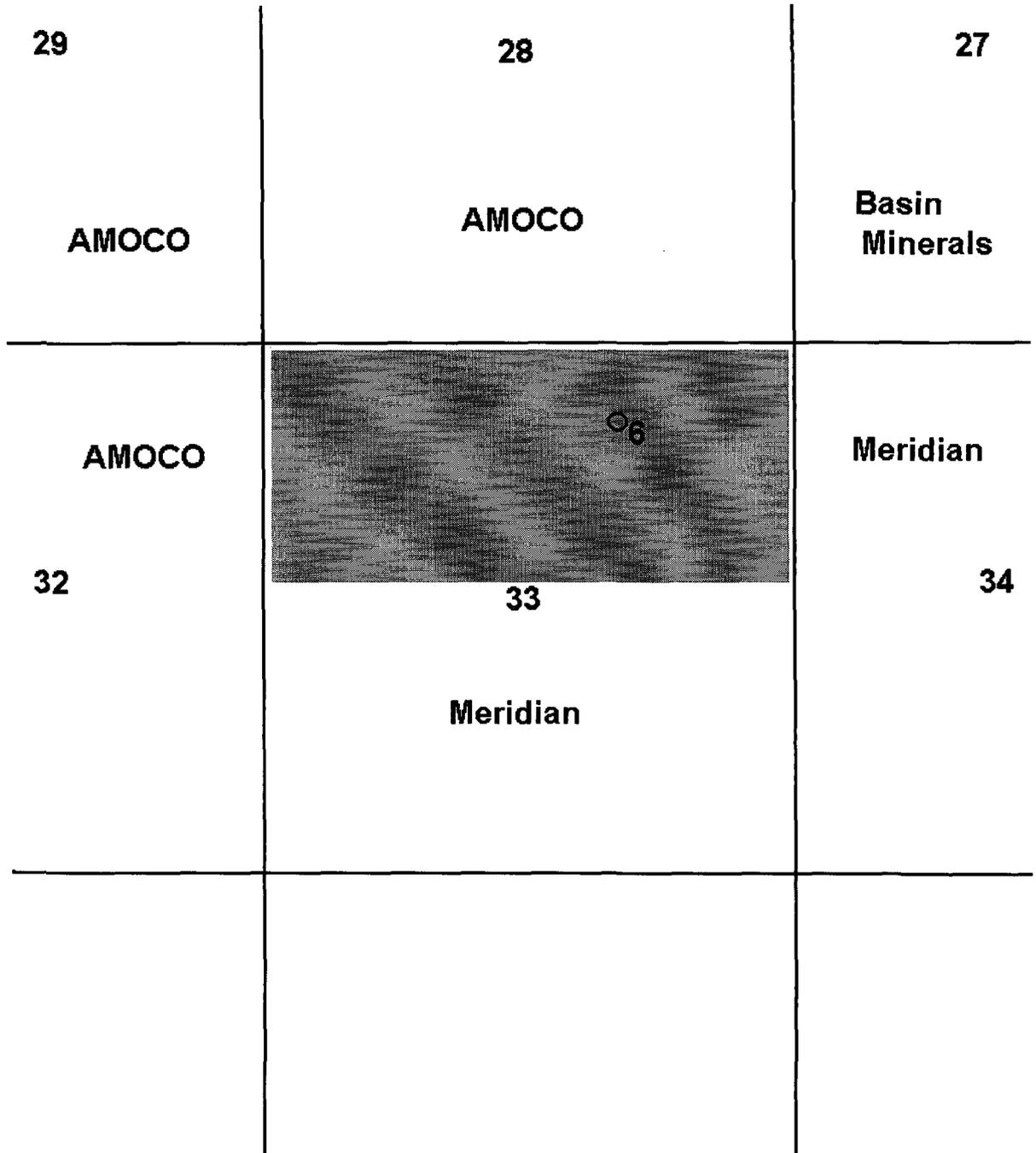
FIXED COMMINGLE ALLOCATION FACTORS:		
	GAS	OIL
MESAVERDE:	88%	100%
PICTURED CLIF	12%	0%

GAS ALLOCATION BASED ON PROJECTED 1996 RATES
OIL ALLOCATION BASED ON WEIGHTED CUM OIL YIELDS; (rounded due to very low oil production)

NOTE: ALL PRODUCTION DATA FROM DWIGHTS ENERGYDATA

Heaton "LS" No. 6

OFFSET OPERATORS



Township 31N --- Range 11W