

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1424.

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—" for such proposals.)

| | | |
|--|--|--|
| 1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | | 5. LEASE DESIGNATION AND SERIAL NO. Jicarilla Contr. #127 |
| 2. NAME OF OPERATOR Manning Gas & Oil Co. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME Jicarilla Apache |
| 3. ADDRESS OF OPERATOR 102 Continental Oil Building 1755 Glenora Place, Denver, Colorado 80202 | | 7. UNIT AGREEMENT NAME |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 435' from North Line, 475' from East Line Sec. 3-T24N-R4W | | 8. FARM OR LEASE NAME Apache |
| 14. PERMIT NO. | | 9. WELL NO. 100 |
| 15. ELEVATIONS (Show whether DF, RT, GR, etc.) 6889' K.B. | | 10. FIELD AND POOL, OR WILDCAT Undesignated <i>Sal. & Lak.</i> |
| | | 11. SEC., T., R., M., OR B.L. AND SURVEY OR AREA Sec. 3-T24N-R4W |
| | | 12. COUNTY OR PARISH Rio Arriba |
| | | 13. STATE New Mexico |

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

| | |
|---|---|
| TEST WATER SHUT-OFF <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/> | MULTIPLE COMPLETE <input type="checkbox"/> |
| SHOOT OR ACIDIZE <input type="checkbox"/> | ABANDON* <input type="checkbox"/> |
| REPAIR WELL <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> |
| (Other) Doublet Commingling Production X | |

SUBSEQUENT REPORT OF:

| | |
|--|--|
| WATER SHUT-OFF <input type="checkbox"/> | REPAIRING WELL <input type="checkbox"/> |
| FRACTURE TREATMENT <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| SHOOTING OR ACIDIZING <input type="checkbox"/> | ABANDONMENT* <input type="checkbox"/> |
| (Other) _____ | |

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

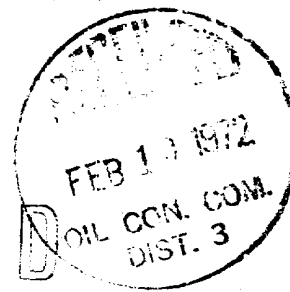
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

**It is intended to commingle the production from the Gallup and Dakota Formations in the wellbore of the subject well.
The production will be commingled and produced as indicated in the attached schematic diagram.
The well will be completed in the manner approved by the New Mexico Oil Conservation Commission in Order No. R-4245 (Copy attached).**

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U. S. GEOLOGICAL SURVEY
DURANGO, COLO.



18. I hereby certify that the foregoing is true and correct

SIGNED

[Signature]

TITLE

**Petroleum Engineer
Consultant**

DATE **Feb. 8, 1972**

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

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Instructions

General: This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated, on Federal and Indian lands pursuant to applicable Federal law and regulations, and, if approved or accepted by any State, on all lands in such State, pursuant to applicable State law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

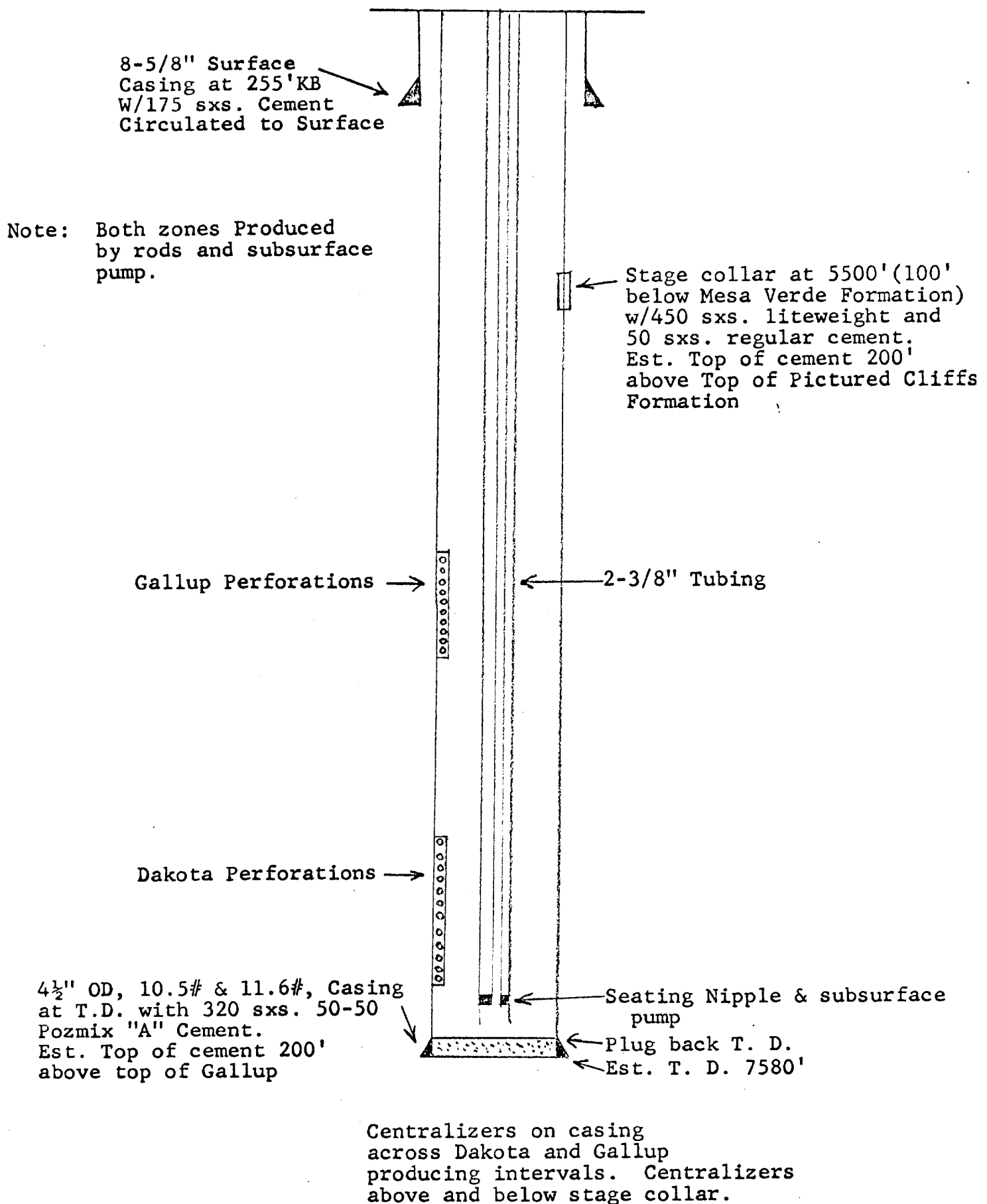
Item 17: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by local Federal and/or State offices. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

U.S. GOVERNMENT PRINTING OFFICE: 1963-O-685229

GPO 8 37-499

607-851

MANNING GAS AND OIL COMPANY
 APACHE NO. 100
 PROPOSED
 DOWNHOLE COMMINGLING INSTALLATION
 (All Depths and Volumes Approximate)



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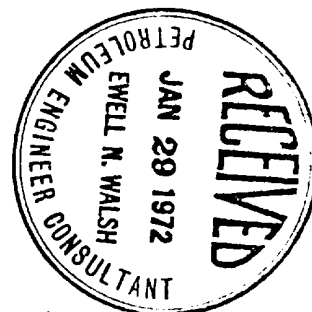
U. S. GEOLOGICAL SURVEY
 DURANGO, COLO.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4646
Order No. R-4245

APPLICATION OF MANNING GAS AND OIL
COMPANY FOR DOWN-HOLE COMMINGLING
AND A NON-STANDARD PRORATION UNIT,
RIO ARriba COUNTY, NEW MEXICO.



ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 19, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 27th day of January, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Manning Gas and Oil Company, seeks authority to commingle production from undesignated Gallup and Dakota oil pools in the well-bore of its Apache Well No. 100 to be drilled 435 feet from the North line and 475 feet from the East line of Section 3, Township 24 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, on a 32-acre unit comprising the Northernmost portion of Lot 1 of said Section 3.

(3) That the applicant further seeks the establishment of a procedure whereby approval may be granted administratively for the similar completion of other wells to be drilled in Sections 1, 2, 3, 4, 9, 10, 11, 12, 13, 14, 23, and 24 of Township 24 North, Range 4 West.

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CASE NO. 4646

Order No. R-4245

(4) That each well previously completed in the above-described pools has been capable of only low marginal production.

(5) That the evidence indicates that wells completed in the future in said pools will be capable of only low marginal production.

(6) That the reservoir characteristics of the above-described Gallup and Dakota oil pools are such that underground waste would not be caused by the proposed commingling in the well-bore of the well to be drilled.

(7) That the granting of authorization to complete the subject well as requested should permit the drilling of a well that would not otherwise be drilled and should result in the recovery of oil from each of the commingled zones in the subject well that would not otherwise be recovered, thereby preventing waste, and will not violate correlative rights.

(8) That the mechanics of the proposed completion is feasible and in accord with good conservation practices.

(9) That in order to allocate the commingled production to each of the commingled zones in the subject well, 53% of the commingled oil production should be allocated to the Gallup zone, 47% of the commingled oil production to the Dakota zone, 39% of the commingled gas production to the Gallup zone, and 61% of the commingled gas production to the Dakota zone in the subject well.

(10) That a procedure should be established whereby the Secretary-Director of the Commission may approve the similar completion of other wells to be drilled in Sections 1, 2, 3, and 4 of Township 24 North, Range 4 West.

(11) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Manning Gas and Oil Company, is hereby authorized to drill and complete its Apache Well No. 100 to be drilled 435 feet from the North line and 475 feet from the East line of Section 3, Township 24 North, Range 4

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CASE NO. 4646

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West, Rio Arriba County, New Mexico, on a 32-acre unit comprising the Northernmost portion of Lot 1 of said Section 3, in such a manner as to produce oil from undesignated Gallup and Dakota Oil pools through a single string of tubing, commingling in the well-bore the production from each of said pools.

(2) That the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order.

(3) That as to subject well, 53% of the commingled oil production shall be allocated to the Gallup zone, 47% of the commingled oil production to the Dakota zone, 39% of the commingled gas production to the Gallup zone, and 61% of the commingled gas production to the Dakota zone.

(4) That as to subject well, commingling in the well-bore shall continue only so long as the commingled production does not exceed 50 barrels of oil per day nor 100 barrels of water per day.

(5) That as to subject well, the maximum amount of gas which may be produced daily from the commingled zones shall be determined by multiplying 2000 by the top unit allowable for the Gallup zone.

(6) That the Secretary-Director of the Commission is hereby authorized to approve the drilling and completion of other wells in Sections 1, 2, 3, and 4 of Township 24 North, Range 4 West, NMPM, undesignated Gallup and Dakota Oil Pools, Rio Arriba County, New Mexico, in such a manner as to produce oil from the Gallup and Dakota formations through a single string of tubing, commingling in the well-bores production from each of said formations.

(7) Application for administrative approval shall be made in QUADRUPLICATE, with two copies of the application to be mailed to the Commission's Santa Fe Office, and two copies to the Aztec District Office of the Commission. The application shall be accompanied by the following: