

Order Number

461

API Number

30-025-40081

Operator

Apache Corporation

County

Lea

Order Date

5-16-11

Well Name

JL Muncy

Number

15

Location

H

UL

24

Sec

22S

T (+Dir)

37E

R (+Dir)

Pool 1

6660

Blinebry Oil + Gas

Oil %

59%

Gas %

51%

Water

64%

Pool 2

60240

Tubb Oil + Gas

35%

39%

26%

Pool 3

7900

Drinkard

6%

10%

10%

Pool 4

Comments:

Posted in RBOMS 5-17-11 COT

MAY 17 2011

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Apache Corporation

30-025-40081
DHC-#DB-0461

PROPERTY NAME: J L Muncy #15

WNULSTR: A-24-225-37E

SECTION I:

		ALLOWABLE AMOUNT	
POOL NO. 1	<u>Blinebry Oil + Gas</u>	<u>107</u>	<u>428</u> MCF
POOL NO. 2	<u>Tubb Oil + Gas</u>	<u>142</u>	<u>284</u> MCF
POOL NO. 3	<u>Brunson Drinkard AboS</u>	<u>142</u>	<u>852</u> MCF
POOL NO. 4	_____		MCF

POOL TOTALS 391 1564

SECTION II:

	<u>Oil</u>	<u>Gas</u>	
POOL NO. 1	<u>Blinebry Oil + Gas</u>	<u>59%</u>	<u>51%</u>
POOL NO. 2	<u>Tubb Oil + Gas</u>	<u>35%</u>	<u>39%</u>
POOL NO. 3	<u>Brunson Drinkard AboS</u>	<u>60% X 391 = 23.46</u>	<u>10%</u>
POOL NO. 4	_____	<u>< 23 ></u>	

OIL

GAS

SECTION III:

60% ÷ 142 = 2366.16 236.7

SECTION IV:

<u>59% X 2367 = 1396.25</u>	<u>< 1396 ></u>
<u>35% X 2367 = 828.45</u>	<u>< 828 ></u>
<u>60% X 2367 = 142.02</u>	<u>< 142 ></u>

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87401
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87401
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

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

Form C-103
June 19, 2008

WELL API NO. 30-025-40081
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name J L Muncy
8. Well Number 015
9. OGRID Number 873
10. Pool name or Wildcat BliO&G(Oil)/TubbO&G(Oil)/Brunson;Dr-AboS

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other:	
2. Name of Operator Apache Corporation	
3. Address of Operator 303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705	
4. Well Location Unit Letter H : 2310 feet from the North line and 990 feet from the East line Section 24 Township 22S Range 37E NMPM County Lea	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3325' GL	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☒			
OTHER: ☐		OTHER: ☐	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Apache requests permission to complete and DHC the Blinebry-Tubb-Abo, per the following: R11363

Pool Names: Blinebry O&G (Oil)	6660	Perforations: Blinebry	5540'-5975'
Tubb O&G (Oil)	60240	Tubb	6050'-6292'
Brunson; Drinkard-Abo, S	7900	Drinkard-Abo	6282'-6340'

The allocation method will be as follows based on offset production (See attached application for exception to Rule 303-C).

	OIL	GAS	Water
Blinebry	59%	51%	64%
Tubb	35%	39%	26%
Drinkard-Abo	6%	10%	10%

Downhole commingling will not reduce the value of these pools. Ownership is the same for each of these pools.

Spud Date:

Rig Release Date:

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

SIGNATURE

Reesa Holland

TITLE Sr. Engr Tech

DATE 05/02/2011

Type or print name Reesa Holland

E-mail address: Reesa.Holland@apachecorp.com

PHONE: 432/818-1062

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

MAY 16 2011

Conditions of Approval (if any):

MAY 17 2011

16				17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> Reesa Holland Signature 05/06/2011 Date Reesa Holland Printed Name
				18 SURVEYOR 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> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

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 87411

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 October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-40081	² Pool Code 60240	³ Pool Name Tubb Oil & Gas (Oil)
⁴ Property Code 306602	⁵ Property Name J L Muncy	⁶ Well Number 015
⁷ OGRID No. 873	⁸ Operator Name Apache Corporation: 303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705	⁹ Elevation 3325' GL

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	24	22S	37E		2310	North	990	East	Lea

¹¹ 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

¹² Dedicated Acres 40	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					¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> Signature: <u>Reesa Holland</u> Date: <u>05/06/2011</u> Printed Name: <u>Reesa Holland</u>
					¹⁸ SURVEYOR 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>
					Date of Survey: _____ Signature and Seal of Professional Surveyor: _____
					Certificate Number: _____

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 87404
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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

RECEIVED LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-40081		2 Pool Code 7900		3 Pool Name Brunson; Drinkard-Abo, South	
4 Property Code 306602		5 Property Name J L Muncy			6 Well Number 015
7 OGRID No. 873		8 Operator Name Apache Corporation: 303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705			9 Elevation 3325' GL

10 Surface Location

UL or lot no. H	Section 24	Township 22S	Range 37E	Lot Idn 2310	Feet from the North/South line North	Feet from the East/West line 990	County Lea
--------------------	---------------	-----------------	--------------	-----------------	--	--	---------------

11 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
12 Dedicated Acres 40		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					17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Reesa Holland</u> Date: <u>05/06/2011</u> Printed Name: _____	
					18 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: _____	

Lease Name	Well Number	10DIGITAP	Location	Cum Oil (BBL)			Cum Gas (MCF)			Cum Water (BBL)		
				Blinbry	Tubb	Drinkard	Blinbry	Tubb	Drinkard	Blinbry	Tubb	Drinkard
F J DANGLADE	1	3002510249	13M 22S 37E	36259	20130	644	611469	4193654		29599	701	
N G PENROSE	1	3002510250	13B 22S 37E	51899	4461	10592	5361345	379803	260861	7690	2094	4723
N G PENROSE	2	3002510251	13H 22S 37E	30164	26299	6595	443995	4061116	230689	21726	888	679
EDITH BUTLER B	1	3002510252	13I 22S 37E	72729	33842	132474	572785	3091010	1143802	28658	1949	8393
SUN DANGLADE	1	3002510253	13L 22S 37E C NW SW	90917	152		5525193	8742		184957	711	
DANGLADE	2	3002510254	13P 22S 37E C SE SE	119752	1073	56292	5120384	18803		26773	837	
HINTON	10	3002510255	13D 22S 37E	31491	16396		281492	2312136		388	140	
ELLIOTT B 13	1	3002510256	13E 22S 37E	226734			6152633			25301		
HUGH	1	3002510257	14D 22S 37E	8685		8950	1199634		1250674	3262		1542
HUGH	3	3002510259	14B 22S 37E	37853		181611	582693		2329786	44381		6940
HUGH	4	3002510260	14A 22S 37E	35615	22018	173438	1111872	3768254	774241	42386	794	1033
HUGH	5	3002510261	14F 22S 37E	17		99430	378562		1258098	1245		5048
HUGH	6	3002510262	14H 22S 37E W2 SE NE	35053	9046	78026	6416865	374056	870550	8429	16758	1038
PARKS	2	3002510263	14M 22S 37E SW SW	19149	145	216327	448044	1748	520696	24465	355	22345
HUGH	7	3002510264	14C 22S 37E	95200	36749	32591	7883500	3031889		13024	862	
PARKS A	3	3002510266	14P 22S 37E	26938	63	88575	1224841	2752	1117952	7490	64	5059
PARKS A	4	3002510267	14I 22S 37E	995	74571	96402	9251	3485426	2190363	149		5615
PARKS A	5	3002510268	14O 22S 37E	87184		73247	8006924		562976	10721		40186
PARKS	6	3002510269	14L 22S 37E NW SW	46993	43622	5167	4778480	4011052	1386236	13	17	6270
PENROSE SAND UT TR16	1	3002510423	23M 22S 37E			55119						
O I BOYD	2	3002510424	23O 22S 37E	13972		184787	125746		228608	19703		1692
O I BOYD	3	3002510425	23K 22S 37E	17540		168163	4577269		242976	6354		2363
BOYD	1	3002510426	23G 22S 37E			112927			1296887			3020
BOYD	2	3002510427	23H 22S 37E	52641			8389538			4417		
BOYD	2Y	3002510428	23J 22S 37E	31527		106714	1604708		1775486	4299		4987
BOYD	3	3002510429	23A 22S 37E C NE NE	34094	396	151337	1525769	19022	1191794	5115	116	25251
BOYD	4	3002510430	23B 22S 37E			2157						
BOYD	5	3002510431	23B 22S 37E		24357	75822		2926717	1831241		1897	6231
BOYD	2	3002510434	23D 22S 37E NW NW	7846	2524	31544	2663032	413416		4402	111	
OLLIE J BOYD	4	3002510436	23F 22S 37E SE NW	12751		70043	7014837		81949	956		
OLLIE J BOYD	5	3002510437	23E 22S 37E			51354			262517			1633
BOYD	1	3002510438	23J 22S 37E			118812			1264158			
LEE	1	3002510439	23I 22S 37E NE SE	85984	1050	163687	6242320	18804	1675497	15770	402	1998
J L MUNCY	1	3002510440	24P 22S 37E C SE SE		55392	131354		5212385	1596986		2388	3418
J L MUNCY	2	3002510441	24K 22S 37E	67762	30945	93225	4522183	1790204		4051	340	
J L MUNCY	3	3002510442	24N 22S 37E	72832		6852	9609928		873732	2742		2535
SIMS	1	3002510443	24L 22S 37E	65474		88289	5045510		1169457			13491
SIMS	2	3002510444	24E 22S 37E	10083		124904	1662123		5039577	6449		7027
SIMS	3	3002510445	24F 22S 37E		22953	77373		2807218	761918		308	17067
SIMS	4	3002510446	24D 22S 37E	90382		84727	5170036		1026513	16322		1974
SIMS	1	3002510447	24I 22S 37E	42917	88665	43737	1498217	1331846		20837	14706	
DANGLADE	1	3002510448	24B 22S 37E NW NE	155053	31585		1820575	1618788		11542	6311	
AMANDA	1	3002510449	25J 22S 37E	35221	26557		3358422	2187910		7545	43	
ELLA	1	3002510450	25A 22S 37E	100174		27370	1172364		1219115	11645		711
ELLA DRINKARD	1	3002510451	25C 22S 37E	73840			8522483			35808		
SIMS	1	3002510452	25F 22S 37E	40032	20610		5890298	1200988		1069	4499	
SIMS	2	3002510453	25E 22S 37E		20347			1262437			7044	
SIMS	3	3002510454	25K 22S 37E		9			170214				
DRINKARD ESTATE	4	3002510455	25H 22S 37E	114783		53713	6460137		1069928	13348		506
DRINKARD ESTATE	5	3002510456	25G 22S 37E		4823	57772		973595	1416797			
GULF SIMS	1	3002510457	25P 22S 37E N2 SE SE	7620		28138	565543		1881511	4368		270
AMANDA SIMS	1	3002510458	25I 22S 37E			73471			2383094			358
ALLIE M LEE	1	3002510462	26I 22S 37E	31922			210543			91		
BAKER A	1	3002510463	26D 22S 37E			116748			121934			28754
BAKER A	5	3002510467	26E 22S 37E			47093			376325			28388
BAKER C	1	3002510469	26A 22S 37E	62524			1717733			27678		
EDITH BUTLER	1	3002512119	18M 22S 38E	97848		111368	1158928		802774	27061		31368
EDITH BUTLER	2	3002512120	18E 22S 38E	34645	12403	77254	422691	1078292	471418	40884	285	12530
EDITH BUTLER	3	3002512121	18N 22S 38E	34640	16737	98182	244895	2289601	513329	12365	277	11134
EDITH BUTLER	4	3002512122	18K 22S 38E NE SW	34329		93745	284453		1022834	27730		14231
EDITH BUTLER	5	3002512123	18F 22S 38E	60624	35	43161	267212	5	272532	12867	132	12250
EDITH BUTLER A	1	3002512124	18L 22S 38E C NW SW	62748		101880	627891		165013	24294		3425
NCT-1	2	3002512125	18D 22S 38E	126454	50166		897396	888046		54127	25101	
NCT 1	3	3002512126	18O 22S 38E	55134	45930	57201	296520	312119		48183	31963	
NCT 1	4	3002512127	18J 22S 38E	10819	48248	134744	81369	612935	352400	10944	17050	13770
NCT-1	5	3002512128	18C 22S 38E	56214	52010	72951	609105	794182	255022	18133	4293	2840
NCT-1	6	3002512129	18G 22S 38E C SW NE	17344	75982	63616	165566	808396	248823	8606	12320	5765
NCT-1	7	3002512130	18B 22S 38E	34650		87723	238270		393261	18666		8545
NCT-1	8	3002512131	18P 22S 38E C SE SE			21456			151316			489
NCT-1	9	3002512132	18I 22S 38E			40282			233365			14625
GUTMAN	1	3002512133	19N 22S 38E	56475	26393	36110	3407236	3061109		211	908	
GUTMAN	2	3002512134	19C 22S 38E	36339	30965		3682137	4725026			1780	
MAX GUTMAN	4	3002512135	19F 22S 38E	48858			934849			34184		
NCT-1	1	3002512136	19O 22S 38E	73801	31243		7328382	4261074		3646	2678	
NCT-1	6	3002512137	19B 22S 38E	72083		54420	2629979		495909	10720		10612
NCT 1	7	3002512138	19G 22S 38E SW NE	122441	23737	28997	1162189	2702588	249638	14466	124	5726
NCT 1	9	3002512139	19A 22S 38E	58135		50810	903083		109858	7090		6775
NCT 1	12	3002512140	19H 22S 38E	122479	10160	53027	1047229	478093	783547	21576	7894	10857
DRINKARD NCT B	2	3002512157	30J 22S 38E	123502		153383	2744874		2476239	22311		9706
DRINKARD NCT B	1	3002512158	30P 22S 38E	45523		140145	2735064		1038050	7586		9932
VIVIAN	1	3002512159	30C 22S 38E	80571	49850	296139	1692133	3217479	2518378	24372	2392	17318
VIVIAN	2	3002512160	30G 22S 38E	80922	30345	56143	1820786	4033670		55314	322	
VIVIAN	3	3002512161	30E 22S 38E	55098		66847	1943528		852624	16465		2231
VIVIAN	4	3002512162	30H 22S 38E	119655		69300	2838787		79702	49669		3766
VIVIAN	5	3002512163	30D 22S 38E	204820			6994945			18708		
VIVIAN	6	3002512164	30B 22S 38E	85168			1023484			27051		
GULF DRINKARD	1	3002512165	30M 22S 38E	17286	346	29068	3167207	20719	3073298	1164	1161	30972

Lease Name	Well Number	10DIGITAPI	Location	Cum Oil (BBL)			Cum Gas (MCF)			Cum Water (BBL)		
				Blinbry	Tubb	Drinkard	Blinbry	Tubb	Drinkard	Blinbry	Tubb	Drinkard
A M DRINKARD	1	3002512167	30I 22S 38E NE SE	19203	45282	84950	394544	2061070	2601033	2217		474
DRINKARD B	2	3002512168	30L 22S 38E		25997	16891		1603894	2033800			
VIVIAN	7	3002520186	30A 22S 38E	72920			2002213			23878		
NCT 1	10	3002521104	18H 22S 38E			41084			239937			7555
OLLIE I BOYD	1	3002521444	23N 22S 37E			30551			1338703			150
HUGH	8	3002521625	14E 22S 37E SW SW NW	3531		39558	261451		319831	5609		11374
MAX GUTMAN	1	3002521760	19M 22S 38E	270363			4046371			23475		
MAX GUTMAN	2	3002521909	19L 22S 38E	55168		63871	589632		2703619	37971		19835
E E DRINKARD	2	3002522132	25E 22S 37E	20156			399121			21914		
J L MUNCY	4	3002522217	24H 22S 37E C SE NE	67666	1393	102476	2133437	16131	1158165	18689	2179	17549
LEE	2	3002522253	23P 22S 37E	37123	314	178024	748652	7170	460955	8463	105	352243
O I BOYD	4	3002522383	23O 22S 37E			19138			710822			51989
SIMS	6	3002522389	24M 22S 37E		15561	25569		138645	247585		10593	18354
GUTMAN	1	3002522473	19N 22S 38E SE SW	39807	26777	69277	1521372	3615173	2284945	30253	25	14969
BOYD	2	3002522508	23J 22S 37E			6307			344796			9810
BAKER	2	3002522621	26A 22S 37E			3254			540978			919
SUN DANGLADE	3	3002522709	13O 22S 37E	112804		82717	621709		383879	33790		28845
BAKER	1	3002522884	26B 22S 37E			28996			1737950			6338
KAROLIS	1	3002523205	23L 22S 37E	5664		21553	353779		659161	13027		9284
DRINKARD NCT B	3	3002523470	30O 22S 38E	13950		49873	104865		3243587	4955		79213
DANGLADE	2	3002523609	24A 22S 37E	93707		45056	1963642		5139390	10232		14257
VIVIAN	1	3002523904	30F 22S 38E			163778			5017346			15117
VIVIAN	2	3002523976	30K 22S 38E			53797			4013147			15339
VIVIAN	3	3002523977	30N 22S 38E			46249			2531290			45967
POLARIS PARKS	7	3002524070	14K 22S 37E			7176	1830		2360940			3038
COSSATOT C	1	3002524114	24G 22S 37E			28173			2173321			9686
COSSATOT C	2	3002524115	24I 22S 37E			29553			2177983			10852
PARKS A	8	3002524210	14J 22S 37E NW SE	3790		6874	119664		1413806	193		3936
PARKS	9	3002524211	14N 22S 37E SE SW	36173	62	5645	1212264	1588	1300560	35042	43	807
COSSATOT E	1	3002524245	13M 22S 37E			28365			1494292			1247
COSSATOT D	1	3002524253	13C 22S 37E	63807		21749	758270		117039	61024		4908
COSSATOT F	1	3002524279	23C 22S 37E			16760			2078192			4173
COSSATOT C	3	3002524292	24J 22S 37E NW SE			19469			2379850			31
COSSATOT C	4	3002524293	24O 22S 37E			34375			2933696			7926
COSSATOT G	1	3002524371	13F 22S 37E	36633		112244	625089		859315	20050		4988
SIMS	7	3002524380	24C 22S 37E		114	30390		90882	429303			5248
COSSATOT H	1	3002524409	13L 22S 37E			16444			1723408			5413
SUN DANGLADE	2	3002524434	13K 22S 37E S2 NE SW	5375	5380	19397	42761	44993	1528692	3590	3623	5373
COSSATOT I	1	3002524435	13D 22S 37E	22271	17961	24344	566294	2711035	1476168	20711	350	267
COSSATOT J	1	3002524436	24B 22S 37E		34063	22355		1682832	2282928		105	6331
COSSATOT F	3	3002524449	23D 22S 37E			16248			2540771			9676
COSSATOT F	4	3002524532	23F 22S 37E			10497			2042238			2265
F J DANGLADE	2	3002524585	13N 22S 37E N2 SE SW	5215	5212	59467	76986	50133	633773	1781	1761	5548
MAX GUTMAN	6	3002524608	19K 22S 38E	30460		26883	505997		413579	1210		3840
KEOHANE	1	3002524620	26I 22S 37E	7079	10	4455	41444	105	3260	19202	21	232
HUGH	9	3002524637	14G 22S 37E	48257		7491	1296959		1019227	55122		990
VIVIAN	8	3002524736	30D 22S 38E NW NW			18187			4530814			8224
MAX GUTMAN	7	3002524841	19D 22S 38E	42190	50343	21764	551165	549970	621403	23591	34628	12967
COSSATOT F	5	3002524913	23E 22S 37E			17761			2036003			8332
ELLA	2	3002524950	25B 22S 37E	17505		12556	428220		155983	13231		3598
N G PENROSE	3	3002524990	13G 22S 37E	44524		69800	458177		319514	31255		15086
HUGH	10	3002525003	14C 22S 37E SE NE NW		37180	14379		3085062	3043414		1081	10561
HUGH	11	3002525069	14B 22S 37E N2 NW NE		499			10696			2204	
EDITH BUTLER B	2	3002525074	13J 22S 37E W2 NW SE	50401		18217	1471990		442334	27400		5741
NCT-1	38	3002525106	19J 22S 38E	50067		21975	427674		200813	38956		8821
ELLIOTT B 13	2	3002525148	13E 22S 37E SW NW		45561	71536		824916	420484		12157	13427
NCT-1	39	3002525186	19I 22S 38E	55976		64419	481751		427572	50042		28393
NCT 1	40	3002525187	19P 22S 38E	30890	29830	13013	345378	708058	50331	36437	7169	7300
VIVIAN	2	3002525213	30G 22S 38E SW NE		34493	46147		4581526	521917		831	28133
VIVIAN	10	3002525257	30B 22S 38E SW NW NE			42300			674100			25686
VIVIAN	11	3002525291	30A 22S 38E		8429	76988		173968	478341		8274	18054
J L MUNCY	5	3002525361	24P 22S 37E	80349			1771140			18495		
NCT 1	1	3002525370	19O 22S 38E		29409	28455		5065832	234757		2115	12571
VIVIAN	12	3002525414	30C 22S 38E NE NW			37725			558046			11666
A M DRINKARD	2	3002525451	30I 22S 38E			95127			1153167			4403
DRINKARD NCT B	4	3002525462	30J 22S 38E		6796			372447			21213	
DRINKARD NCT B	5	3002525519	30O 22S 38E			219			9830			1282
DRINKARD ESTATE	5	3002525544	25G 22S 37E NE SW NE	3235	4823	39265	71059	973595	1467698	1462		5935
DRINKARD NCT B	1	3002525599	30P 22S 38E	57906		40272	3093899		679792	10491		20215
DRINKARD ESTATE	7	3002525777	25H 22S 37E W2 SE NE		1384	87708		44565	2687571		134	5454
HUGH	4	3002525906	14A 22S 37E SE NE NE		22810			4490260			992	
AMANDA SIMS	2	3002526711	25I 22S 37E	13619		8088	1489239		86092	60545		
SIMS	9	3002528142	24F 22S 37E SE NW	31620			406812			10699		
HUGH	15	3002528292	14E 22S 37E		9981			630486			5781	
SIMS	10	3002528310	24E 22S 37E		11223			577569			7550	
PARKS	10	3002528476	14K 22S 37E N2 NE SW	15837			618159			4323		
MAX GUTMAN	8	3002528490	19E 22S 38E W2 SW NW	38284			404988			44613		
DRINKARD NCT B	7	3002528590	30K 22S 38E	13808	11887	332712	1373672		22783	25688		
VIVIAN	13	3002528591	30F 22S 38E	74297	2217	839915	502456		43909	9753		
DRINKARD NCT B	8	3002528594	30N 22S 38E	26875	11407	571152	846876		34728	25688		
PARKS A	12	3002528678	14I 22S 37E NE SE	29655			1425953			13558		
MAX GUTMAN	9	3002528845	19K 22S 38E C NE SW	47675		12038	901004		621677	48585		482
J L MUNCY	6	3002529218	24I 22S 37E SE NE SE	21594	39	334529	974675		12906		39	
J L MUNCY	7	3002529219	24G 22S 37E		7962			135649			4769	
AMANDA	3	3002529975	25O 22S 37E SW SE	32211			977025			17345		
N G PENROSE	4	3002529979	13A 22S 37E NE NE	29566	821	6095	133267	77639	166111	10156	227	482
NCT-1	11	3002530739	18D 22S 38E NW NW			55752			176323			7743

Lease Name	Well Number	10DIGITAPI	Location	Cum.Oil (BBL)			Cum.Gas (MCF)			Cum.Water (BBL)		
				Blinebry	Tubb	Drinkard	Blinebry	Tubb	Drinkard	Blinebry	Tubb	Drinkard
MAX GUTMAN	10	3002531096	19F 22S 38E SW SE NW		5096	62917		27353	740422		3544	13486
MAX GUTMAN	11	3002531745	19C 22S 38E SW NE NW	5053		6465	61967		93890	5014		3383
OLLIE J BOYD	7	3002532757	23C 22S 37E NE NW	28088			542103			27932		
OLLIE J BOYD	8	3002533546	23E 22S 37E NW SW NW	4466			67073			4698		
J L MUNCY	11	3002533947	24G 22S 37E	32793			535566	149673		19527	298	
PARKS	13	3002534079	14J 22S 37E	32638			909648	419		35131	7	
BOYD	8	3002534084	23G 22S 37E	11556			431197			3846		
BOYD	7	3002534088	23B 22S 37E W2 NW NE	51290	1874		670228	23236		17008	558	
SHIRLEY BOYD	1	3002534808	26D 22S 37E NW NW NW	15893	514		296809	11757		9080	259	
KEOHANE	1	3002535050	26J 22S 37E SW NW SE	6724	4257	1715	30085	20814	11545	80855	55197	33273
TOTALS				6,376,913	1,640,291	8,357,751	238,297,784	118,214,139	155,827,458	2,554,540	421,976	1,630,466
AVERAGES				51,015	20,251	59,698	1,891,252	1,424,267	1,207,965	20,769	5,552	13,149

Proposed Allocations	Oil	Gas	Water
Blinebry	39%	42%	53%
Tubb	45%	31%	44%
Drinkard	46%	27%	33%
TOTAL	100%	100%	100%

**AMENDED Allocations	Oil	Gas	Water
Blinebry	59%	51%	64%
Tubb	35%	39%	26%
Drinkard	6%	10%	10%
TOTAL	100%	100%	100%

** Allocations amended based on only 8' of pay in the Drinkard.



April 29, 2011, 2011

**Mr. Paul Kautz
New Mexico Oil Conservation Division
1625 N French Drive
Hobbs, New Mexico 88240**

**RE: Application for Exception to Rule 303-C – Downhole Commingling
JL Muncy #15 API 30-025-40081
Unit H, Section 24, T22S, R37E
Blinebry Oil & Gas (Oil) 6660, Tubb Oil & Gas (Oil) 60240 & Brunson; Drinkard-
Abo, South 7900
Lea County, New Mexico**

Dear Mr. Kautz,

Enclosed please find form C-103 and attachments for downhole commingling the captioned well. The ownerships (WI, NRI and ORRI) of these pools are identical in this wellbore. The fluids from each of these pools are compatible as seen in other similar commingles in the area. Combining these fluids will not result in any damage to these pools. Commingling will improve the efficiency of present and future recovery operations. Cross flow will not be a problem due to having a production lift system capable of keeping the well pumped off thereby maximizing production. This commingling will not reduce the value of the total remaining production.

The allocation method used for this well was determined by analyzing the cumulative oil, gas and water production in a nine section area of review surrounding this well. Supporting documentation is shown on the attached spreadsheet. Production for active and inactive wells was grouped by pool in the area of review. The totals for each phase were then divided by the number of wells associated with this pool yielding an average. This average was used to determine the percentage allocation.

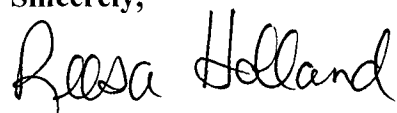
The main reason for using this method is based on economics and minimizing reservoir damage. Past completion practices had all three zones perforated and fracture stimulated during one full week. Each zone was isolated by a retrievable bridge plug to allow for production testing of each zone for allocation purposes. This testing period lasted as long as one month before a stabilized rate was observed thus allowing the next zone to be brought on and tested. During this time period the completion fluids used were still confined to the other reservoirs causing gel damage. It is a common practice to get these fluids out of the wellbore as soon as possible to help maximize productivity. On a cost basis it is more expensive to have a completion rig move in and out multiple times to bring on

each new zone. Several other factors such as weather, other new completions and regulatory well work may interfere with these new wells.

The area of review used encompasses what has been accepted as a good statistical representation for allocation purposes. By using this allocation method all zones will be brought online in a more effective and efficient manner. This will in turn generate a higher productive rate and quicker revenue streams not only for the operator but for the State of New Mexico too.

If you need additional information or have any questions, please give me a call at (432) 818-1062.

Sincerely,

A handwritten signature in black ink that reads "Reesa Holland". The signature is written in a cursive style with a large, stylized "H" and "L".

Reesa Holland
Sr. Engineering Technician