

Taurus Exploration U.S.A., Inc.

2198 Bloomfield Highway, Farmington, New Mexico 87401

Operator

Address

San Juan 32-5 Unit

11M

☒ P

Sec. 23- T32N- R6W

Rio Arriba

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

OGRID NO. 16928

Property Code

API NO.

Spacing Unit Lease Types: (check 1 or more)
Federal ☒ State ☐ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blanco Mesaverde 72319		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	4332-5886		7807-7990
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: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) not yet drilled b. (Original) 1100	a. RECEIVED MAY 29 1998 OIL CON. DIV. DIST. 3 b.	a. not yet drilled b. 1400
6. Oil Gravity (°API) or Gas BTU Content)			
7. Producing or Shut-In?	not yet completed		not yet completed
Production Marginal? (yes or no)	Yes (dual uneconomical)		Yes (dual uneconomical)
* 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	Date: Rates: n/a	Date: Rates:	Date: Rates: n/a
* If Producing, give date and oil/gas/ water rates of recent test (within 60 days)	Date: Rates: n/a	Date: Rates:	Date: Rates: n/a
8. Fixed Percentage Allocation Formula - % for each zone	Oil: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

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?
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?

☐ Yes ☒ No
☒ Yes ☐ No
☒ 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 in 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).
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 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.

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

SIGNATURE *Richard P. Corcoran*

TITLE District Landman

DATE 5/26/98

TYPE OR PRINT NAME Richard P. Corcoran

TELEPHONE NO. (505) 325-6800

District I
180 Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of NEW MEXICO
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Revised October 18, 1994

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ APT Number	¹ Pool Code 72319/71599	¹ Pool Name Blanco Mesa Verde/Basin Dakota
⁴ Property Code	³ Property Name SAN JUAN 32-5 UNIT	⁵ Well Number 11M
⁷ OGRID No.	⁶ Operator Name TAURUS EXPLORATION U.S.A, Inc.	⁸ Elevation 6321

¹⁰ Surface Location

UL or lot no. P	Section 23	Township 32N	Range 6W	Lot Idn	Feet from the 813	North/South line SOUTH	Feet from the 803	East/West line EAST	County RIO ARriba
--------------------	---------------	-----------------	-------------	---------	----------------------	---------------------------	----------------------	------------------------	----------------------

¹¹ Bottom Hole Location If Different From Surface

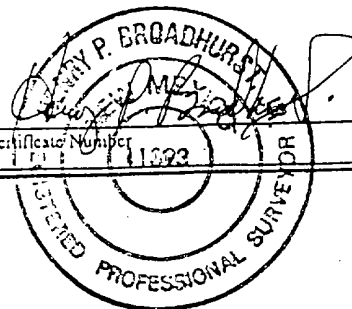
UL or lot no. 320	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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 S 89-36 W 2616.90'	S 89-39 W 2682.90'	N 01-21 W 2624.82'	N 00-21 E 2670.36'	813'	803'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Gary W. Brink Printed Name Production Superintendent Title Date
						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. 3/23/98 Date of Survey Signature and Seal of Professional Surveyer: Certificate Number 11323

RECEIVED
MAY 29 1998
OIL CON. DIV.
DIST. 3
SEC. 23

N 00-10 W
2634.72'
N 02-42 E
2599.74'
N 89-44 W
5464.14'

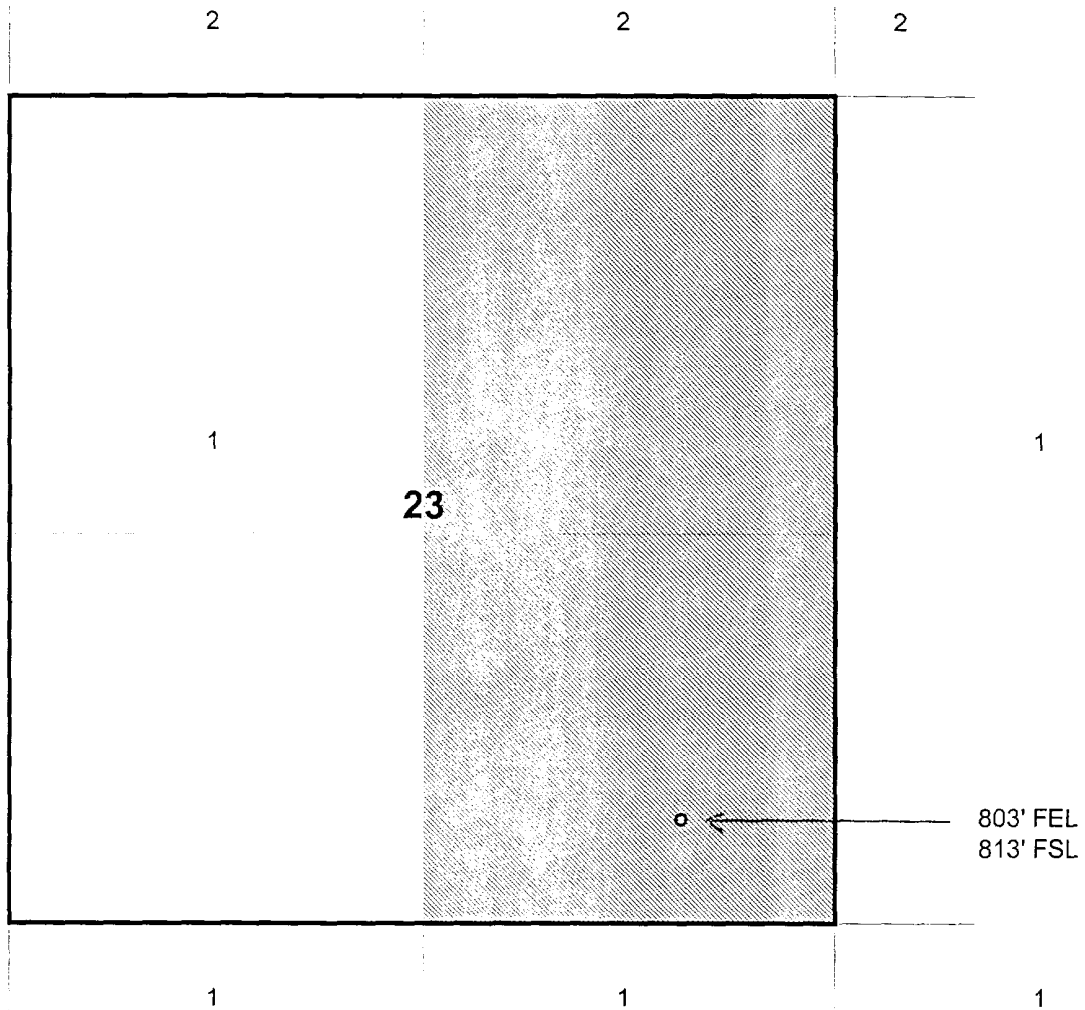


Taurus Exploration U. S. A., Inc.

San Juan 32-5 Unit 11M
OFFSET OPERATOR \ OWNER PLAT

Commingle Dakota \ Mesa Verde Formations

Township 32 North - Range 6 West



1. Taurus Exploration U S A, Inc

2. None

TAURUS EXPLORATION

SAN JUAN 32-5 UNIT #11M ACCESS ROAD

SE/4 SE/4 SEC.23, T.32 N., R.6 W., N.M.P.M.,
RIO ARriba COUNTY, NEW MEXICO.

