

DATE IN

SUSPENSE

ENGINEER

LOGGED IN

TYPE

APP NO.

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address



Midland Field Office

RECEIVED

APR 13 2005

OIL CONSERVATION
DIVISION

April 6, 2005

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Attention: Downhole Commingle Dept.

RE: TCB 36 State #2
API #: 30-025-36749

Dear Sir:

Chesapeake Operating, Inc., respectfully, request approval to downhole commingle the Warren:Drinkard, East and the D-K;Abo pools. Enclosed, for your consideration, is our application form C-107A along with all of the following attachments:

1. Well Location And Acreage Dedication Plat for both pools.
2. Production history for both pools.
3. All working, royalty and overriding royalty interest are the same.

Your administrative approval of our request would be greatly appreciated.

Yours truly,

Brenda Coffman
Regulatory Analyst
Chesapeake Permian District

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE

☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

D&C-3433

Chesapeake Operating, Inc.

P. O. Box 11050 Midland, TX 79702-8050

Operator

Address

TCB 36 State

2

C 36, T20S, R38E

Lea

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 147179 Property Code 34086 API No. 32-025-36749 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Warren;Drinkard,East		D-K;Abo
Pool Code	63120		15200
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2955 - 7012		7286 - 7362
Method of Production (Flowing or Artificial Lift)	Pumping Unit		Pumping Unit
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	38 deg.		38 deg.
Producing, Shut-In or New Zone	Producing		Shut In
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: 12/15/2004 Rates: 4 BO, 42 BW, 33 MCFD	Date: Rates:	Date: 10/20/2004 Rates: 21 BO, 24 BW, 21 MCFD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 16 % 61 %	Oil Gas % %	Oil Gas 84 % 39 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐
Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands
or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: _____

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, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Brenda Coffman TITLE Regulatory Analyst DATE 04/05/2005

TYPE OR PRINT NAME Brenda Coffman TELEPHONE NO. () (432)687-2992

E-MAIL ADDRESS bcoffman@chkenergy.com

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36749		Pool Code 15200	Pool Name D-K;Abo
Property Code 34086	Property Name TCB 36 State		Well Number 2
OGRID No. 147179	Operator Name Chesapeake Operating, Inc.		Elevation 3565

¹⁰Surface Location

UL or lot no. C	Section 36	Township 20S	Range 38E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1650	East/West line West	County Lea
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¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40		Joint or Infill		Consolidation Code		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 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Brenda Coffman Printed Name Regulatory Analyst bcoffman@chkenergy.com Title and E-mail Address 04/05/2005 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.			
	Date of Survey Signature and Seal of Professional Surveyor:			
	Certificate Number			

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-025-36749	² Pool Code 63120	³ Pool Name Warren;Drinkard,East
⁴ Property Code 34086	⁵ Property Name TCB 36 State	
⁷ OGRID No. 147179	⁶ Operator Name Chesapeake Operating, Inc.	⁸ Well Number 2
		⁹ Elevation 3565

¹⁰ Surface Location

UL or lot no. C	Section 36	Township 20S	Range 38E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1650	East/West line West	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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	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.		
	Date of Survey Signature and Seal of Professional Surveyor:		
	Certificate Number		

TCB 36 State #2							
	Abo				Abo-Drinkard		
Date	BOPD	BWPD	MCFD		BOPD	BWPD	MCFD
9/19/2004	11	70	29				
9/20/2004	82	75	57				
9/21/2004	48	61	61				
9/22/2004	50	44	8				
9/23/2004	22	29	0				
9/24/2004	17	45	0				
9/25/2004	45	36	0				
9/26/2004	24	28	0				
9/27/2004	0	0	0				
9/28/2004	0	0	5				
9/29/2004	64	38	18				
9/30/2004	39	31	8				
10/1/2004	34	26	25				
10/2/2004	31	25	22				
10/3/2004	29	24	21				
10/4/2004	28	26	20				
10/5/2004	27	24	16				
10/6/2004	28	24	0				
10/7/2004	26	22	2				
10/8/2004	28	24	14				
10/9/2004	26	26	27				
10/10/2004	26	26	28				
10/11/2004	27	26	18				
10/12/2004	24	28	17				
10/13/2004	24	26	24				
10/14/2004	24	28	21				
10/15/2004	21	23	22				
10/16/2004	21	24	23				
10/17/2004	22	26	23				
10/18/2004	22	26	21				
10/19/2004	23	26	22				
10/20/2004	21	24	21				
11/7/2004					50	119	15
11/8/2004					5	138	44
11/9/2004					6	196	51
11/10/2004					9	196	72
11/11/2004					36	191	84
11/12/2004					33	148	7
11/13/2004					8	156	100

11/14/2004					11	188	81
11/15/2004					6	128	103
11/16/2004					8	133	105
11/17/2004					10	89	109
11/18/2004					44	139	107
11/19/2004					30	90	108
11/20/2004					36	92	52
11/21/2004					41	150	74
11/22/2004					36	131	76
11/23/2004					28	133	67
11/24/2004					8	60	33
11/25/2004					0	0	10
11/26/2004					0	0	1
11/27/2004					0	0	1
11/28/2004					0	0	1
11/29/2004					0	0	1
11/30/2004							
12/1/2004					52	91	9
12/2/2004					55	27	75
12/3/2004					52	107	64
12/4/2004					45	86	74
12/5/2004					5	20	15
12/6/2004					0	0	5
12/7/2004					0	0	9
12/8/2004					44	69	36
12/9/2004					65	85	67
12/10/2004					41	94	60
12/11/2004					46	93	66
12/12/2004					44	90	66
12/13/2004					42	87	75
12/14/2004					25	69	52
12/15/2004					25	66	54
12/16/2004					20	69	52
12/17/2004					17	74	51