

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

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

District II
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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

Fulfer Oil & Cattle Co. LLC

PO Box 1224 Jal, NM 88252

DHC-3477

Operator Address
WA Ramsey NCT-C 4 M S36 T24S R37E Lea

Lease 141402 Well No. 29875 Unit Letter-Section-Township-Range 300 25 20324 County
OGRID No. Property Code API No. Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Justis Blinebry		Justis Tubb Drinkard
Pool Code	34200		35280
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5004-5628		5747-5964
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
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)	Estimated 600psi		Estimated 600psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	39		39
Producing, Shut-In or New Zone	New Zone		New Zone
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.) *	Estimated Date: July 18, 2005 Rates: 255MCFPD 42BOPD	Date: Rates:	Estimated Date: July 18, 2005 Rates: 45MCFPD 8BOPD
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 84 % 85 %	Oil Gas % %	Oil Gas 16 % 15 %

*Based upon perforations
See attached sheet.

* Based upon perforations, see attached sheet
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 Gregg Fulfer TITLE Member DATE 6-10-05
TYPE OR PRINT NAME Gregg Fulfer TELEPHONE NO. (505) 395-9970
E-MAIL ADDRESS gfulfer@aol.com



RECEIVED

JUN 17 2005

OIL CONSERVATION

Fulfer Oil & Cattle Company LLC

P.O. Box 1224 Jal, New Mexico 88252 Office-505-395-9970 Fax-505-395-2051 gfulfer@aol.com

June 12, 2005

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

Attention: Mr. David Cananach

Re: Application for Downhole Commingling
Ramsay (NCT) C Well No. 4
Justis Blinebry and Justis Tubb-Drinkard Pools
Lea County, New Mexico

Gentlemen/Ladies:

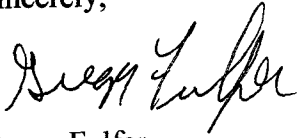
Attached for your consideration and approval is Form C-107A for downhole commingling the Blinebry and Tubb-Drinkard Pools in the subject well.

Approval is requested for downhole commingling prior to the actual recompletion work on the well. The reason for such a request is to perform the recompletion work in an economical manner in order to develop and produce the relatively small intervals of pay in the Tubb-Drinkard zone. The subject well is located on the eastern flank of the Justis field structure where the Tubb-Drinkard pay is losing porosity and permeability. The Tubb-Drinkard zone has only about 18' of pay in the subject well. Perforating and stimulating the two zones together is proposed. Perforating and stimulating the Tubb-Drinkard by itself probably would be uneconomic.

Since downhole commingling is allowed in these Justis pools, we believe our request has merit to drain oil and gas reserves in the Tubb-Drinkard zone that may be economically unattractive if the Blinebry and Tubb-Drinkard zones have to be separately perforated, stimulated and tested.

As you are probably aware, oil well service rigs and stimulation services are difficult for small independents to schedule. Currently services are scheduled to start recompletion work in the first week of July. Your consideration and approval is respectfully requested.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gregg Fulfer".

Gregg Fulfer

Attachments

CC: District I Office
Hobbs, New Mexico

Ramsay (NCT) C Well No. 4
Proposed Production Allocation
Blinebry/Tubb-Drinkard Zones

Estimated initial production from the Blinebry and Tubb-Drinkard combined zones is 50 BOPD and 300MCFPD based upon recent (5-10 years past) completions in nearby wells and with additional depletion that occurred in these pools.

Allocation of production between the Blinebry and Tubb-Drinkard zones is based upon proposed feet of perforations in each zone. Total proposed perforations are 123 feet, which 18' or 15% are in the Tubb-Drinkard zone and 105' or 85% are in the Blinebry zone. Thus, it is estimated that about 8 BOPD and 45 MCFPD will be produced from the Tubb-Drinkard zone and 42 BOPD and 255 MCFPD will be produced from the Blinebry zone.

Ramsay (NCT) C Well No. 4
Proposed Perforations
Blinebry/Tubb-Drinkard

Tubb-Drinkard

<u>Perforations</u>	<u>Feet</u>
5747-49'	2
5802-04'	2
5811-13'	2
5833-37'	4
5935-39'	4
5952-54'	2
5962-64'	<u>2</u>
	18

Blinebry

<u>Perforations</u>	<u>Feet</u>
5004-08'	4
5010-14'	4
5022'	1
5032-36'	4
5040-42'	2
5054-62'	8
5064-66'	2
5114-20'	6
5140-44'	4
5176-81'	5
5226'	1
5238-40'	2
5294-96'	2
5417-20'	3
5428-30'	2
5438-41'	3
5446-58'	12
5480-96'	16
5517-19'	2
5531-35'	4
5610-28'	<u>18</u>
	105

Total Perforations: 123'; Tubb- Drinkard 18' or 15%; Blinebry 105' or 85%

**Recompletion Procedure
Ramsay Well No. 4
Justis Field**

Preliminary

*Preliminary
June 2005*

Preliminary

Purpose: Recomplete from Fusselman to Blinebry, Tubb and Drinkard.

Procedure:

1. Move in completion rig. Pull rods, pump and tubing and lay down. Inspect rods and tubing.
2. Install BOP. Pick up bit, 7" casing scraper and 3-1/2" work string and run to 6600'. Circulate. POOH.
3. Run GR-N log 6300' to 4300' and CBL 6200' to 4800'.
4. RIH w/CIBP and set at 6200'. Dump cement on top.
5. RIH w/tubing to 500'. Pressure test to 750 psi. POOH. (If pressure drops, find leak with BP and packer.)
6. RIH w/perf guns. Perforate with 2 shots/foot: Drinkard: 5935-39, 52-54, and 62-64; Tubb: 5747-49, 5802-04, 11-13 and 33-37; and Blinebry: 5004-08, 10-14, 22, 32-36, 40-42, 54-62, 64-66, 5114-20, 40-44, 76-81, 5226, 5238-40, 94-96, 5417-20, 28-30, 38-41, 46-58, 80-96, 5517-19, 31-35 and 5610-28. Total 123 feet or 246 holes. Perforated intervals correlate to GR-Sonic log dated December 9, 1962.
7. RIH w/ retrievable bridge plug, packer and tubing. Set BP at 6000' and packer at 5350'.
8. Acidize with 5500 gallons of acid and 280 ball sealers per Halliburton's recommended procedure.
9. Release packer and retrieve BP. Set BP at 5350' and packer at 4850'.
10. Acidize with 5000 gallons of acid and 250 ball sealers per Halliburton's recommended procedure.
11. Unseat packer and retrieve BP. POOH. Lay down BP.
12. RIH with packer and tubing. Set packer at 4850' and load tubing-casing annulus.

13. Fracture stimulate with 127,500 gallons of SliverStim LT-P with 174,900 pounds of 20/40 mesh sand and 75,000 pounds of 20/40 mesh CRC per Halliburton's recommended procedure.
14. Unseat packer and POOH. Lay down work string.
15. RIH with *production tubing*, pump and rods.
16. Place well on pump and test.

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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 300 25 20324		² Pool Code 34200 35280		³ Pool Name Justis Blinery Justis Tubbs Drinkard	
⁴ Property Code 29875	⁵ Property Name WA Ramsey NCT - C			⁶ Well Number #4	
⁷ OGRID No. 141402	⁸ Operator Name Fulfer Oil & Cattle Co. LLC			⁹ Elevation 3149 RKB	

¹⁰ Surface Location

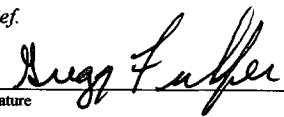
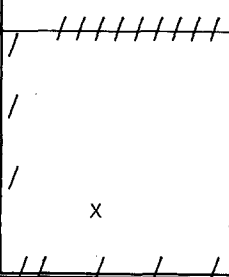
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	24S	37E		330	FSL	430	FWL	LEA

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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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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Gregg Fulfer Printed Name Member gfulfer@aol.com Title and E-mail Address 6/10/05 Date
				¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

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State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Fulfer Oil and Cattle Co. LLC		² OGRID Number 141402
		³ API Number 30 - 2520324
⁴ Property Code 29875	⁵ Property Name WA Ramsey (NCT) C	⁶ Well No 4.
⁹ Proposed Pool 1 Justis Blinbry		¹⁰ Proposed Pool 2 Justis Tubb Drinkard

⁷ Surface Location

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M	36	24S	37E	—	330	FSL	430	FWL	LEA

⁸ Proposed 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

Additional Well Information

¹¹ Work Type Code	¹² Well Type Code	¹³ Cable/Rotary	¹⁴ Lease Type Code	¹⁵ Ground Level Elevation
¹⁶ Multiple	¹⁷ Proposed Depth	¹⁸ Formation	¹⁹ Contractor	²⁰ Spud Date
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method:				
Closed-Loop System XX <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

See Attached Recompletion Procedure 1-16 sheet.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐XX.

Printed name: Gregg Fulfer
Title: Member
E-mail Address: gfulfer@aol.com

Date: 6/12/05 Phone: 505-395-2927

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval Attached ☐

**Recompletion Procedure
Ramsay Well No. 4
Justis Field**

Preliminary

*Preliminary
June 2005*

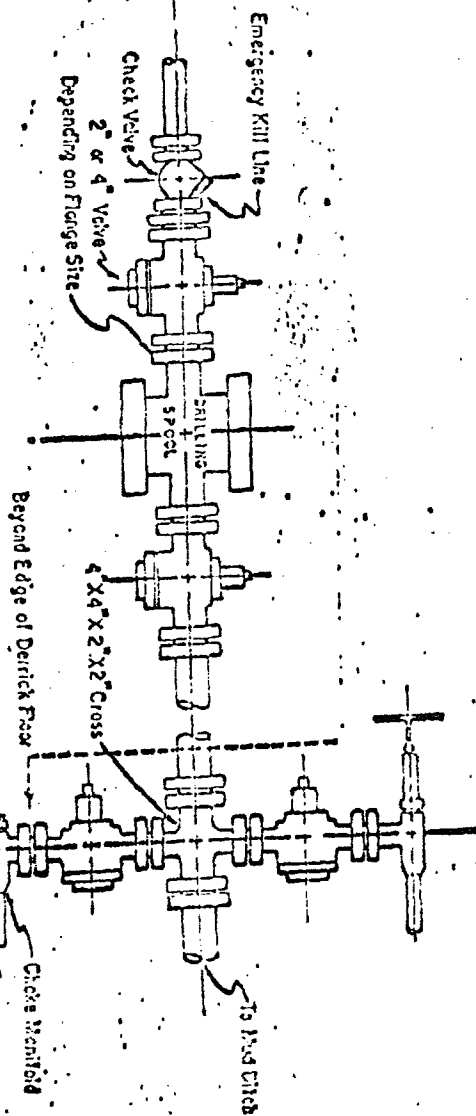
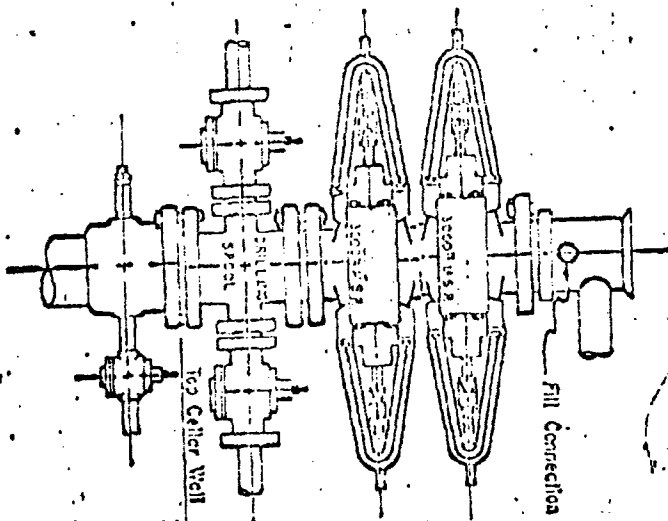
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5. RIH w/tubing to 500'. Pressure test to 750 psi. POOH. (If pressure drops, find leak with BP and packer.)
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3,000 PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP

Series 900 Flanges, or Better