

12/9/97	12/29/97	DC	NV	DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [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 - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

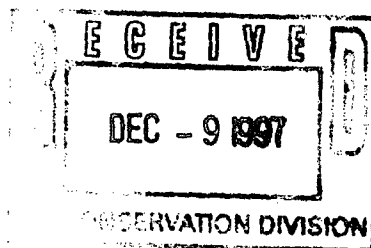
Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR



[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] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, UI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

W. Brink
Name

Signature

Production Superintendent 12/8/97

Title

Date



TAURUS EXPLORATION USA, INC.
2198 Bloomfield Highway
Farmington, New Mexico 87401
Telephone (505) 325-6800

December 8, 1997

Mr. William LeMay
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

RE: Administrative Approval to Downhole Commingle
Taurus Exploration U.S.A., Inc.
Wright State Com #1E
10550' FSL, 790' FEL, Section 36, T32N, R13W NMPM
San Juan County, New Mexico

Dear Mr. LeMay:

Taurus Exploration U.S.A., Inc. requests administrative approval for downhole commingling the Wildcat Gallup and Basin Dakota pools in the subject well. The well is currently producing as a Gallup/Dakota dual with the Gallup zone loaded up with fluid.

To comply with NMOCD rules, Taurus Exploration U.S.A., Inc. is submitting the following data for your approval of the proposed commingling:

1. Form C107A - Application for Downhole Commingling
2. C-102 - Location plat showing each spacing unit and dedicated acreage
3. Production curves for both the Gallup and Dakota
4. Offset operator plat
5. Well location plat.

In accordance to New Mexico Oil Conservation Division Rule 303C, all offset operators are being notified of this application by certified mail. As an offset operator, if you have no objection to this application, you do not have to respond to this notification.

If additional information is needed, please contact me.

Sincerely,

Gary W. Brink
Production Superintendent

GWB/df
cc: NMOCD - Aztec
Offset Operators

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
811 South First St., Artesia, NM 88210-2835

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410-1893

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-107-A
New 3-12-96

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Taurus Exploration U.S.A., Inc. Address 2198 Bloomfield Highway, Farmington, NM 87401

Lease Wright State Com. Well No. 1E Unit Ltr. - Sec. - Twp. - Rge. I-36-T32N-R13W Spacing Unit Lease Types: (check 1 or more) Federal San Juan, New Mexico State ☒ Landlord Fee

OGRID NO. 162928 Property Code 007651 API NO. 30-045-25930

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Wildcat Gallup 96535		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	5810'-6315		6680'-6907
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) 1216 Calc b. (Original) 1788 Calc	a. b.	a. 696 Calc b. 2262 Calc
6. Oil Gravity (°API) or Gas BTU Content			
7. Producing or Shut-In?	Shut-in		Producing
Production Marginal? (yes or no)	yes		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	Date: 4/92 Rates: 0-10-0	Date: Rates:	Date: 11/6/97 Rates: 1-72-0
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 0 % Gas: 12 %	Oil: % Gas: %	Oil: 100 % Gas: 88 %

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
Have all offset operators been given written notice of the proposed downhole commingling? ☒ 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 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.

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

SIGNATURE Gary W. Brink TITLE Production Superintendent Date 12/8/97

TYPE OR PRINT NAME Gary W. Brink TELEPHONE NO. (505) 325-6800

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Bravo Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-10
Revised February 21, 1999
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APN Number 30-045-25930		Pool Code 06535/71599		Pool Name (WC); 32N13W36E; Gallup/Basin Dakota	
Property Code 7651		Property Name Wright State Com			Well Number 1E
OGRID No. 162928		Operator Name Taurus Exploration U.S.A., Inc.			Elevation 5780'

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
I	36	32 N	13 W		1550	South	790	East	S.J.

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 160-E/320	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

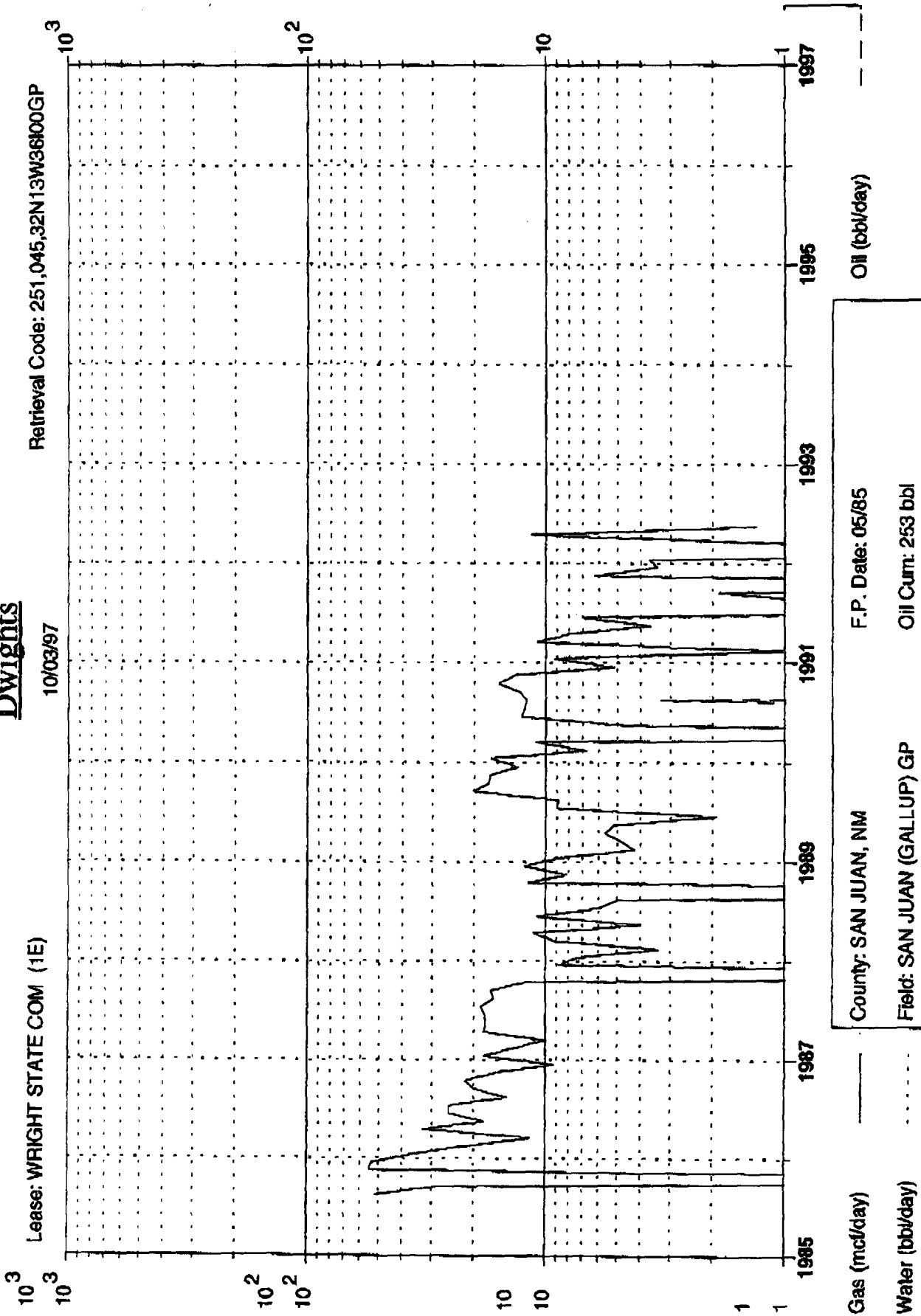
16 Not resurveyed, prepared from a plat dated 9-21-89 by Michael Daly.					17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
					Signature Peggy Bradfield Printed Name Regulatory Administrator Title 4-22-96 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 or under my supervision, and that the same is true and correct to the best of my belief.	
4-16-96 Date of Survey		Signature and Seal of Professional Surveyor 		Certificate Number		

Dwights

Lease: WRIGHT STATE COM (1E)

10/03/97

Retrieval Code: 251,045,32N13W36800GP



F.P. Date: 05/85

County: SAN JUAN, NM

Oil Cum: 253 bbl

Field: SAN JUAN (GALLUP) GP

Gas Cum: 30.63 mmcf

Reservoir: GALLUP

Location: 36 32N 13W

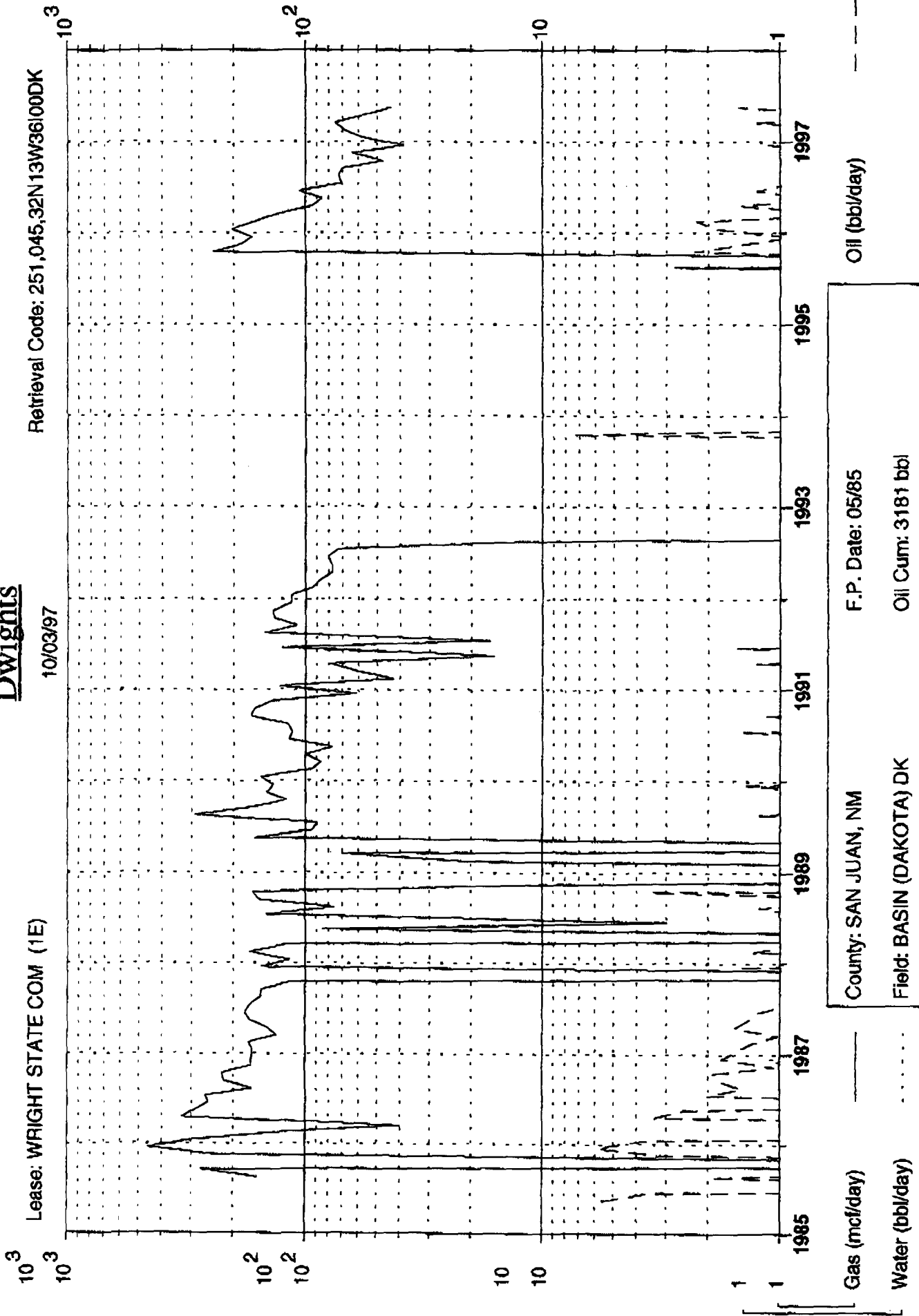
Operator: BURLINGTON RES O&G CO

Dwights

10/03/97

Lease: WRIGHT STATE COM (1E)

Retrieval Code: 251,045,32N13W36100DK



Gas (mcf/day)

Water (bbl/day)

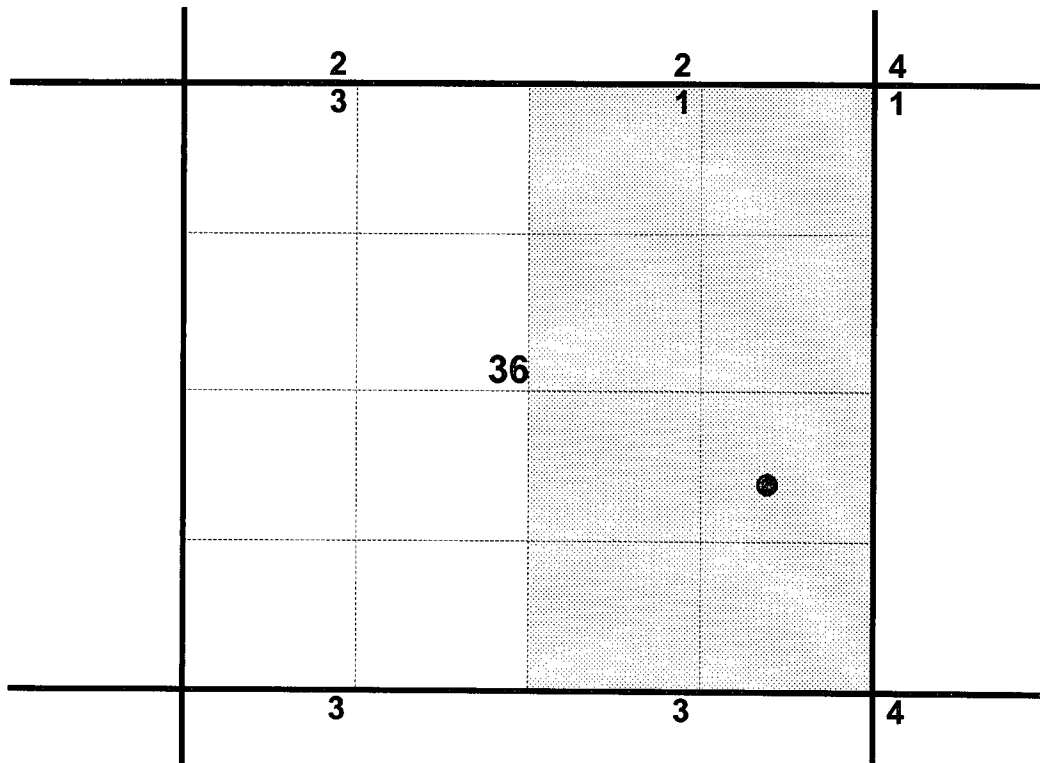
Oil (bbl/day)

County: SAN JUAN, NM	F.P. Date: 05/85
Field: BASIN (DAKOTA) DK	Oil Cum: 3181 bbl
Reservoir: DAKOTA	Gas Cum: 392.1 mmmcf
Operator: BURLINGTON RES O&G CO	Location: 361 32N 13W

Taurus Exploration U.S.A., Inc

Wright State Com #1E
Offset Operator / Ownership Plat
Wildcat Gallup/ Basin Dakota
Downhole Commingling

Township 32 N, Range 13 W



- 1) Taurus Exploration U.S.A., Inc
- 2) Amoco Production Company
P.O. Box 800
Denver, Co 80201-0800
- 3) Chateau Oil and Gas, Inc.
5802 Highway 64
Farmington, N.M. 87401
- 4) Burlington Resources
P.O. Box 4289
Farmington, N.M. 87499-4289

Taurus Exploration U.S.A., Inc.
Well Location Plat
Wright State Com #1E
Unit I, Section 36, T 32 N, R 13 W
San Juan Co, N.M.

23

19

T.D.7219'
Jm-WW

3
Kpc Ø D.A.
Kd Ø D.A.'81

2 4
Kfc
Kd-Abd.'93

5 1
Kfc P.A.'94
Kmv
Kd Abd.'97

8A

26

25

30

T
32
N

2 1
Kfc Kmv
Kd } P.A.'94

2 3
Kfc

2A
Kmv
Kd

1M
Kmv
Kd

1
Kfc
Kmv
Kd } P.A.'89

107

2A

2
Kmv
Kd Ø D.A.'51

35
1A
35
1
Kmv P.A.'95

1
Kmv
Kd } P.A.'94
1M
Kmv
Kd

1A
361
Kmv
Kd-T

36

36 1
Kmv
Kd } P.A.'94

Kgl
Kd
1E
1A

5
Kmv
Kd

31

1A 6
Kmv
Kd

7 5-M
Kmv
Kd

1 1E
P.A.'84 Kmv
Kd

T
31
N

2E
Kd P.A.'93
1A

1

H2-2

2 2
1 2
Kd P.A.'94

1A

1A 1
Kmv P.A.'92

1

1A
2-1

1
Kmv
Kd

1M
Kmv
Kd

6

1
Kmv
Kd

4M
Kmv
Kd

9 4
Kmv
Kd

R 13 W

1M 12

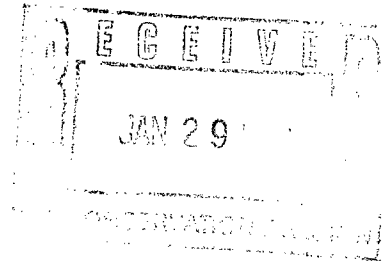
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TAURUS

TAURUS EXPLORATION USA, INC.
2198 Bloomfield Highway
Farmington, New Mexico 87401
Telephone (505) 325-6800

January 27, 1998

Mr. David Catanach
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505



RE: Downhole Commingle Application
Wright State Com 1E
Section 36, T32N, R13W
San Juan County, New Mexico

Dear Mr. Catanach:

The additional information you requested concerning our Application to Downhole Commingle our Wright State Com 1E well is as follows:

Wildcat Gallup
Basin Dakota

1214 BTU
1177 BTU

In addition, the New Mexico Commissioner of Public lands has been notified of this application.

Thank you for informing us of this deficiency. Your help in this matter is appreciated.

Sincerely,

Gary W. Brink
Production Superintendent

GWB/df