

DISTRICT I
1825 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
APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107-A
Revised August 1999

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

Greystone Energy, Inc.

5802 Highway 64, Farmington, NM 87401

Operator

Address

Starr

1M

C N-13-31N-13W

San Juan

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 173252 Property Code 24077 API NO. 30-045-2432000 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)	4447' - 4714'		6612' - 6715'
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) 410 PSI b. (Original) 800 PSI	a. b. <i>Rec'd. 1-1300</i>	a. 610 PSI b. 1300 PSI
6. Oil Gravity (EAPI) or Gas BTU Content	1137	<i>0.00 #3</i>	1183
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no) * 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)	YES Date: 06/10/99 Rates: 50 MCFD / 0.25 BOPD		YES Date: Rates:
	Date: Rates:	Date: Rates:	Date: 11/30/99 Rates: 160 MCFD / 0 BOPD
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 55% Gas: 49%	Oil: % Gas: %	Oil: 45 % Gas: 51 %

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). _____

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 Brian D. Voigt TITLE VP DATE 1/4/00

TYPE OR PRINT NAME Brian D. Voigt TELEPHONE NO. (505) 632 - 8056

NEW MEXICO OIL CONSERVATION COMMISSION
Well Location and Acreage Dedication Plat

Section A.

Date JUNE 15

Operator COLORADO WESTERN EXPLORATION CO. Lease GOVERNMENT - STARR
Well No. 1-13 Unit Letter 1185 Section 13 Township 31 NORTH Range 13 WEST, N.M.P.M.
located 1185 Feet From the SOUTH Line, 1495 Feet From the WEST Line
County SAN JUAN G. L. Elevation 5786.0 Dedicated Acreage 320 - w¹/₂ Acres
Name of Producing Formation DAKOTA Pool WILDCAT

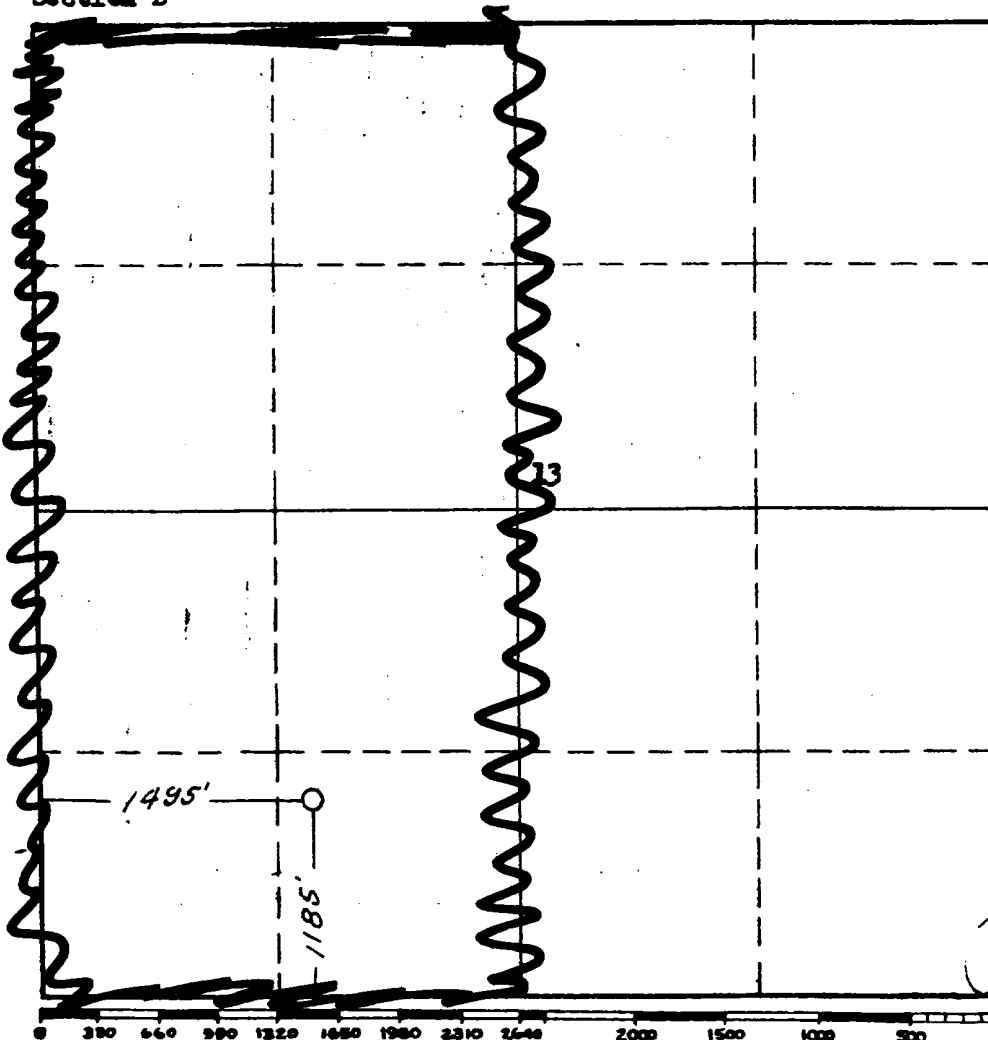
1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes X No .
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes No . If answer is "yes," Type of Consolidation
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description

<u>Owner</u>	<u>Land Description</u>

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

SOUTHERN UNION GAS COMPANY

(Operator)
BY COLORADO WESTERN EXPLORATION INC
(Representative)
BY J. M. Melrose President
312 U.S. NATIONAL BK Bldg
DENVER Address

This is to certify that the well location shown on the plat in Section B 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 knowledge and belief.

Date Surveyed 30 MAY 1957

James P. Leese
Registered Professional Engineer and/or Land Surveyor.
James P. Leese

Certificate No. 1263

(See instructions for completing this form on the reverse side)

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

RECEIVED

Date JUNE 15, 1957

Section A 1-13

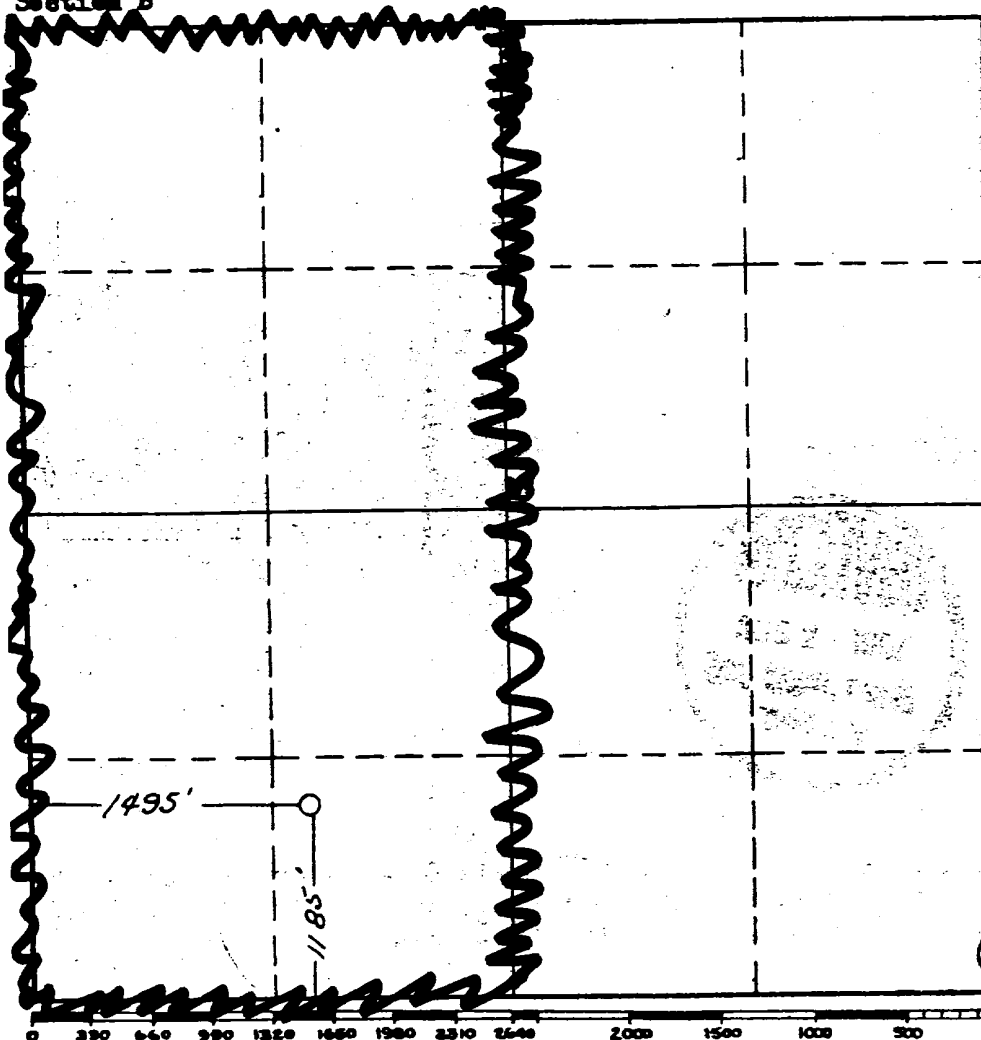
Operator COLORADO WESTERN EXPLORATION CO. Lease GOVERNMENT - STARR
Well No. 1-13 Unit Letter 13 Section 13 Township 31 NORTH Range 13 WEST NMPM
Located 1185 Feet From the SOUTH Line 1495 Feet From the WEST Line
County SAN JUAN G. L. Elevation 5785.0 Dedicated Acreage 1.185 Acres
Name of Producing Formation MESA VERDE Pool BLANKO

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes ☒ No ☐
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes ☐ No ☐. If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.
SOUTHERN UNION GAS COMPANY
by COLORADO WESTERN EXPLORATION CO.
(Operator)

by J. H. Whittleford
(Representative)
312 U.S. National Bank Bldg
DENVER, Colorado
Address

This is to certify that the well location shown on the plat in Section B 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 knowledge and belief.
Date Surveyed 15 MAY 1957

James P. Leese
Registered Professional
Engineer and/or Land Surveyor.
James P. Leese

Certificate No. 1463

(See instructions for completing this form on the reverse side)

Starr 1M MV / DK

Fixed Percentage Allocation Formula

	<table><tr><th>Oil (Barrels)</th><th>%</th></tr></table>	Oil (Barrels)	%	<table><tr><th>Gas (MCF)</th><th>%</th></tr></table>	Gas (MCF)	%
Oil (Barrels)	%					
Gas (MCF)	%					
Mesaverde Formation	3,208 55%	522,489 49%				
Dakota Formation	2,667 45%	535,126 51%				
	5,875 100%	1,057,615 100%				

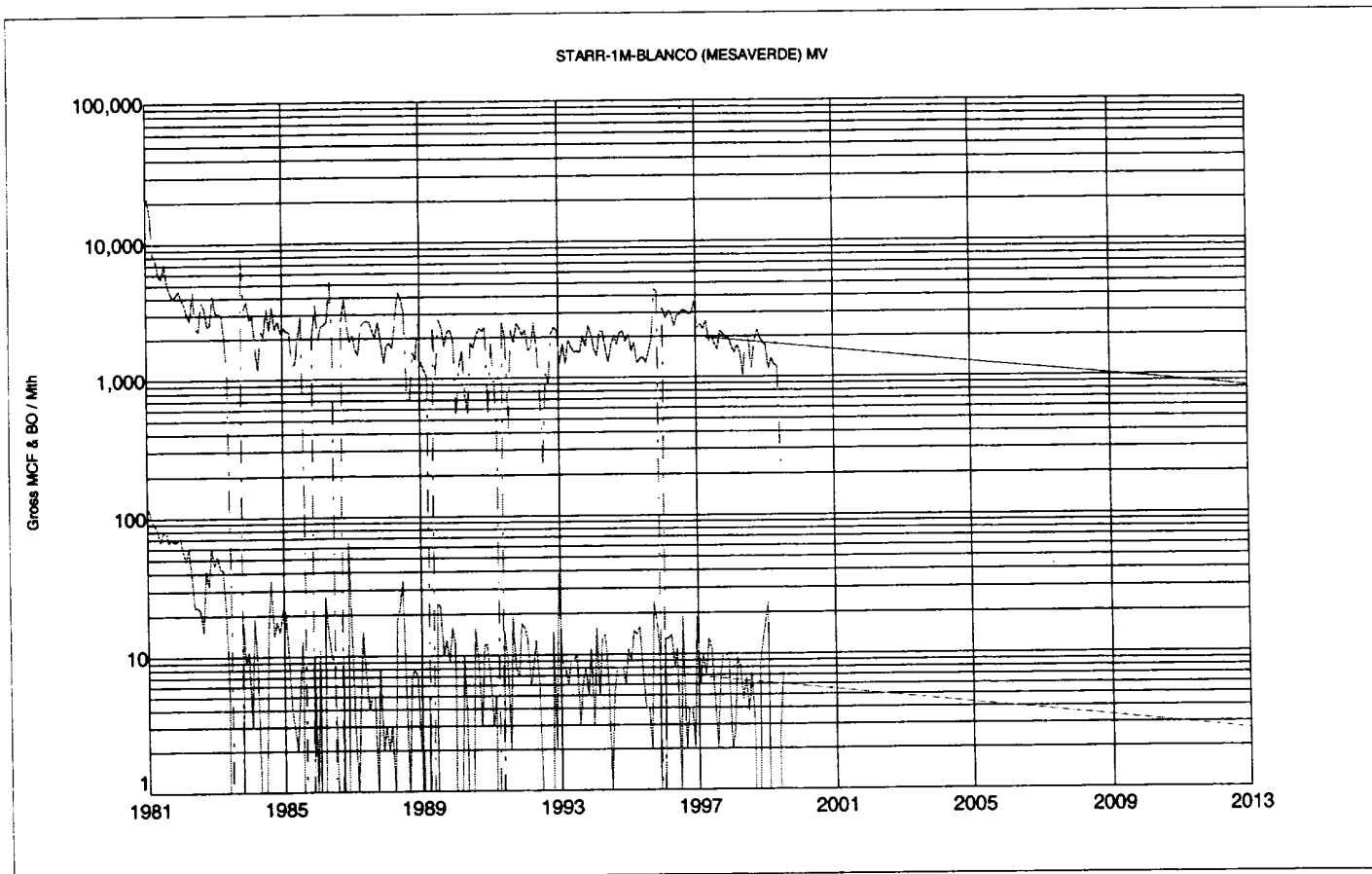
Based on production through October - 1999

Last Twelve Months Historic Production Report

Project: C:\Program Files\IHS Energy\PTools35\PROJECTS\Reserves\New Case\Reversion\Pdp.mdb

Lease Name: STARR (1M)
 County, ST: SAN JUAN, NM
 Location: 31N-13W-13

Field Name: BLANCO (MESAVERDE) MV
 Operator: CHATEAU OIL & GAS INC



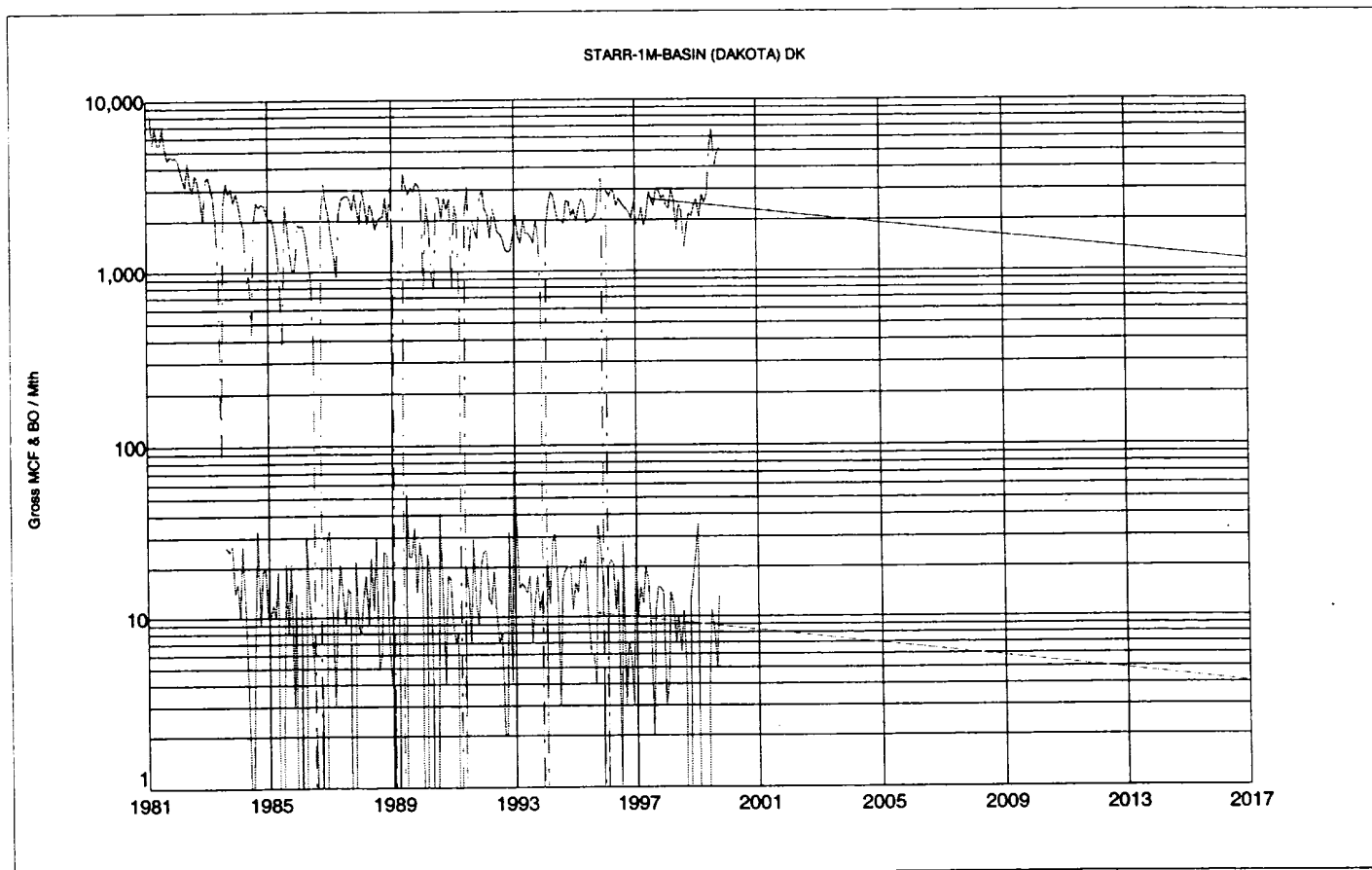
Date	Well Count	Oil (bbl)	Gas (mcf)	Water (bbl)	Injection (bbl)
Previous		3,126	504,743	682	
07/1998	1	7	1,940	0	
08/1998	1	3	1,150	0	
09/1998	1	0	1,812	0	
10/1998	1	9	2,249	0	2,246
11/1998	1	12	1,939	0	2,935
12/1998	1	17	1,796	0	2,515
01/1999	1	24	1,715	0	1,709
02/1999	1	0	1,129	0	
03/1999	1	0	1,394	0	
04/1999	1	0	1,222	0	
05/1999	1	3	1,205	0	
06/1999	1	7	195	0	
Total:		3,208	522,489	682	9,400

Last Twelve Months Historic Production Report

Project: C:\Program Files\IHS Energy\PTools35\PROJECTS\Reserves\New Case\Reversion\Pdp.mdb

Lease Name: STARR (1M)
 County, ST: SAN JUAN, NM
 Location: 31N-13W-13

Field Name: BASIN (DAKOTA) DK
 Operator: CHATEAU OIL & GAS INC



Date	Well Count	Oil (bbl)	Gas (mcf)	Water (bbl)	Injection (bbl)
Previous		2,546	492,266	5,730	2,156
11/1998	1	18	2,101	0	2,543
12/1998	1	25	2,424	0	2,718
01/1999	1	36	2,621	0	2,837
02/1999	1	0	2,053	0	0
03/1999	1	0	2,777	0	0
04/1999	1	0	2,496	0	0
05/1999	1	4	2,773	0	0
06/1999	1	11	5,037	0	0
07/1999	1	8	6,610	0	0
08/1999	1	5	4,026	0	0
09/1999	1	13	4,771	0	0
10/1999	1	0	5,171	0	0
Total:		2,667	535,126	5,730	10,254

- 0 -

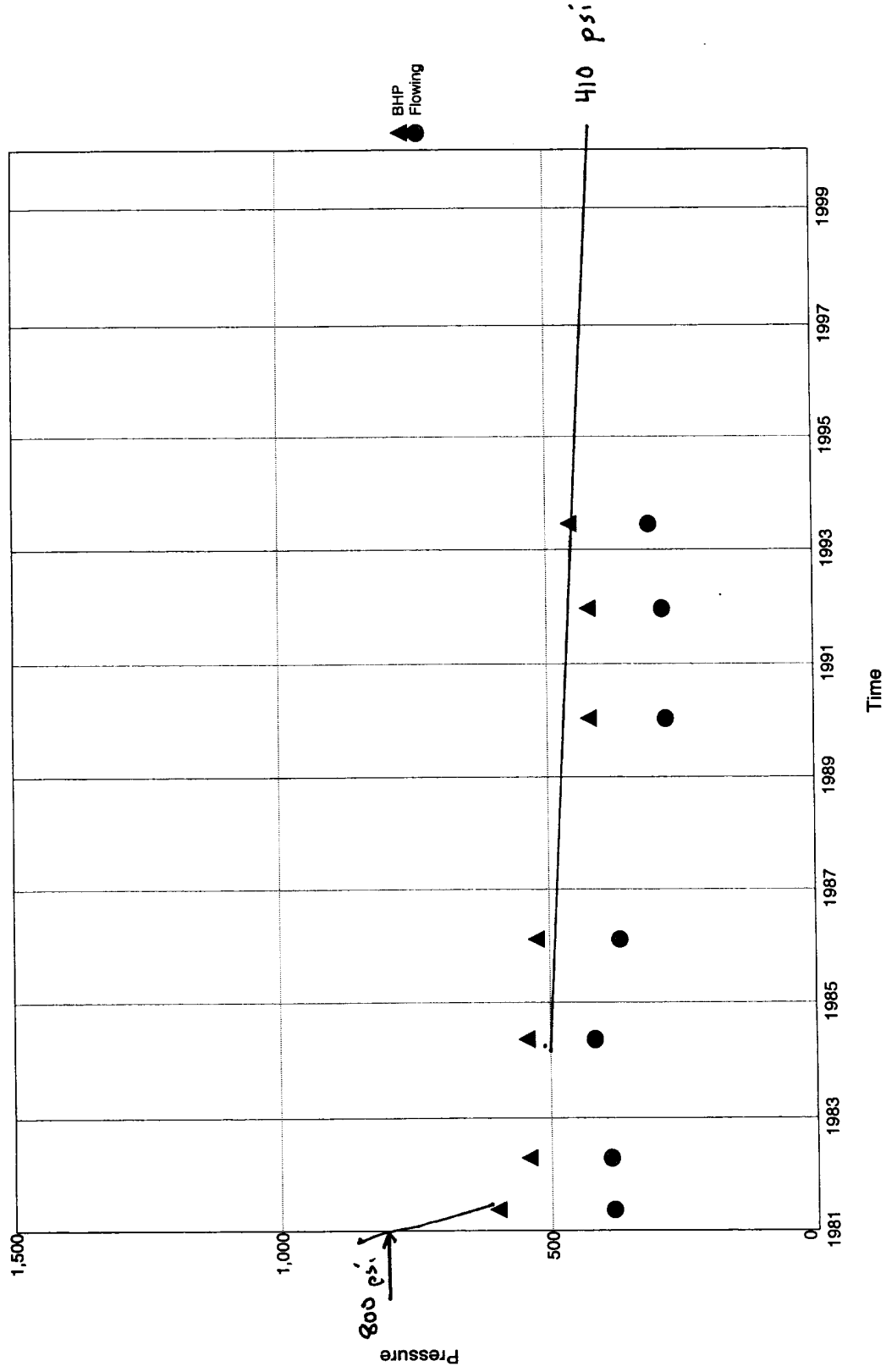
Pressure/Time Graph

Lease Name: STARR (1M)
County, ST: SAN JUAN, NM
Location: 31N-13W-13

Date: 1/3/2000
Time: 11:02 AM

Field Name: BLANCO (MESAVERDE) MV
Operator: CHATEAU OIL & GAS INC

Starr 1M - Mesaverde



Pressure/Time Graph

\\Program Files\IHS Energy\PTTools35\PROJECTS\Reserves\New Case\Reversion\pdpupbase.MDB Date: 1/3/2000
Time: 11:02 AM

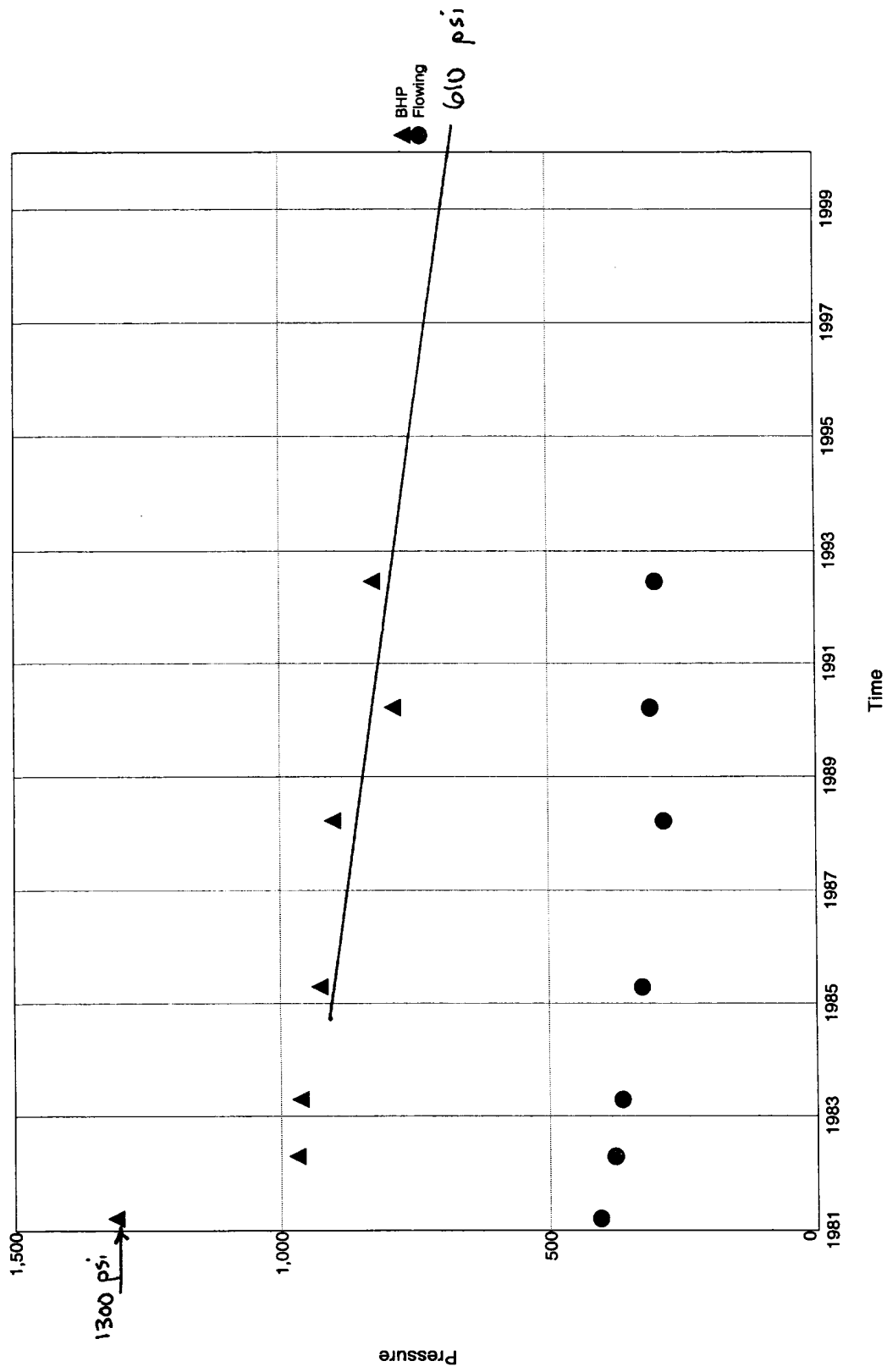
Lease Name:
County, ST:
Location:

STARR (1M)
SAN JUAN, NM
31N-13W-13

Field Name:
Operator:

BASIN (DAKOTA) DK
CHATEAU OIL & GAS INC

Starr 1M - Dakota



Starr 1M DK/MV Commingle
Net Interest Ownership

Royalty / Override Interest

Name	Reservoir	Well #	Owner #	Owner	Type
Starr 1M	Dakota	1190	91	GREYSTONE ENERGY INC	OR
Starr 1M	Dakota	1190	1069	ELEANOR R EISEN	OR
Starr 1M	Dakota	1190	1070	THEODOR S RITTENBERG	OR
Starr 1M	Dakota	1190	1071	INEZ K GROSS	OR
Starr 1M	Dakota	1190	1102	ARTHUR ALSBERG	OR
Starr 1M	Dakota	1190	1104	SANFORD E BECKER	OR
Starr 1M	Dakota	1190	1109	MARJORIE A BACHMAN	OR
Starr 1M	Dakota	1190	1111	ADDIE GUTTAG	OR
Starr 1M	Dakota	1190	1114	SUSAN K BAKER	OR
Starr 1M	Dakota	1190	1116	ROBERT DUNLAP	OR
Starr 1M	Dakota	1190	1119	JOHN V GUTTAG	OR
Starr 1M	Dakota	1190	1121	RICHARD S BECKER	OR
Starr 1M	Dakota	1190	1122	SHELDON GARDNER	OR
Starr 1M	Dakota	1190	1125	HORACE F MCKAY JR	OR
Starr 1M	Dakota	1190	1127	ELIZABETH VERPLANK	OR
Starr 1M	Dakota	1190	1128	MARY T JARCHOW	OR
Starr 1M	Dakota	1190	1130	JACK H OWENS	OR
Starr 1M	Dakota	1190	1131	MARY KAY STEIN	OR
Starr 1M	Dakota	1190	1132	THOMAS KAUFMANN	OR
Starr 1M	Dakota	1190	1134	JAMES VAN DITTIE	OR
Starr 1M	Dakota	1190	1181	JEANNE Z SHARP	OR
Starr 1M	Dakota	1190	1182	D R ZACHARY JR	OR
Starr 1M	Dakota	1190	1370	J W STARR TEST TRUST	OR
Starr 1M	Dakota	1190	1430	GENERAL MOTORS NPA	OR
Starr 1M	Dakota	1190	1011	MINERALS MANAGEMENT SERVICE	RI

Working Interest

Starr 1M	Dakota	1190	91	GREYSTONE ENERGY INC	WI
Starr 1M	Dakota	1190	1102	ARTHUR ALSBERG	WI
Starr 1M	Dakota	1190	1104	SANFORD E BECKER	WI
Starr 1M	Dakota	1190	1109	MARJORIE A BACHMAN	WI
Starr 1M	Dakota	1190	1111	ADDIE GUTTAG	WI
Starr 1M	Dakota	1190	1114	SUSAN K BAKER	WI
Starr 1M	Dakota	1190	1119	JOHN V GUTTAG	WI
Starr 1M	Dakota	1190	1121	RICHARD S BECKER	WI
Starr 1M	Dakota	1190	1132	THOMAS KAUFMANN	WI
Starr 1M	Dakota	1190	1430	GENERAL MOTORS NPA	WI

Royalty / Override Interest

Starr 1M	Mesaverde	1191	91	GREYSTONE ENERGY INC	OR
Starr 1M	Mesaverde	1191	1069	ELEANOR R EISEN	OR
Starr 1M	Mesaverde	1191	1070	THEODOR S RITTENBERG	OR
Starr 1M	Mesaverde	1191	1071	INEZ K GROSS	OR
Starr 1M	Mesaverde	1191	1102	ARTHUR ALSBERG	OR
Starr 1M	Mesaverde	1191	1104	SANFORD E BECKER	OR
Starr 1M	Mesaverde	1191	1109	MARJORIE A BACHMAN	OR
Starr 1M	Mesaverde	1191	1111	ADDIE GUTTAG	OR
Starr 1M	Mesaverde	1191	1114	SUSAN K BAKER	OR
Starr 1M	Mesaverde	1191	1116	ROBERT DUNLAP	OR
Starr 1M	Mesaverde	1191	1119	JOHN V GUTTAG	OR
Starr 1M	Mesaverde	1191	1121	RICHARD S BECKER	OR
Starr 1M	Mesaverde	1191	1122	SHELDON GARDNER	OR
Starr 1M	Mesaverde	1191	1125	HORACE F MCKAY JR	OR
Starr 1M	Mesaverde	1191	1127	ELIZABETH VERPLANK	OR
Starr 1M	Mesaverde	1191	1128	MARY T JARCHOW	OR
Starr 1M	Mesaverde	1191	1130	JACK H OWENS	OR
Starr 1M	Mesaverde	1191	1131	MARY KAY STEIN	OR
Starr 1M	Mesaverde	1191	1132	THOMAS KAUFMANN	OR
Starr 1M	Mesaverde	1191	1134	JAMES VAN DITTIE	OR
Starr 1M	Mesaverde	1191	1181	JEANNE Z SHARP	OR
Starr 1M	Mesaverde	1191	1182	D R ZACHARY JR	OR
Starr 1M	Mesaverde	1191	1370	J W STARR TEST TRUST	OR
Starr 1M	Mesaverde	1191	1430	GENERAL MOTORS NPA	OR
Starr 1M	Mesaverde	1191	1011	MINERALS MANAGEMENT SERVICE	RI

Working Interest

Starr 1M	Mesaverde	1191	91	GREYSTONE ENERGY INC	WI
Starr 1M	Mesaverde	1191	1102	ARTHUR ALSBERG	WI
Starr 1M	Mesaverde	1191	1104	SANFORD E BECKER	WI
Starr 1M	Mesaverde	1191	1109	MARJORIE A BACHMAN	WI
Starr 1M	Mesaverde	1191	1111	ADDIE GUTTAG	WI
Starr 1M	Mesaverde	1191	1114	SUSAN K BAKER	WI
Starr 1M	Mesaverde	1191	1119	JOHN V GUTTAG	WI
Starr 1M	Mesaverde	1191	1121	RICHARD S BECKER	WI
Starr 1M	Mesaverde	1191	1132	THOMAS KAUFMANN	WI
Starr 1M	Mesaverde	1191	1430	GENERAL MOTORS NPA	WI

