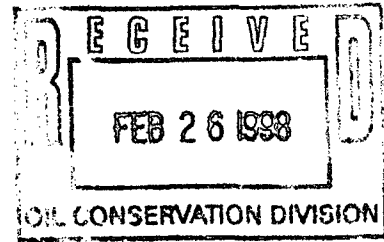


DHC 3/18/97

MW PETROLEUM CORPORATION

□

February 25, 1998



Division Director
State of New Mexico
Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505-6429

**Re: Application to Commingle
Deck Estate #1
North Hardy, (Tubb/Drinkard)
Sec. 35, T20S, R37E**

Gentlemen:

Please find enclosed an application to downhole commingle the Deck Estate #1 well. The following is attached:

- 1) Form C-107A
- 2) Offset operators letter and county map
- 3) C-102 (North Hardy, (Tubb/Drinkard)
- 4) C-102 (South Cass Strawn)
- 5) Production Curve

If you have any questions or need additional information, please feel free to contact me at (713) 296-7152.

Sincerely,

MW Petroleum Corporation

Deborah K. Hoyt
Engineering Technician

Dkh
Enclosure

Cc: State of New Mexico
P.O. Box 1980
Hobbs, NM 88240

DN

713 296-7156

EXHIBIT "B" - CASE NO. 11353, ORDER NO. R-10470-A

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-107A

New 3-12-96

APPROVAL PROCESS:

☒ Administrative

☐ Hearing

EXISTING WELLBORE

☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

MW PETROLEUM CORPORATION	2000 POST OAK BLVD. STE. 100 HOUSTON, TX 77056
Operator	Address
DECK ESTATE	I - 35 - 20S - 37E
Lease	Unit
Well No. 1	Unit It.-Sec.-Twp.-Rng
	County
	Spacing Unit Lease Types: (one or more)

OGRID NO. **15422** Property Code **20763** API No. **30-025-33946** ☐ Federal ☐ State ☒ Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	North Hardy (Tubb/Drinkard) 96356		Cass South (Strawn) 10460
2. Top and Bottom of Pay Section (Perforations)	6418'-6786'		7675'-7766'
3. Type of production (Oil or Gas)			
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure	a. (Current)	a.	a.
Oil Zones - Artificial Lift:	2100		1500
Gas & Oil - Flowing:	b. (Original)	b.	b.
All Gas Zones:			
Estimated or Measured Original	400		1500
6. Oil Gravity ("API) or Gas BTU Content	41° 996 MMBTU		41° 1461 MMBTU
7. Producing or Shut-In?	Producing		SI
Production Marginal? (Yes or No)	No		No
* If Shut-In, give date and oil/gas/ water rates of last production	Date: Rates:	Date: Rates:	Date: 1/8/98 Rates: 63/70/8
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 80 days)	Date: 2/23/98 Rates: 20/43/88	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 24% Gas: 38%	Oil: % Gas: %	Oil: 76% Gas: 62%

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(C) 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 Deborah K. Hoyt TITLE Engineering Technician DATE 2/25/98
TYPE OR PRINT NAME Deborah K. Hoyt TELEPHONE NO. 713-296-7152

MW PETROLEUM CORPORATION

□

February 25, 1998

OFFSET OPERATORS
(See Attached)

**Re: Downhole Commingle Application
Deck Estate #1
North Hardy (Tubb/Drinkard)
Sec 35, T20S, R37E**

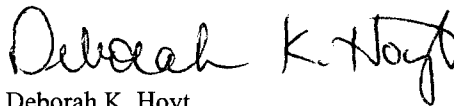
Gentlemen:

Please find attached an application that MW Petroleum Corporation has applied for with the State of New Mexico to downhole commingle the Strawn and Tubb/Drinkard formations for the Deck Estate #1.

If you have any questions regarding this application, please contact the Oil Conservation Division in Santa Fe, NM or Bruce West, Petroleum Engineer, at (713) 296-7127.

Sincerely,

MW Petroleum Corporation



Deborah K. Hoyt
Engineering Technician

Dkh
Attachment

2000 POST OAK BOULEVARD, SUITE 100

HOUSTON, TEXAS 77056-4400

713-296-6000

OFFSET OPERATORS

**Deck Estate #1
Sec. 35, T20S, R37E**

2/25/98

SDX Resources, Inc.
P.O. Box 5061
Midland, TX 79704

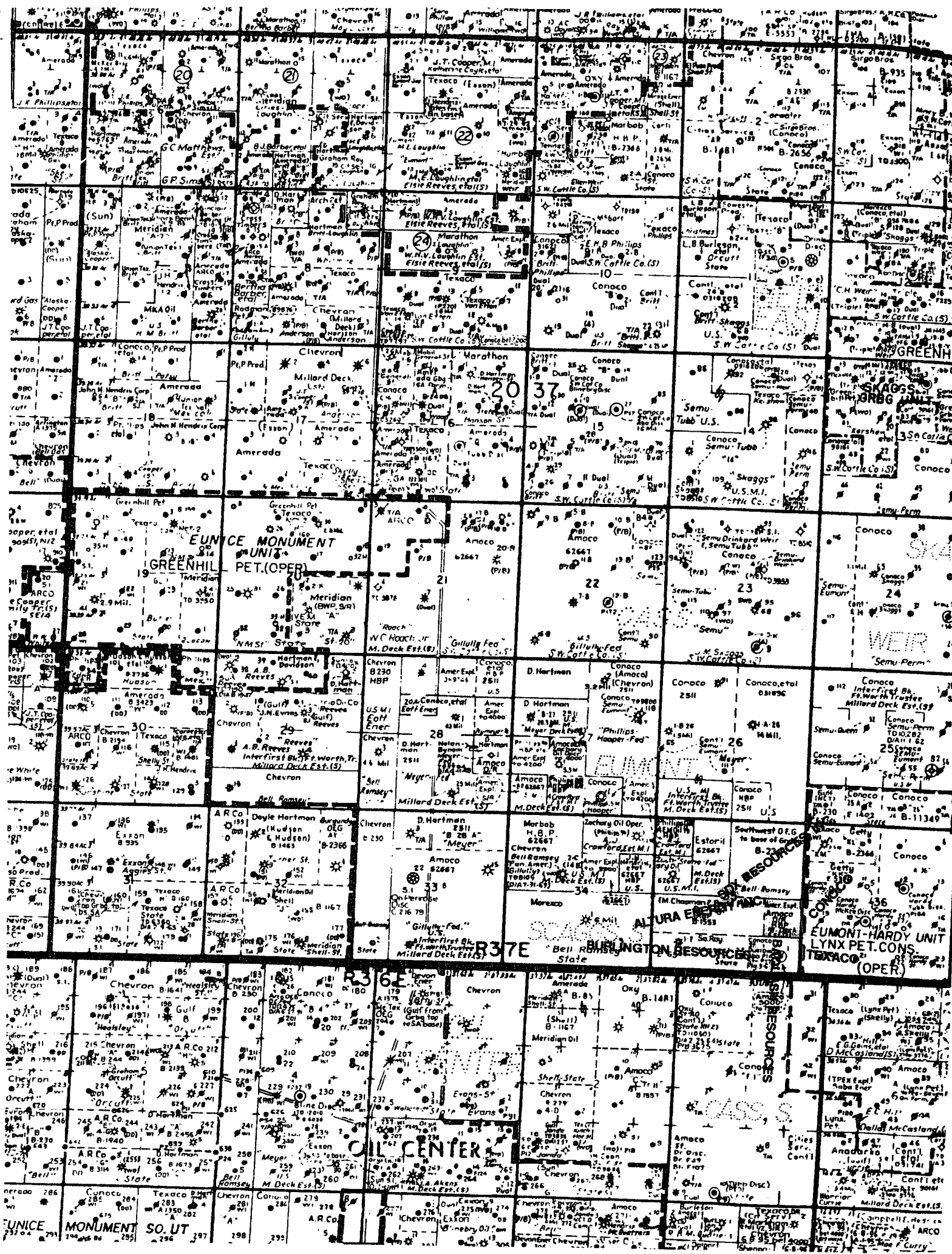
Altura Energy Inc.
P.O. Box 4294
Houston, TX 77210

Burlington Resources
P.O. Box 51810
Midland, TX 79710

Damian G. Barrett, d/b/a
Baqash Resources
414 W. Texas, Suite 400M
Midland, TX 79701

Conoco, Inc.
10 Desta Drive West, Ste. 100W
Midland, TX 79705

Texaco
P.O. Box 3109
Midland, TX 79702



DISTRICT I

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

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-33946	Pool Code 96356	Pool Name NORTH HARDY (Tubb/Drinkard)
Property Code 20763	Property Name DECK ESTATE	Well Number 1
OGRID No. 15422	Operator Name M. W. PETROLEUM CORP.	Elevation 3492

Surface Location

UL or lot No. 1	Section 35	Township 20 S	Range 37 E	Lot Idn	Feet from the 1980	North/South line SOUTH	Feet from the 330	East/West line EAST	County LEA
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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
Dedicated Acres 40	Joint or Infill	Consolidation Code	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

				OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature JOE T JANICA Printed Name AGENT Title 4-23-97 Date	
				SURVEYOR CERTIFICATION 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. APR 15 1997 Date Surveyed Signature of Surveyor Professional Surveyor 1233 15-97 P.O. Num. 97-13-0662 Certified Professional Surveyor RONALD J. EIDSON, 676 GARY G. EIDSON, 12641	

DISTRICT I

P.O. Box 1990, Hobbs, NM 88341-1990

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1984

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

P.O. Drawer 20, Artesia, NM 88211-0710

DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-33946	Pool Code 10460	Pool Name South Cass Strawn
Property Code 20763	Property Name DECK ESTATE	Well Number 1
OGRIID No. 15422	Operator Name M. W. PETROLEUM CORP.	Elevation 3492

Bottom Hole Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	35	20 S	37 E		1980	...SOUTH	330	EAST	LEA

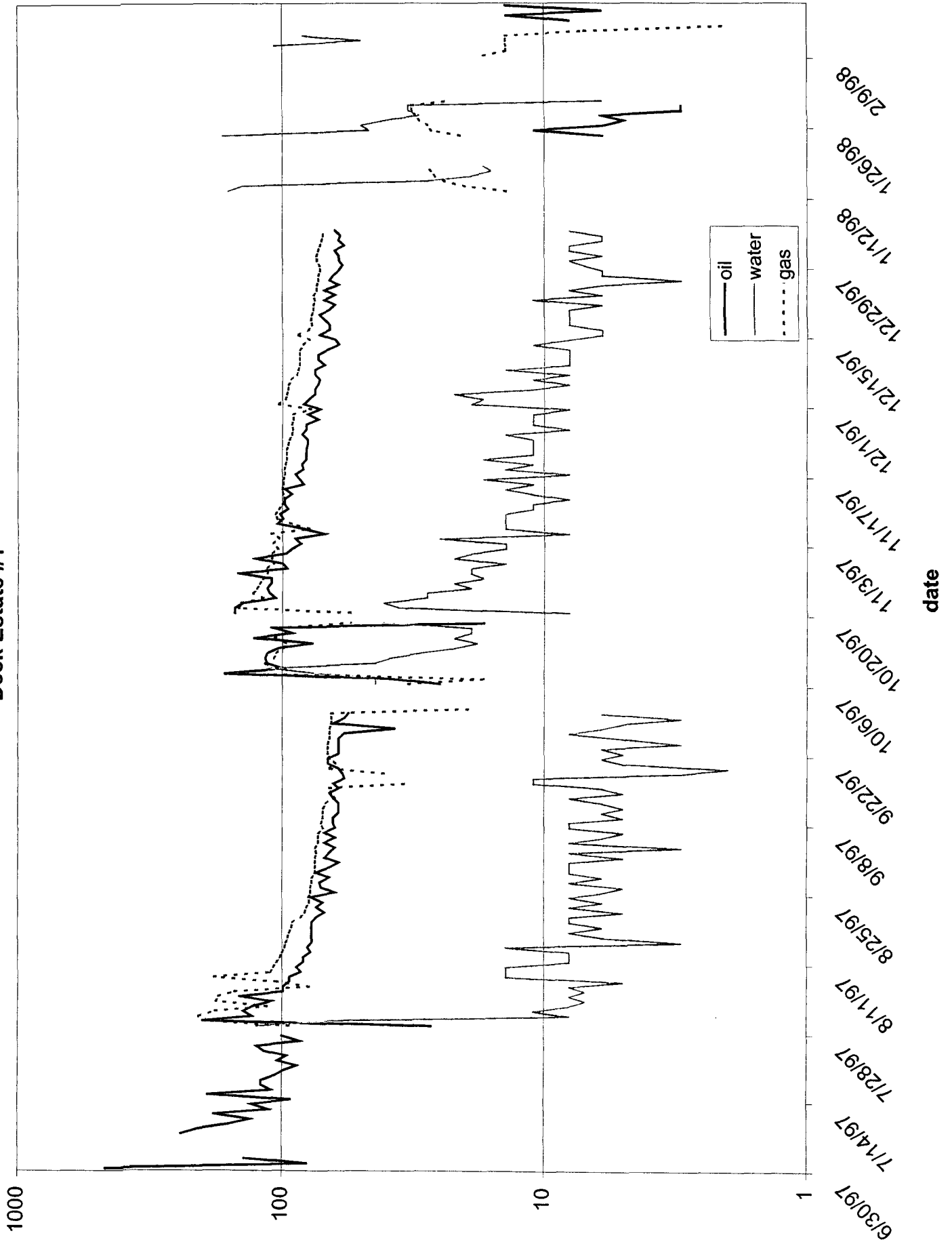
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
40									

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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>Joe T Janeca</i> Signature JOE T JANECA Printed Name AGENT Title 4-23-97 Date
	SURVEYOR CERTIFICATION 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. APR 15 J. E. 1997 Date Surveyed Signature of Professional Surveyor <i>Ronald J. Eidson</i> APR 15 1997 Seal of Professional Surveyor PROF. Num. 97-15-0662 Certified Professional Surveyor RONALD J. EIDSON, 678 GARY G. EIDSON, 3238 12641

Deck Estate #1





STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

3/3/98

GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC	_____
DHC	_____X_____
NSL	_____
NSP	_____
SWD	_____
WFX	_____
PMX	_____

Gentlemen:

I have examined the application for the:

<u>MW Petroleum Corp</u>	<u>Deek Estate</u>	<u>#7-I-35-2D-37</u>
Operator	Lease & Well No. Unit	S-T-R

and my recommendations are as follows:

None.

Yours very truly,

Chris Williams
Supervisor, District 1

/ed

TRANSMITTAL COVER SHEET

**OIL CONSERVATION DIVISION
ENGINEERING BUREAU
(505) 827-7131 (OFFICE)
(505) 827-1389 (FAX)**

PLEASE DELIVER THIS FAX TO:

TO: Deborah Hoyt
FROM: D. Catanzich
SUBJECT: DHC - 1864
DATE: 3/26/98
PAGES: _____ **(INCLUDING COVER SHEET)**

**IF YOU HAVE ANY PROBLEMS RECEIVING THIS FAX, PLEASE CALL THE
OFFICE NUMBER ABOVE.**