

4/29/2017 DATE IN	SUSPENSE	WAM ENGINEER	4/29/2017 LOGGED IN	OTC TYPE	PMAMM 1183624 APP NO.
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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 _____

-DHC 4814
 -Bucitburn operating LT
 370080

WCL
 Encon in state # 20
 30-025-43656
 POW
 -Tubbs oil & Gas (oil)
 60240

[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, 62700

[F] ☐ Waivers are Attached

-DINKAND
 19/90
 -Bucitburn oil &
 Gas (oil)
 6660
 -Winkler 1150

[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.

Shelly Doescher
 Print or Type Name

Signature

Agent
 Title

04/25/2017
 Date

shelly_doescher@yahoo.com
 e-mail Address

April 25, 2017

Mr. Michael McMillan
New Mexico Oil Conservation Division
Engineering Bureau
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Re: Form C-107A: Application for Downhole Commingling
Breitburn Operating LP
Encore M State No. 020
API No. (30-025-43656)
2096' FNL & 2205' FEL
Section 29, T-22 South, R-37 East, NMPM
Lea County, New Mexico

Dear Mr. McMillan:

Attached is a C-107A application and attachments to downhole commingle the Blinebry Oil & Gas (Oil-6660), Drinkard (19190), Tubb Oil & Gas (Oil-60240), and Wantz-Abo (62700) Pools within Breitburn's Encore M State No. 020.

Please reference DHC-4735A issued 09/03/2015, for the Encore M State No. 018 (API 30-025-42392), DHC 4737-A issued 04/08/2015, for the Encore M State No. 015 (API 30-025-42363), and DHC 4636-A issued 04/30/2015 for the Encore M State No. 016. Given the close proximity of the Encore M State No. 020 to these wells, historical production from the same pools will be used to establish an allocation of 25% for each zone as indicated on the attached C-107A.

Please note that the working, royalty and overriding royalty interest ownership in this well is common throughout. Consequently, notice of this application is not required to any interest owner. (See attached letter).

Approval of this application will afford Breitburn the opportunity to recover additional oil and gas reserves from the Blinebry Oil & Gas (Oil), Tubb Oil & Gas (Oil), Drinkard and Wantz;Abo Pools within the Encore M State No. 18 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

If there should be any questions, please call me at 505-320-5682 or Jeannie McMillan, Regulatory Manager at 713-634-4696.

Sincerely,



Shelly Doescher
Agent
Breitburn Operating, LP



April 20, 2017

SENT VIA EMAIL

Mr. Michael McMillan
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application to Downhole Commingle
Encore M State No. 20
API No. 30-025-43656
Section 29, T22S-R37E (UL G)
Lea County, New Mexico

Dear Mr. McMillan,

This letter is to clarify ownership in the Encore M State No. 20 Lease and should be included in the application for the above downhole commingle.

The ownership is consistent and identical in the Encore M State No. 20 Lease for all of the pools (zones) to be downhole commingled: Blinbry Oil and Gas (Oil) (6660); Tubb Oil and Gas (Oil) (60240); Drinkard (19190); Wantz;Abo (62700) and Devonian (WC-025 G04 S2237201).

Please contact me at 713-632-8741 or jaclyn.martin@breitburn.com if you have any questions or if you'd like any additional information. Thank you for your assistance in this matter.

Warm Regards,

Jaclyn Martin, RPL
Advanced Landman
Breitburn Management Company, LLC
1111 Bagby Street, Suite 1600
Houston, Texas 77002

Breitburn Management Company, LLC
Providing management to Breitburn Operating LP and Breitburn Energy Partners LP

1111 Bagby Street Suite 1600 Houston, TX 77002 (713) 437-8000 Direct (713) 632-8741 Fax (713) 236-2724

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

District II
811 S. First St., 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

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

Form C-107A
Revised August 1, 2011

APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE

APPLICATION FOR DOWNHOLE COMMINGLING

☒ Yes ☐ No

Breithurn Operating LP

1111 Bagby Street, Suite 1600 Houston, Texas 77002

Operator Address
Encore M State 020 Unit G, Section 29, T-22 South, R-37 East LEA

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 370080 Property Code 314022 API No. 30-025-43656 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE 1	INTERMEDIATE ZONE 2	LOWER ZONE
Pool Name	Blinebry Oil & Gas (Oil)	Tubb Oil & Gas (Oil)	Drinkard	Wantz-Abo
Pool Code	06660	60240	19190	62700
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5066 - 5469'	5469' - 6093'	6093 - 6258'	6258' - 6665'
Method of Production (Flowing or Artificial Lift)	Artificial Lift	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)	Not Required	Not Required	Not Required	Not Required
Oil Gravity or Gas BTU (Degree API or Gas BTU)	38 Deg. API 1342 BTU	38 Deg. API 1342 BTU	38 Deg. API 1342 BTU	38 Deg. API 1342 BTU
Producing, Shut-In or New Zone	New Zone	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: 5 BOPD 16 MCFGD 10 BWPD	Estimated: 5 BOPD 16 MCFGD 10 BWPD	Estimated: 5 BOPD 16 MCFGD 10 BWPD	Estimated: 5 BOPD 16 MCFGD 10 BWPD
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 Water 25% 25% 25%	Oil Gas Water 25% 25% 25%	Oil Gas Water 25% 25% 25%	Oil Gas Water 25% 25% 25%

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



TITLE: Agent

DATE: April 25, 2017

Shelly Doescher

TELEPHONE NO: (505) 320-5682

E-MAIL ADDRESS: shelly_doescher@yahoo.com

Additional Contact:

Jeanie McMillan
Regulatory Manager
Breitburn Operating, LLP
(713) 634-4696

Dal Payne
Engineer
713-452-2882

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-43656	² Pool Code 6660	³ Pool Name Blinebry Oil and Gas (Oil)
⁴ Property Code	⁵ Property Name Encore M State	⁶ Well Number 020
⁷ ORD No. 370080	⁸ Operator Name Breitburn Operating LP	⁹ Elevation 3368'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	29	22 S	37 E		2096'	North	2205'	East	Lea

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

¹² Dedicated Acres	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.

	<p>¹⁷OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Shelly Doescher</i> 02/28/2017 Signature Date</p> <p>Shelly Doescher Printed Name</p> <p>shelly_doescher@yahoo.com E-mail Address</p> <p>¹⁸SURVEYOR 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.</p> <p>2-20-2017 Date of Survey</p> <p><i>Michael L. Stanford</i> Signature and Seal of Professional Surveyor</p> <p>10324 Certificate Number</p>
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5.2 Miles SW of Eunice, New Mexico.

File No. A-11433

DISTRICT I1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720**DISTRICT II**811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720**DISTRICT III**1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170**DISTRICT IV**1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 August 1, 2011

Submit one copy to appropriate
District Office☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-025-43656		² Pool Code 60240		³ Pool Name Tubb Oil and Gas (Oil)	
⁴ Property Code		⁵ Property Name Encore M State			⁶ Well Number 020
⁷ GRID No. 370080		⁸ Operator Name Breitburn Operating LP			⁹ Elevation 3368'

¹⁰Surface Location

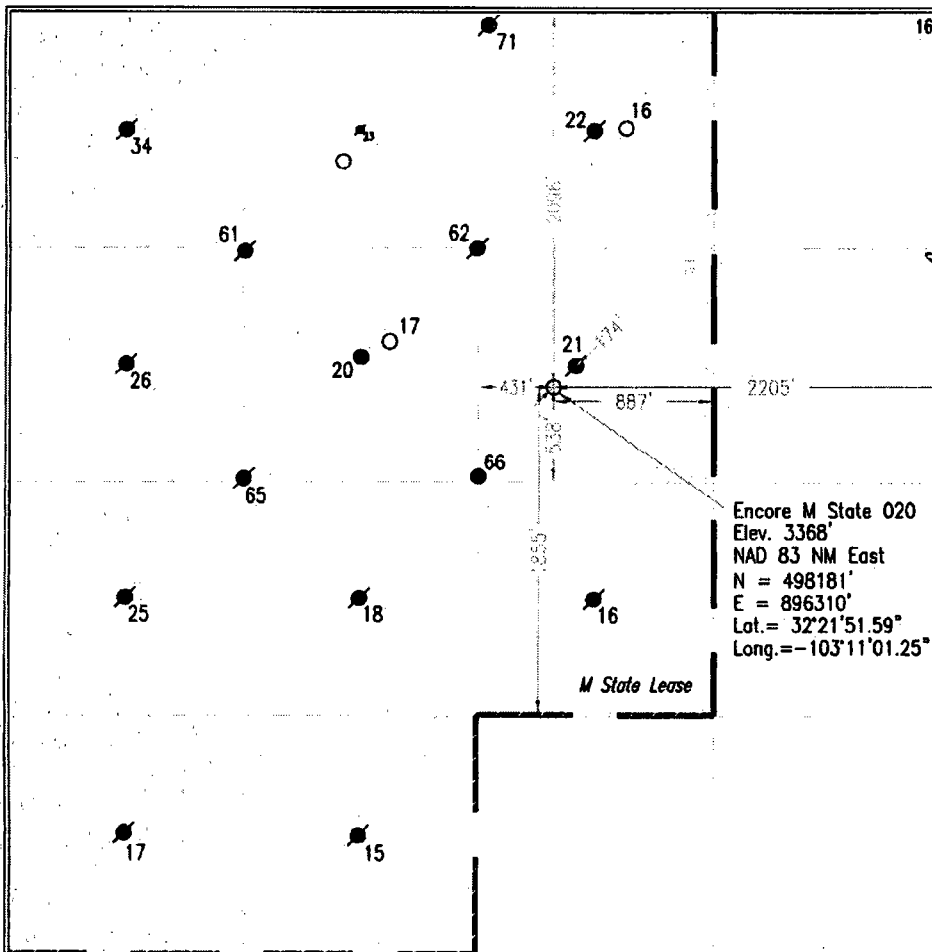
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	29	22 S	37 E		2096'	North	2205'	East	Lea

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

¹² Dedicated Acres	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.

**¹⁷OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Shelly Doescher 02/28/2017
Signature Date

Shelly Doescher

Printed Name

shelly_doescher@yahoo.com

E-mail Address

¹⁸SURVEYOR 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.

2-20-2017

Date of Survey

Signature and Seal of Professional Surveyor

MICHAEL L. STANFORD
NEW MEXICO
REGISTERED PROFESSIONAL LAND SURVEYOR
10324

10324

Certificate Number

5.2 Miles SW of Eunice, New Mexico.

File No. A-11433

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Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-43656	² Pool Code 19190	³ Pool Name Drinkard
⁴ Property Code	⁵ Property Name Encore M State	⁶ Well Number 020
⁷ GRID No. 370080	⁸ Operator Name Breitburn Operating LP	⁹ Elevation 3368'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	29	22 S	37 E		2096'	North	2205'	East	Lea

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
¹² Dedicated Acres	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.

	<p>¹⁷OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Shelly Doescher</i> Date: 02/28/2017</p> <p>Printed Name: Shelly Doescher</p> <p>E-mail Address: shelly_doescher@yahoo.com</p> <p>¹⁸SURVEYOR 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.</p> <p>Date of Survey: 2-20-2017</p> <p>Signature and Seal of Professional Surveyor: <i>Michael L. Stanford</i></p> <p>10324</p> <p>Certificate Number: 10324</p>
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5.2 Miles SW of Eunice, New Mexico.

File No. A-11493

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
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Phone: (575) 748-1283 Fax: (575) 748-9720

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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 August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-43656		² Pool Code 62700		³ Pool Name Wantz; Abo	
⁴ Property Code		⁵ Property Name Encore M State			⁶ Well Number 020
⁷ OGED No. 370080		⁸ Operator Name Breitburn Operating LP			⁹ Elevation 3368'

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
G	29	22 S	37 E		2096'	North	2205'	East	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	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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	<p>¹⁷OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Shelly Doescher</i> Date: 02/28/2017</p> <p>Printed Name: Shelly Doescher</p> <p>E-mail Address: shelly_doescher@yahoo.com</p>
	<p>¹⁸SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey: 2-20-2017</p> <p>Signature and Seal of Professional Surveyor: <i>Michael L. Stanford</i></p> <p>Certificate Number: 10324</p>
	<p>Encore M State 020 Elev. 3368' NAD 83 NM East N = 498181' E = 896310' Lat. = 32°21'51.59" Long. = -103°11'01.25"</p> <p>M State Lease</p>

5.2 Miles SW of Eunice, New Mexico.

File No. A-11433