

DATE IN	SUSPENSE	ENGINEER <i>WVJ</i>	LOGGED IN	TYPE	APP NO. <i>PLR0333532003</i>
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



NOV 25 2003

**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

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify \_\_\_\_\_

- [2] **NOTIFICATION REQUIRED TO:** ~~Check Those Which Apply, or~~ Does Not Apply
- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.**

Jimmy D. Carlile		Regulatory Affairs	
Print or Type Name	Signature	Coordinator	11/21/03
		Title	Date
		jimmyc@forl.com	
		e-mail Address	

**FASKEN OIL AND RANCH, LTD.**

303 WEST WALL AVENUE, SUITE 1800  
MIDLAND, TEXAS 79701-5116

(432) 687-1777

Jimmy D. Carlile  
Regulatory Affairs Coordinator

November 21, 2003

Mr. David Catanach  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Dear Mr. Catanach,

Re: Fasken Oil and Ranch, Ltd.  
Downhole Commingle Application  
El Paso Federal No. 4  
660' FNL, 1980' FWL  
Section 3, T21S, R26E  
Eddy County, New Mexico

Enclosed is Fasken Oil and Ranch, Ltd.'s Application For Downhole Commingling (Form C-107A) for our El Paso Federal No. 4 located in Unit Letter C of Section 3, T21S, R26E, Eddy County. Attached in support of our application are an additional data sheet, production plot and Forms C-102.

All working, royalty and overriding royalty interest owners are common in this well. Therefore, no notice is required.

Please let me know if you have any questions concerning this application.

Yours truly,



Jimmy D. Carlile  
Regulatory Affairs Coordinator

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

District II  
1301 W. Grand Avenue, Artesia, NM 88210

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

District III  
1000 Rio Brazos Road, Aztec, NM 87410

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

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Fasken Oil and Ranch, Ltd. 303 West Wall, Suite 1800 Midland, TX 79701 Address

Lease El Paso Federal Well No. 4 Unit Letter-Section-Township-Range C, Sec. 3, T21S, R26E County Eddy

OGRID No. 151416 Property Code 18202 API No. 30-015-21305 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Avalon Strawn <i>Go</i>	<i>UNRES.</i> Calabaza Draw Atoka <i>Go</i>	Avalon Morrow <i>Go</i>
Pool Code	71080	73695	70920
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	9637' - 9879'	10322' - 10346'	10648' - 10870'
Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	Flowing
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)	4350 psig by DST	4600 psig (estimate)	500 psig, to be isolated by choke valve
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1000	1000	1000
Producing, Shut-In or 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.)	Date: Estimate Rates: 0/180/0	Date: Estimate Rates: 0/30/0	Date: October 2003 Rates: 0/90/0
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 100 % Gas 60 %	Oil 0 % Gas 10 %	Oil 0 % Gas 30 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No   
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? 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: \_\_\_\_\_

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 *Jimmy D. Carlile* TITLE Regulatory Affairs Coordinator DATE 11/21/03

TYPE OR PRINT NAME Jimmy D. Carlile TELEPHONE NO. (432) 687-1777

E-MAIL ADDRESS jimmyc@for1.com

# Fasken Oil and Ranch, Ltd.

## El Paso Federal No. 4

### Application for Downhole Commingling

#### Additional Data

A production curve for the Morrow is attached and averages 80 mcf/d. The Morrow will be separated from the Atoka and Strawn zones by a check valve and packer. Production curves for the Atoka and Strawn zones are not available as these are all new completions in this well. Each of these zones is non-commercial in and of themselves, and we anticipate a total production from all three zones to be only 300 MCFPD.

Estimated production rates for the Atoka and Strawn are based on porosity-thickness in each zone coupled with a DST in the Strawn when drilled which measured 66 mcf/d. It is anticipated that the Strawn will produce 180 mcf/d after stimulation. The estimated gas and condensate rates and suggested percentages are as follows:

Avalon (Strawn)	180 mcf/d	60%	1 bcpd	100%
Calabaza Draw (Atoka)	30 mcf/d	10%	0 bcpd	0%
Avalon (Morrow)	90 mcf/d	30%	0 bcpd	0%

The condensate is assigned 100% to the Strawn zone since the depleted Morrow no longer produces significant condensate and the Atoka zone typically produces little condensate.

All working, royalty and overriding interests in this well are common and therefore, no notice is required.

# Rate/Time Graph

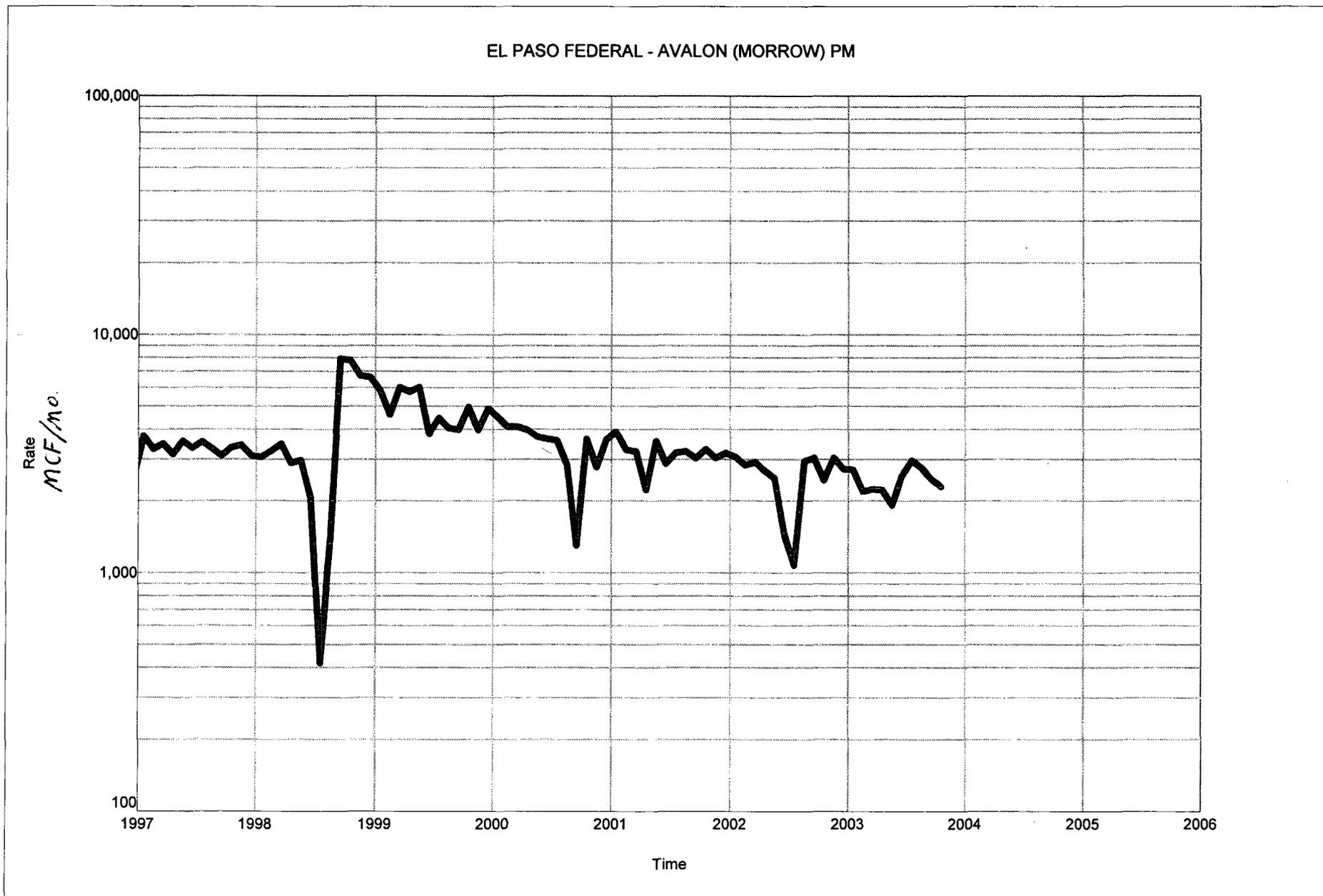
Project: H:\PIAPPS\DWIGHTS\Iptools50\Reserves2002\Ford2002 final.MDB

Date: 11/20/2003

Time: 11:23 AM

Lease Name: EL PASO FEDERAL (000004)  
County, ST: EDDY, NM  
Location: 0-0-0

Operator: FASKEN OIL & RANCH LTD  
Field Name: AVALON (MORROW) PM



District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 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**

<sup>1</sup> API Number 30-015-21305		<sup>2</sup> Pool Code 71080		<sup>3</sup> Pool Name Avalon Strawn	
<sup>4</sup> Property Code 18202		<sup>5</sup> Property Name El Paso Federal			<sup>6</sup> Well Number 4
<sup>7</sup> OGRID No. 151416		<sup>8</sup> Operator Name Fasken Oil and Ranch, Ltd.			<sup>9</sup> Elevation 3192' GR

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	3	21S	26E		660	North	1980	West	Eddy

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 277.18	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

<sup>16</sup> 	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Jimmy D. Carlile Printed Name Regulatory Affairs Coordinator jimmyc@for1.com Title and E-mail Address November 21, 2003 Date
	<sup>18</sup> 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.
	Date of Survey Signature and Seal of Professional Surveyor:
	Certificate Number

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
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AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 3-0-015-21305		<sup>2</sup> Pool Code 73695		<sup>3</sup> Pool Name Calabaza Draw Atoka	
<sup>4</sup> Property Code 18202		<sup>5</sup> Property Name El Paso Federal			<sup>6</sup> Well Number 4
<sup>7</sup> OGRID No. 151416		<sup>8</sup> Operator Name Fasken Oil and Ranch, Ltd.			<sup>9</sup> Elevation 3192' GR

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AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-015-21305		<sup>2</sup> Pool Code 70920		<sup>3</sup> Pool Name Avalon Morrow	
<sup>4</sup> Property Code 18202		<sup>5</sup> Property Name El Paso Federal			<sup>6</sup> Well Number 4
<sup>7</sup> OGRID No. 151416		<sup>8</sup> Operator Name Fasken Oil and Ranch, Ltd.			<sup>9</sup> Elevation 3192' GR

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