

AMEND DHC

9/28/00

25756912

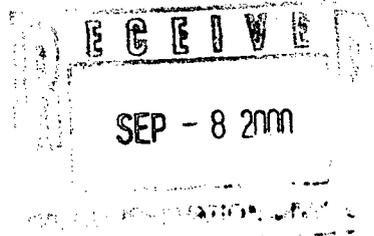
Sapient Energy Corp.

Western Operations
621 17th Street, Suite 1800
Denver, Colorado 8029 3-0621

Telephone 303 675-0007
Facsimile 303 675-0008

September 5, 2000

Oil Conservation Division
2040 South Pacheco St.
Santa Fe, New Mexico 87505



RE: Application for Downhole Commingling
Federal 24 #2
"N" Section 24, T20S-R38E
Lea County, New Mexico

Gentlemen:

Please find enclosed an Amended Application for Downhole Commingling. Percentage allocations are based on current and past production. All affected parties have been notified of this application by certified mail. I have included a copy of the previously approved DHC-Order.

Please advise if you have any questions, or need additional information. We appreciate your prompt attention with this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "April J. Carlson". The signature is fluid and cursive, written over the typed name and title.

April J. Carlson
Operations Technician

cc: Hobbs District Office

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

District II
811 South First Street, Artesia, NM 88210

OIL CONSERVATION DIVISION

APPLICATION TYPE

District III
1000 Rio Brazos Road, Aztec, NM 87410

2040 South Pacheco
Santa Fe, New Mexico 87505

Single Well

District IV
2040 South Pacheco, Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Establish Pre-Approved Pools

EXISTING WELLBORE

Yes No

Sapient Energy Corporation

621 17th Street, Suite 1800 Denver Colorado 80293-0621

Operator

Address

Federal 24

2

N Sec 24 T20S-R38E

Lea

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 169415 Property Code 23401 API No. 30-025-33779 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Blinebry	Tubb	Abo
Pool Code	06660	87085	15200
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6,026'-42', 6,124'-28', 6,133'-38'	6,530'-6,780'	7312-24, 7404-16
Method of Production (Flowing or Artificial Lift)	Pumping	Pumping	Pumping
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)	37.2	37.2	37.2
Producing, Shut-In or New Zone	Producing	Producing	Producing
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: 02-2000 thur 03-2000 Rates: 15.89 Oil, 36.74 Gas 12.56 Water	Date: 02-2000 thur 03-2000 Rates: 3.97 Oil, 23.06 Gas 12.56 Water	Date: 4-21-00 thur 5-18-00 Rates: 3.69 Oil, 12.26 Gas 34.40 Water
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 67% 51% 22%	Oil Gas Water 17% 32% 17%	Oil Gas Water 16% 17% 61%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? 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 Gerald Lucero TITLE Manager of Operations DATE September 5, 2000

TYPE OR PRINT NAME Gerald Lucero TELEPHONE NO. (303) 675-0007

Sapient Energy Corporation
 Amended Commingling Allocations
 Federal 24 #2

	Oil	Water	Gas
4/21/00	10	65	45
4/22/00	8	60	80
4/23/00	40	110	90
4/24/00	70	125	100
4/25/00	29	100	100
4/26/00	15	59	70
4/27/00	20	48	60
4/28/00	25	90	80
4/29/00	30	65	80
4/30/00	33	70	75
5/1/00	30	60	75
5/2/00	15	60	60
5/3/00	25	50	70
5/4/00	27	65	80
5/5/00	17	65	90
5/6/00	20	60	70
5/7/00	22	81	70
5/8/00	24	78	72
5/9/00	10	30	40
5/10/00	30	41	91
5/11/00	28	60	90
5/12/00	25	51	80
5/13/00	25	46	82
5/14/00	25	46	80
5/15/00	25	40	80
5/16/00	15	21	50
5/17/00	21	26	70
5/18/00	23	26	72
5/19/00	23	26	72
5/20/00	20	26	60
	730	1750	2234
	23.55	56.45	72.06

Commingled Allocations		
	Abo	
Oil	Gas	Water
16%	17%	61%
	Blinebry	
Oil	Gas	Water
67%	51%	22%
	Tubb	
Oil	Gas	Water
17%	32%	17%

Blinebry Production 2-2000 thru 3-2000 Daily Average

Oil	Gas	Water
15.89	36.74	12.56

Tubb Production 2-2000 thru 3-2000 Daily Average

Oil	Gas	Water
3.97	23.06	9.49

Total of Blinebry and Tubb 3-2000 Production

Oil	Gas	Water
19.86	59.8	22.05

Abo Production - (Previous production subtracted from the commingled test period production)

Oil	Gas	Water
3.69	12.26	34.40

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-33779	Pool Code 15200	Pool Name Abo
Property Code 23401	Property Name Federal 24	Well Number 2
OGRID No. 169415	Operator Name Sapient Energy Corporation	Elevation 3566'

Surface Location

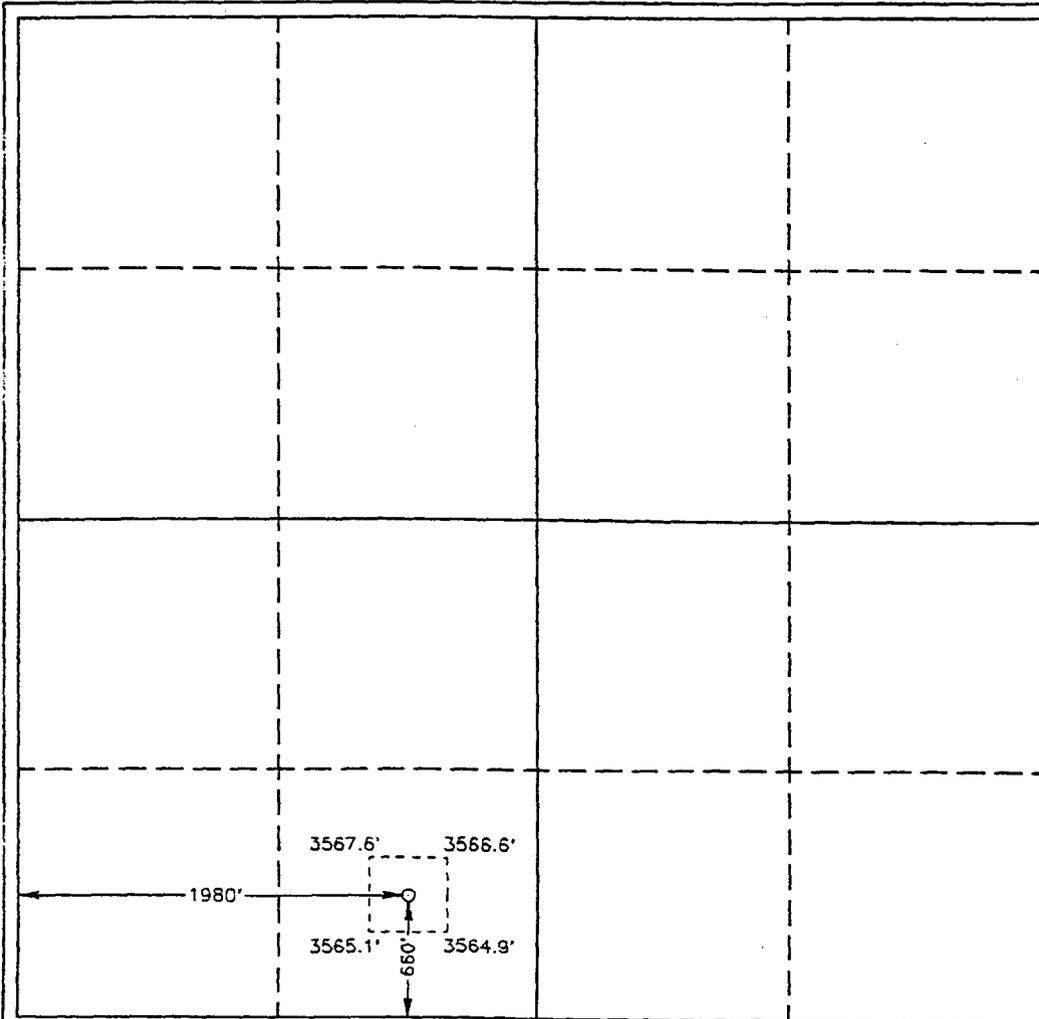
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	24	20 S	38 E		660	South	1980	West	Lea

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

Dedicated Acres	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



OPERATOR CERTIFICATION

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

Gerald Lucero
Signature

Gerald Lucero
Printed Name

Mgr. of Operations
Title

September 5, 2000
Date

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.

October 30, 1996
Date Surveyed

GARY L. JONES
Signature & Seal of Professional Surveyor

W.O. No. 6457a

Certificate No. **Gary L. Jones** 7977

BASIN SURVEYS

Sapient Energy Corp.

Western Operations
621 17th Street, Suite 1800
Denver, Colorado 8029 3-0621

Telephone 303 675-0007
Facsimile 303 675-0008

September 5, 2000

Sheehy & Richardson
1408 Washington
Waco, TX 76701

RE: Application for Downhole Commingling
Federal 24 #2
"N" Section 24, T20S-R38E
Lea County, New Mexico

To Whom It May Concern:

We request that you execute this letter signifying your waiver to any objection of said commingling.

✓ Please route an executed copy of this letter to the New Mexico Oil Conservation Division at 2040 Pacheco Street, Santa Fe, New Mexico 87505. Thank you for your cooperation in this matter.

Sincerely



April J. Carlson
Operations Technician

We hereby waive any objection to Falcon Creek Resources, Inc.'s Application for Downhole Commingling of the Federal 24 #2.

Sheehy & Richardson

By: John F. Sheehy Jr
Title: Partner
Print Name: JOHN F. SHEEHY JR
Date: 9/15/00