

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410
DISTRICT IV
2040 S. Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION

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

Form C-107-A
Revised August 1999

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Mallon Oil Company

999 18th Street, Suite 1700, Denver, CO 80202

Operator

Address

Jicarilla 459-17

No. 9

Unit G (SW/4 NE/4) Sec. 17 T30N R3W

Rio Arriba

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 013925 Property Code 22211 API NO. 30-039-25763 Federal ☒ State ☐ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling: 1. Pool Name and Pool Code	Upper Zone Cabresto Canyon San Jose Ext. 96822	Intermediate Zone	Lower Zone Cabresto Canyon Ojo Alamo Ext. 96538
2. Top and Bottom of Pay Section (Perforations)	1,562' - 1,624'		3,190' - 3,232'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) b. (Original)		a. 200 psi b.
6. Oil Gravity (EAPI) or Gas BTU Content	1,087 BTU Dry @ 15.025 psia		1,095 BTU Dry @ 15.025 psia
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	Yes		Yes
* If Shut-In, give 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 * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: N/A Rates:	Date: Rates:	Date: N/A Rates:
	Date: February 2000 Rates: 433.5 mcf/d gas 0.081 mb water	Date: Rates:	Date: February 2000 Rates: 242.1 mcf/d gas 4.629 mb water
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: % Gas: 64.0 %	Oil: % Gas: %	Oil: % Gas: 35.8 %

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
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(D) Exceptions: ORDER NO(S). NSL 2831-A

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 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 Ray E. Jones TITLE V.P Engineering. DATE May 5, 2000

TYPE OR PRINT NAME Ray E. Jones TELEPHONE NO. (303) 293-2333, ext 1450