

RECEIVED: 12/06/2017	REVIEWER: MAM	TYPE: DHC	APP NO: DMA1734024691
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



CHAS
DHC
4705-A

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Brettburn Operating LP
Well Name: Encore M State No. 011

OGRID Number: 370080
API: 30-025-44028

Pool: Blinebry Oil and Gas (OII)(6660) Tubb Oil and Gas (OII) (60240) Drinkard (19190),
 Wantz;Abo (62700).

DHC

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

- NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

- DHC CTB PLC PC OLS OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

- WFX PMX SWD IPI EOR PPR

2) NOTIFICATION REQUIRED TO: Check those which apply.

- A. Offset operators or lease holders
- B. Royalty, overriding royalty owners, revenue owners
- C. Application requires published notice
- D. Notification and/or concurrent approval by SLO
- E. Notification and/or concurrent approval by BLM
- F. Surface owner
- G. For all of the above, proof of notification or publication is attached, and/or,
- H. No notice required

RECEIVED OCD
 2017 DEC 14 A 1:27
 GMM

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) CERTIFICATION: I hereby certify that the information submitted with this application for administrative 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.

Date: 12/05/2017

ShellyDoescher

Print or Type Name

Shelly Doescher

Signature

e-mail address: shelly_doescher@yahoo.com

Phone No. 505-320-5682



December 5, 2017

Mr. Michael McMillan
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Re: Form C-107A: Application for Downhole Commingling
Breitburn Operating LP
Encore M State No. 011
API No. (30-025-44028)
978 FSL and 641 FWL
Section 20, UL M, T-22 South, R-37 East, NMPM
Lea County, New Mexico

Dear Mr. McMillan,

Attached is a C-107A Application to Downhole Commingle the Blinebry Oil & Gas (Oil-06660), Tubb Oil and Gas (Oil- 60240), Drinkard (19190), and Wantz-Abo (62700) Pools within Breitburn's Encore M State No.011.

Please reference DHC-4705-A issued 03/04/2015 for the Encore M State No. 008 (API-30-40721) and DHC-4737-A issued 04/08/2015 for the Encore M State No. 015 (API 30-025-42363). Given the close proximity of the Encore M State No. 011 to the Nos. 008 and 015, supporting data for these wells will be used to establish an allocation of 25% (oil, gas and water) for each zone as indicated on the attached C-107A.

Please note that the working, royalty and overriding royalty interest ownership in this well is common throughout. Consequently, notice of this application is not required to any interest owner. (See attached letter).

Approval of this application will afford Breitburn the opportunity to recover additional oil and gas reserves from the Blinebry Oil & Gas (Oil), Tubb Oil and Gas (Oil), Drinkard and Wants;Abo Pools within the Encore M State No. 011 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

If there should be any questions, please call me at (505) 320-5682.

Sincerely,

A handwritten signature in cursive script that reads 'Shelly Doescher'.

Shelly Doescher
Agent
Breitburn Operating LP



December 5, 2017

Mr. Michael McMillan
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Re: Form C-107A: Application for Downhole Commingling
Breitburn Operating LP
Encore M State No. 011
API No. (30-025-44028)
978 FSL and 641 FWL
Section 20, UL M, T-22 South, R-37 East, NMPM
Lea County, New Mexico

Dear Mr. McMillan,

This letter is to clarify ownership in the Encore M State No. 011 and should be included in the application for the above downhole commingle.

The ownership is consistent and identical in the Encore M State No. 011 for all of the pools (zones) to be downhole commingled: Blinbry Oil & Gas (Oil) (06660), Tubb Oil and Gas (Oil) (60240), Drinkard (19190), and Wantz-Abo (62700).

Please contact me at 713-632-8741 or jaclyn.martin@breitburn.com if you have any questions or if you need additional information. Thank you for your assistance in this matter.

Warm Regards,

A handwritten signature in black ink that reads 'Jaclyn Martin'. The signature is written in a cursive style with a large, looping 'J' and 'M'.

Jaclyn Martin
Advanced Landman
Breitburn Energy Company

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 S. First St., Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised August 1, 2011

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

APPLICATION TYPE
 Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Breitburn Operating LP

1111 Bagby Street, Suite 1600 Houston, Texas 77002

Operator **Encore M State** Address **Unit M, Section 20, T-22 South, R-37 East** LEA **011**

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. **370080** Property Code **314022** API No. **30-025-44028** Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE 1	INTERMEDIATE ZONE 2	LOWER ZONE
Pool Name	Blinebry Oil & Gas (Oil)	Tubb Oil & Gas (Oil)	Drinkard	Wantz-Abo
Pool Code	06660	60240	19190	62700
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5530' - 5550'	6206' - 6226'	6570' - 6590'	66840' - 7058'
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	Artificial Lift	Artificial 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)	Not Required	Not Required	Not Required	Not Required
Oil Gravity or Gas BTU (Degree API or Gas BTU)	38 Deg. API 1342 BTU			
Producing, Shut-In or New Zone	New Zone	New Zone	New Zone	New Zone
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.)	Estimated: 5 BOPD 16 MCFGD 10 BWPD			
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 Water 25% 25% 25%			

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 No
Yes No

Are all produced fluids from all commingled zones compatible with each other?

Yes No

Will commingling decrease the value of production?

Yes No

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

NMOCD Reference Case No. applicable to this well: DHC - 4705 - A, DHC - 4737 - A (see attached)

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.

SIGNATURE Shelly Doescher TITLE: Agent DATE: December 5, 2017
TYPE OR PRINT NAME: Shelly Doescher TELEPHONE NO: (505) 320-5682 E-Mail: shelly_doescher@yahoo.com

District I
1625 N French Dr., Hobbs NM 88240
District II
1801 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-44028		² Pool Code 6660		³ Pool Name Blinebry Oil and Gas (Oil)	
⁴ Property Code M STATE		⁵ Property Name M STATE			⁶ Well Number 11
⁷ OGED No. 370080		⁸ Operator Name Breitburn Operating LP			⁹ Elevation 3387'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Min	Feet from the	North/South line	Feet from the	East/West line	County
M	20	22 S	37 E		978	South	641	West	Lea

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Min	Feet from the	North/South line	Feet from the	East/West line	County

¹²Dedicated Acres ¹³Joint or Infill ¹⁴Consolidation Code ¹⁵Order 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

				16	
				¹⁷OPERATOR CERTIFICATION	
				<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>	
				<i>Shelly Doescher</i> Signature	
				Shelly Doescher Printed Name	
				Agent shelly doescher@yahoo.com Title and E-mail Address	
				10/02/2017 Date	
				¹⁸SURVEYOR CERTIFICATION	
				<i>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.</i>	
				11-15-2013 Date of Survey	
				Signature and Seal of <i>Michael L. Stanford</i> Professional Land Surveyor	
				10324 Certificate Number	
M STATE 11 Elev. 3387' NAD 83 NM East N= 501223 E= 893852 NAD 83 Lat = 32° 22' 21.94" Long.= 103° 11' 29.53"		M State No. 12		M State No. 72	
342' To Lease Line		M State No. 15		M State No. 15	
641' 652'		M State No. 74		M State No. 74	
978'		M State No. 75		M State No. 75	
		M State No. 14		M State No. 14	

District I
1825 N. French Dr., Hobbs NM 88240
District II
1501 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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Revised June 10, 2003
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Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-44028		² Pool Code 60240		³ Pool Name Tubb Oil and Gas (Oil)	
⁴ Property Code M STATE		⁵ Property Name Breitburn Operating LP			⁶ Well Number 11
⁷ OGED No. 370080		⁸ Operator Name Breitburn Operating LP			⁹ Elevation 3387'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	20	22 S	37 E		978	South	641	West	Lea

¹¹Bottom 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

¹²Dedicated Acres ¹³Joint or Infill ¹⁴Consolidation Code ¹⁵Order 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

<p>M STATE 11 Elev. 3387' NAD 83 NM East N= 501223 E= 893852 NAD 83 Lat. = 32° 22' 21.94" Long. = 103° 11' 29.53"</p>		<p>¹⁶</p>	<p>¹⁷OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Shelly Doescher</i> Signature</p> <p>Shelly Doescher Printed Name</p> <p>Agent shelly_doescher@yahoo.com Title and E-mail Address</p> <p>10/02/2017 Date</p>
			<p>¹⁸SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>11-15-2013 Date of Survey</p> <p>Signature and Seal of Professional Land Surveyor</p> <p>10324 Certificate Number</p>

District I
1625 N. French Dr., Hobbs NM 88240
District II
1801 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Asteo, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-44028		² Pool Code 19190		³ Pool Name Drinkard	
⁴ Property Code M STATE		⁵ Property Name Breitburn Operating LP			⁶ Well Number 11
⁷ OGED No. 370080		⁸ Operator Name Breitburn Operating LP			⁹ Elevation 3387'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
M	20	22 S	37 E		978	South	641	West	Lea

¹¹Bottom Hole Location If Different From Surface

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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

				16		¹⁷OPERATOR CERTIFICATION	
						I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
						<i>Shelly Doescher</i> Signature	
						Shelly Doescher Printed Name	
						Agent shelly_doescher@yahoo.com Title and E-mail Address	
						10/02/2017 Date	
<p>M STATE 11 Elev. 3387' NAD 83 NM East N= 501223 E= 893852 NAD 83 Lat. = 32° 22' 21.94" Long. = 103° 11' 29.53"</p> <p>342' To Lease Line</p> <p>641' 652'</p> <p>978'</p> <p>M State No. 12</p> <p>M State No. 15</p> <p>M State No. 74</p> <p>M State No. 75</p> <p>M State No. 18</p> <p>M State No. 14</p>						¹⁸SURVEYOR 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.	
						11-15-2013 Date of Survey	
						Signature and Seal of Professional Land Surveyor	
						10324 Certificate Number	

4.7 Miles SW of Eunice, New Mexico.

File No. A-8432

District I
1625 N. French Dr., Hobbs NM 68240
District II
1301 W. Grand Avenue, Artesia, NM 68210
District III
1000 Rio Brazos Rd., Aztec, NM 67410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 67505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
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 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-44028		² Pool Code 62700		³ Pool Name Wantz; Abo	
⁴ Property Code M STATE		⁵ Property Name M STATE			⁶ Well Number 11
⁷ OGED No. 370080		⁸ Operator Name Breitburn Operating LP			⁹ Elevation 3387'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	20	22 S	37 E		978	South	641	West	Lea

¹¹Bottom 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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNITL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

			16		¹⁷OPERATOR CERTIFICATION	
					I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
					<i>Shelly Doescher</i> Signature	
					Shelly Doescher Printed Name	
					Agent shelly_doescher@yahoo.com Title and E-mail Address	
					10/02/2017 Date	
					¹⁸SURVEYOR 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.	
					11-15-2013 Date of Survey	
					Signature and Seal of Professional Land Surveyor	

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



Administrative Order DHC-4705-A

Order Date: March 4, 2015

Application Reference Number: pMAM1506229872

Breitburn Operating LP
600 Travis Street, Suite 4800
Houston, Tx. 77002

Attention: Ms. Shelly Doescher

Encore M State Well No. 8
API No. 30-025-40721
Unit J, Section 19, Township 22 South, Range 37 East NMPM
Lea County, New Mexico

Pool	BLINEBRY OIL AND GAS (OIL)	Oil (6660)
Names:	DRINKARD	Oil (19190)
	WANTZ;ABO	Oil (62700)
	TUBB OIL AND GAS (OIL)	Oil (60240)

Reference is made to your recent application for an exception to Division Rule 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11A. NMAC, and since reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division Rule 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of oil production from the subject well shall be based on historical production and engineering experience. After the initial production rapidly declines, the four pools will contribute equally to oil and gas production.

Assignment of allowable and allocation of production from the well shall be as follows:

BLINEBRY OIL AND GAS (OIL) POOL	Pct. Oil: 25	Pct. Gas: 25
TUBB OIL AND GAS (OIL)	Pct. Oil: 25	Pct. Gas: 25
DRINKARD POOL	Pct. Oil: 25	Pct. Gas: 25
WANTZ;ABO POOL	Pct. Oil: 25	Pct. Gas: 25

It is also understood that notice of this application, pursuant to Division Rule 19.15.4.12A.(6), is not required since the interest ownership between the zones to be commingled is common throughout.

REMARKS: The operator shall notify the Division's District I office upon implementation of commingling operations.

This Order supersedes Division Order DHC 4705, issued on September 30, 2014.

This Order is subject to like approval from the New Mexico State Land Office.

Pursuant to Division Rule 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



David R. Catanach
Director

DRC/mam

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico State Land Office – Oil, Gas, and Minerals