DISTRICT I

P.O. Sec 1960, Hobbs, NM 88241-1980

DISTRICT II

: •

811 South First St., Artona, NM 88210-2838

DISTRICT III 1000 Re Brares Rd, Artes, HM 87410-1693 State of New Mexico Energy, Minerals and Natural Resources Department

OK CONSERVATION DIVISION

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

Form C-107-A New 3-12-96 APPROVAL PROCESS: $\underline{\underline{X}}$ Administrative $\underline{\underline{\hspace{0.5cm}}}$ Hearing

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE X YES __ NO

San Juan 30-5 Unit #83M C 23, 30N/5W Rio Arriba Will No. 017654 Property Code 009258 API NO. 30-839-26162 Pederal State Justice Fee Code State I make the Design of deventions committed in Upper Code Code State I make the Design of State	Phillips Petroleum Comp	pany 5525 Hv	vy. 64, Farmington, NM	87401
GRID NO. 017654 Property Code 099258 API NO. 30-039-26162 Redeated State Inscription of the Property Code of State Inscription of State Inscription of the Property Code of State Inscription of State Inscription of the Property Code of State Inscription of State Inscription of the Property Code of State Inscription of Inscription of Inscription of State Inscription of Inscript	San Juan 30-5 Unit	#83M C	23, 30N, 5W	
1. Pool deverhole commingling: 2. To part determine of Perforations 2. Top and Section of Perforations 2. Top and Section of Perforations 3. Type of production 3. Type of production 4. Method of Production Littl 5. Bottonhole Pressure 6. A Method of Production Littl 6. Bottonhole Pressure 6. Cas	OGRID NO. 017654 Property Cod		Spealing	Unit Lasee Types: (sheck 1 or mare)
Percentage Allocation Percentage Basin Dakota	The following facts are submitted in support of downhole commingling:	Upper Zone	Zone	Lower Zone
2. Top and Settion of Production Perforational Street Perforational Street Perforational Cas Gas 4. Matthod of Production Productio	1. Pool Name and Pool Code	. = = = +		
Method of Production Flowing F	2. Top and Bottom of Pay Section (Perforations)			
6. Settomhole Pressure 8. Settomhole Pressure 8. Coursest Artificial Util 1170 (est.) 8. 1052 990 Producting Producting or Shurt-in? Producting are Shurt-in? Producting Age date and oll/gear water states of last production on the state of last state water states of last production on the last submit state water states of state states with aupporting date and/or explaining method and providing rate projections or other required date of last states and last states an	3. Type of production (Oil or Gas)	Gas		Gas
On Zones - Antificial Lift: Ges & Oil - Flowing: Measured Current Adigs Zones: Ges Dill - Flowing: Measured Original 1294 (est.) 6. Oil Grayty (*API) or Ges Bill Content 1030 990 7. Producing or Shur-in? Producing or In Shur-in? Produc	4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
8. Oil Caretty (* APII or Gas BTU Content 1030 990 7. Producting or Shut-in? Production Merginal? (yes or no) * If Shur-in, give date and oil/geal water rates of last production. National and production are all and production and the production and the production are all and production and the production and the production are all and production and the production and the production are all and production and the production and the production are all and production and the production and the production are all and production are all and production and the production are all and product	Oil Zones - Artificial Lifts	1170 (est.)		1052
Production Marginal? (yes or no) If Shurt-in, give date and oldgas/ water sates of last production If Shurt-in, give date and oldgas/ water sates of last production If Producing, give date and oldgas/ water sates of last production If Producing, give date and oldgas/ water sates of last production If Producing, give date and oldgas/ water rates of recent tests If Producing, give date and oldgas/ water rates of recent tests If Producing, give date and oldgas/ water rates of recent tests If Producing, give date and oldgas/ water rates of recent tests If Producing, give date and oldgas/ water rates of recent tests If allocation formula is based upon something other than current or past production, or is based upon some other methor submit attachments with supporting date and/or explaining method and providing rate projections or other required date of front, have all working, overriding, and royalty interests been notified by certified mail? If not, have all working, overriding, and royalty interests been notified by certified mail? If yes \times \	All Gas Zones: Estimated Or Measured Original		MARSON	*
Production Marginal? (yes or no) If Shn-in, give date and oligate with representation history, and representation history, and the production history, and the production history, give date and oligate? If Producing, give date and oligate? If Producing, give date and oligate? If Producing, give date and oligate? It in this 60 days? It is shn-in, give date and oligate? It is shn-in, give date and oligate	6. Oil Gravity (*API) or Gas BTU Content	1030		990
* If Shut-in, give date and oil/gea/ water rates of last production better. **Best Park water rates of last production better. **Best Park water water of production better. **Best Park water water of last production **Best Park water wate	7. Producing or Shut-in?		\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	Producing
Note: The next series with new prediction history estimates and supporting data. If Producing, give data and oil/gas/ witter rates of recent test within 80 days. If allocation formula is based upon something other than current or past production, or is based upon some other methor submit attachments with supporting data and/or explaining method and providing rate projections or other required data submit attachments with supporting data and/or explaining method and providing rate projections or other required data submit attachments with supporting data and/or explaining method and providing rate projections or other required data. O. Are all working, overriding, and royalty interests identical in all commingled zones? If not, have all working, overriding, and royalty interests been notified by certified mail? Yes X No Have all oifset operators been given written notice of the proposed downhole commingling? Yes No Have all oifset operators been given written notice of the proposed downhole commingling? Yes No (If No, attach explanation). Will cross-flow occur? X 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. X Yes No (If No, attach explanation). Are all produced fluids from all commingled zones compatible with each other? X Yes No (If No, attach explanation). Will the value of production be decreased by commingling? X Yes No (If Yes, attach explanation). For consumptive with a special lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. Production curve for each zone to be commingled showing its spacing unit and acreage dedication. Production curve for each zone to be commingled showing its spacing unit and acreage dedication. Production curve for each zone to be commingled showing its spacing unit and acreage dedication. Production list of eliofset operators. Notification list of eliofse	Production Marginal? (yes or no)	Yes		Yes
## Producing, give date andoll/gas/ witter rates of recent test (within 60 days) ### Producing, give date andoll/gas/ witter rates of recent test (within 60 days) #### Producing, give date andoll/gas/ witter rates of recent test (within 60 days) #### Description of the production of the productio				
If allocation formula is based upon something other than current or past production, or is based upon some other methor submit attachments with supporting data and/or explaining method and providing rate projections or other required data and/or explaining method and providing rate projections or other required data on the production of the proposed downhole commingling? Are all working, overriding, and royalty interests identical in all commingled zones? If not, have all working, overriding, and royalty interests been notified by certified mail? Yes No Have all offset operators been given written notice of the proposed downhole commingling? Will cross-flow occut? X Yes No If yes, are fluids compatible, will the formations not be damaged, will any crost flowed production be recovered, and will the allocation formula be reliable. X Yes No (If No, attach explanation) Are all produced fluids from all commingled zones compatible with each other? Are all produced fluids from all commingled zones compatible with each other? Wes No (If Yes, attach explanation) 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. No No (If Yes, attach explanation) 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. Notification list of working, overriding, and royalty interests for uncommon interest cases. Any additional statements, data, or documents required to support commingling.	If Producing, give date andoll/gas/ water rates of recent test	0404	•	
O. Are all working, overriding, and royalty interests identical in all commingled zones? If not, have all working, overriding, and royalty interests been notified by certified mail? Have all offset operators been given written notice of the proposed downhole commingling? A yes No 1. 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) 3. Will the value of production be decreased by commingling? Yes No (If Yes, attach explanation) 4. 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 5. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). R-10770 8. 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. Notification list of all offset operators. Notification list of all offset operators. Notification list of all offset operators. Any additional statements, data, or documents required to support commingling.	8. Fixed Percentage Allocation Formula -% for each zone			
6. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). R-10770 8. 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 all offset operators. Notification list of working, overriding, and royalty interests for uncommon interest cases. Any additional statements, data, or documents required to support commingling. TITLE Reservoir Eng. DATE 3/16/00	O. Are all working, overriding, ar if not, have all working, overr Have all offset operators been 1. Will cross-flow occur? X Y flowed production be recovered. Are all produced fluids from a 3. Will the value of production b 4. If this well is on, or community United States Bureau of Land.	nd royalty interests identical in iding, and royalty interests beginned and royalty interests beginned in the project of the p	all commingled zones? In notified by certified mail? In notified by certified mail. In notified by certified mail. In notified by certified mail. In notifi	Yes X No X Yes No No No No (If No, attach explanation)
IGNATURE Units 1. Hatchman TITLE Reservoir Eng. DATE 3/16/00	6. ATTACHMENTS: C-102 for each zon Production curve for For zones with no p Data to support allow Notification list of a Notification list of y Any additional state	ne to be commingled showing in each zone for at least one year oduction history, estimated pocation method or formula. Ill offset operators, working, overriding, and royalty sments, data, or documents responses.	ts spacing unit and acreage determined in the spacing unit and acreage determined in the space of the space o	planation.) data. est cases.
	nereby certify that the information	in above is true and complete in above is true and complete in the second secon	to the best of my knowledge and TITLE Reservoir Eng.	nd belief. DATE3/16/00