

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

DISTRICT II
611 South First St., Artesia, NM 88210

DISTRICT III
1000 Rio Grande Rd., Aztec, NM 87410

SEP 27 1999

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-8429

2452

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

APPROVAL PROCESS:
 Administrative Hearing

EXISTING WELLBORE
 YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator: Kaiser-Francis Oil Company Address: P. O. Box 21468, Tulsa, OK 74121-1468

Case: Bell Lake Unit Well No. 12 Unit Lev. - 34E - 1WB - R3E County: Lea

OGRID NO. 012361 Property Code 005436 API NO. 30-025-24335 Federal State (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Bell Lake 5/60 Cherry Canyon		Bell Lake Bone Springs 5/30
2. Top and Bottom of Pay Section (Perforations)	6821 - 6840		8697 - 8778
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	AL		AL
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 500 psi	a.	a. 500 psi
	b. (Original) unk	b.	b. 2764 psi
6. Oil Gravity (° API) or Gas BTU Content	Oil - 36° Gas - 1183 BTU		Oil - 43° Gas - 1203 BTU
7. Producing or Shut-In?	SI		SI
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: 12/94 Rates: 2 BO, 20 BW, 6 MCF	Date: Rates:	Date: 7/87 Rates: 8 BO, 17 BW, 14 MCF
	Date: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)			
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 20 % Gas: 30 %	Oil: % Gas: %	Oil: 80 % Gas: 70 %

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. NMOC Reference Cases for Rule 303(C) Exceptions: ORDER NO(S). n/a

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 Charlotte Van Valkenburg TITLE Technical Coordinator DATE 9/23/99

TYPE OR PRINT NAME Charlotte Van Valkenburg TELEPHONE NO. (918) 491-4314

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-A
New 3-12-86

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-8429

APPROVAL PROCESS:

Administrative Hearing

EXISTING WELLBORE

YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

DISTRICT I
P.O. Box 1880, Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 No Brans Rd., Aztec, NM 87410

Kaiser-Francis Oil Company P. O. Box 21468, Tulsa, OK 74121-1468

Operator: Bell Lake Unit Well No. 12 Unit Cr. - EOR - TWS - Rgs J 31-23S-34E Lea County

Existing Unit Lease Types: (check 1 or more)
OGRID NO. 012361 Property Code 005436 API NO. 30-025-24335 Federal State (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Cherry Canyon		Bone Springs
2. Top and Bottom of Pay Section (Perforations)	6821 - 6840		8697 - 8778
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	AL		AL
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 500 psi	b.	a. 500 psi
	b. (Original) unk	b.	b. 2764 psi
6. Oil Gravity (°API) or Gas BTU Content	Oil - 36° Gas - 1183 BTU		Oil - 43° Gas - 1203 BTU
7. Producing or Shut-In?	SI		SI
Production Marginal? (yes or no)	Yes		No
* If Shut-In, give date and oil/gas/water rates of last production <small>Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data</small>	Date: 12/94 Rates: 2 BO, 20 BW, 6 MCF	Date: Rates:	Date: 7/87 Rates: 8 BO, 17 BW, 14 MCF
	Date: Rates:	Date: Rates:	Date: Rates:
* 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: 20 % Gas: 30 %	Oil: % Gas: %	Oil: 80 % Gas: 70 %

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(C) Exceptions: ORDER NO(S). n/a
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 Charlotte Van Valkenburg TITLE Technical Coordinator DATE 9/23/99

TYPE OR PRINT NAME Charlotte Van Valkenburg TELEPHONE NO. (918) 491-4314

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Conoco Inc.		Lease Bell Lake Unit			Well No. 12
Unit Letter J	Section 31	Township 23S	Range 34E	County Lea	

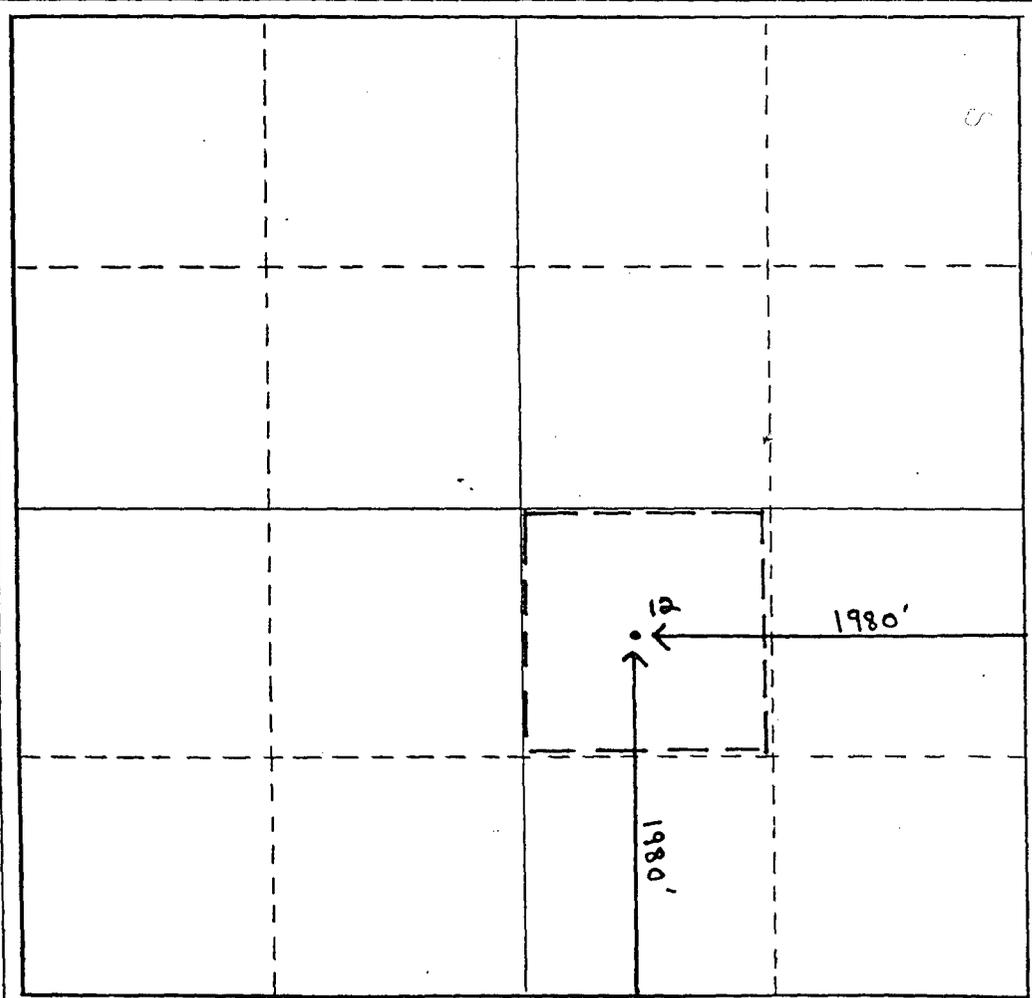
Actual Footage Location of Well:
1980 feet from the **South** line and **1980** feet from the **East** line
 Ground Level Elev. **3613'** Producing Formation **Cherry Canyon** Pool **Bell Lake Cherry Canyon** Dedicated Acreage: **40** Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name *D.F. Finney*
 Position **Adm. Supervisor**
 Company **Conoco Inc.**
 Date **5/11/88**

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 knowledge and belief.

Date Surveyed _____
 Registered Professional Engineer and/or Land Surveyor _____
 Certificate No. _____



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

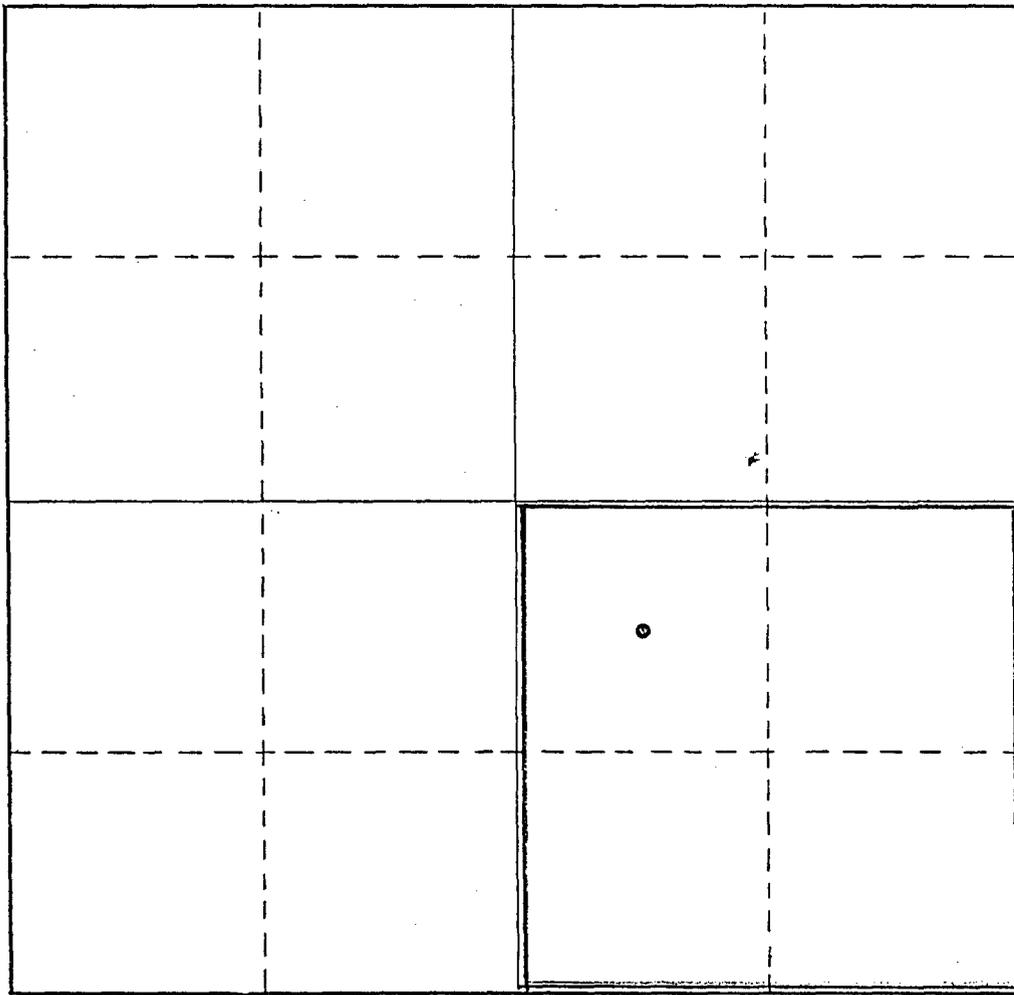
Operator <i>Continental Oil Company</i>		Lease <i>Sell Lake Unit</i>		Well No. <i>12</i>
Unit Letter <i>J</i>	Section <i>31</i>	Township <i>23 S</i>	Range <i>34 E</i>	County <i>Lin</i>
Actual Footage Location of Well: <i>1980</i> feet from the <i>South</i> line and <i>1980</i> feet from the <i>East</i> line				
Ground Level Elev. <i>3613</i>	Producing Formation <i>Bone Spring</i>	Pool <i>Sell Lake Bone Spring</i>	Dedicated Acreage: <i>160</i> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Robert Gault
Name

Administrative Supervisor
Position

Continental Oil Company
Company

6-7-73
Date

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 knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.



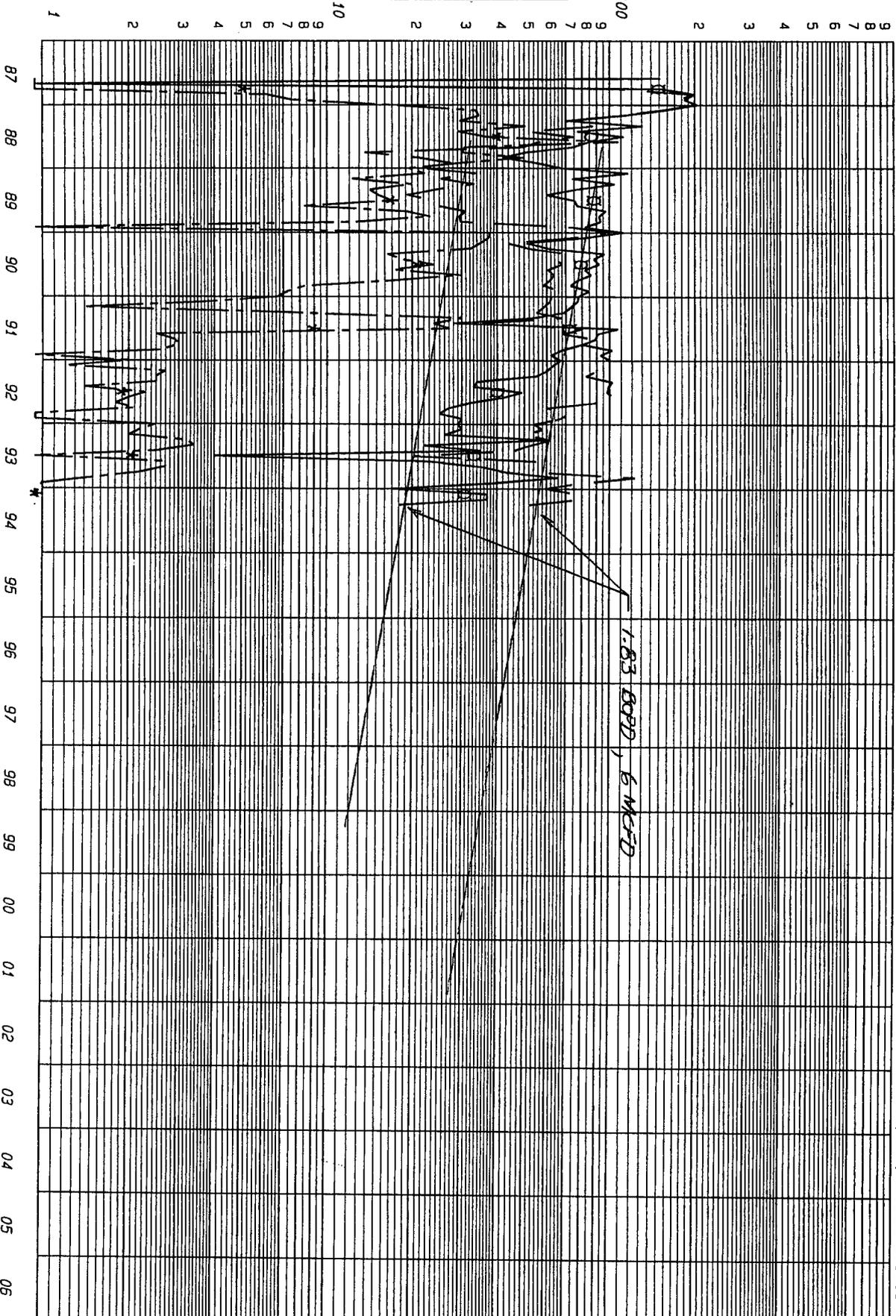
1000 Lease: BELL LAKE STATE

012

Dwights

Retrieval Code: 100, 025, 3002524335051

Oil (BBL/MO)



F.P. Date 07-87

County: LEA
 Field: BELL LAKE (CHERRY CANYON)
 Reservoir: CHERRY CANYON
 Operator: KAISER-FRANCIS OIL CO
 Oil Cum: 5768
 Location: 23534E31J
 State: NM
 Gas Cum: 11171

Date: 09-13-99

DWIGHTS ENERGYDATA, INC. File: BELL.DMP RUN DATE: 09/13/99
 KAISER-FRANCIS OIL CO DATA CURRENT THRU: 03/94
 BELL LAKE STATE (#100,025,3002524335051)

*** ANNUAL PRODUCTION HISTORY ***

YEAR	OIL BBLs	CASINGHEAD GAS/MCF	WATER BBLs
1987	892	303	7838
1988	1034	4808	7322
1989	1058	2019	4491
1990	950	2501	7471
1991	865	1068	8908
1992	479	227	10114
1993	398	245	7163
1994	92	0	2084

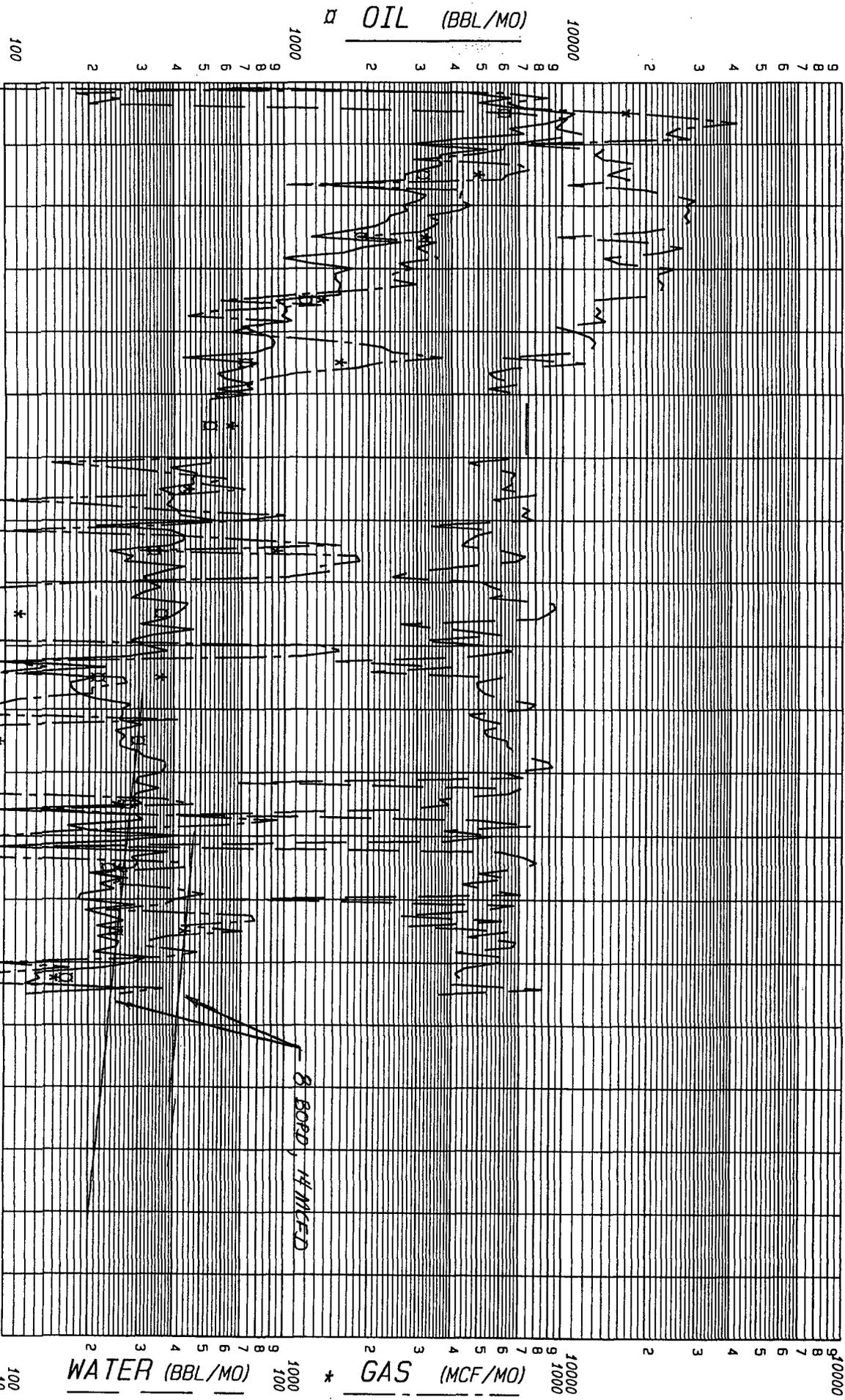
Avg 2.6 BOPD, 6.85 MCFD, 20.47 BOPD

100000 Lease: BELL LAKE UNIT

012

Dwights

Retrieval Code: 100, 025, 23534E31J00B5



OIL (BBL/MO)

GAS (MCF/MO)

WATER (BBL/MO)

F.P. Date 01-73

Date: 09-13-99

County: LEA
 Field: BELL LAKE (BONE SPRING)
 Reservoir: BONE SPRING
 Operator: CONOCO, INC.
 Oil Cum: 194682
 Location: 23534E31J
 State: NM
 Gas Cum: 380572

DWIGHTS ENERGYDATA, INC. File: BELL.DMP RUN DATE: 09/13/99
 CONOCO, INC. DATA CURRENT THRU: 06/87
 BELL LAKE UNIT (#100,025,23S34E31J00BS)

*** ANNUAL PRODUCTION HISTORY ***

YEAR	OIL		CASINGHEAD		WATER	
	BBLS	BBLS	GAS/MCF	BBLS	BBLS	BBLS
1973	74769	204460	6695			
1974	37854	59681	22195			
1975	22668	38366	26449			
1976	14272	16318	19939			
1977	8700	18948	10523			
1978	6450	7638	8857			
1979	5272	5380	7911			
1980	4082	11178	5799			
1981	4321	1338	7453			
1982	2576	4288	6161			
1983	3572	764	7781			
1984	3331	3015	5451			
1985	2814	3046	6153			
1986	3003	5246	6423			
1987	998	906	2891			
<u>Avg 8.23 BOPD, 14.87 MCFD, 17.6 BOPD</u>						

Affidavit of Mailing

I, Charlotte Van Valkenburg, Technical Coordinator for Kaiser-Francis Oil Company, duly states that notice of the Application for Downhole Commingling for the Bell Lake Unit #12, J Sec. 31-23S-34E, Lea Co., NM, was given by certified mail on September 23, 1999 to the offset operators as listed below:

BHP Petroleum (Americas) Inc.
Attn: Reg. Dept.
1360 Post Oak Blvd., Suite 500
Houston, TX 77056-3020

Toco LLC
P. O. Box 754
Midland, TX 79702-0754

Conoco, Inc.
10 Desta Drive W., Suite 100W
Midland, TX 79705

Ray Westall Operating, Inc.
P. O. Box 4
Loco Hills, NM 88255-0004

Certification

I declare that the data and facts stated herein are true, correct and complete to the best of my knowledge.


Charlotte Van Valkenburg

918-491-4314

Signed and sworn to before me this 23rd day of September, 1999.

My commission expires




Notary Public