

DATE IN <u>2/26/04</u>	SUSPENSE	ENGINEER <u>WVS</u>	LOGGED IN <u>LR</u>	TYPE <u>DHC</u>	APP NO. <u>PLR0405752558</u>
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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



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26 2004

OIL CONSERVATION
DIVISION

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.

Jimmy D. Carlile
 Print or Type Name

Jimmy D. Carlile
 Signature

Regulatory Affairs
Coordinator
 Title

2/3/04
 Date

jimmyc@forl.com
 e-mail Address

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

District II
1301 W. Grand Avenue, 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

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

Fasken Oil and Ranch, Ltd. 303 West Wall, Suite 1800 Midland, TX 79701
Operator Address
Laguna "16" State 1 P 16 20S 32E Lea
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 151416 Property Code 32342 API No. 30-025-36437 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Wildcat (Strawn)		Wildcat (Morrow)
Pool Code	97225		96070
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	12008' - 12016'		12970' - 12986'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
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)	6550 psi		5700 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1000 BTU		1000 BTU
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.)	Date: Rates: 0/500/0	Date: Rates:	Date: Rates: 0/250/0
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 67 % 67 %	Oil Gas % %	Oil Gas 33 % 33 %

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 Jimmy D. Carlile TITLE Coordinator DATE 2/3/04
TYPE OR PRINT NAME Jimmy D. Carlile TELEPHONE NO. (432) 687-1777
E-MAIL ADDRESS jimmyc@for1.com

Fasken Oil and Ranch, Ltd.

Laguna "16" State No. 1

Application for Downhole Commingling

Additional Data

Production curves for the Morrow and Strawn zones are not available since these are new completions in this well. Each zone is considered marginal. Combining two marginal zones will provide a more reasonable economic return. The combined total anticipated production from both zones is estimated to be 750 MCFPD.

Estimated production rates for the Morrow are based on DST data. Estimated production rates for the Strawn are based on porosity-thickness compared to the Morrow. The estimated gas and condensate rates and suggested percentages are as follows:

Strawn	250 mcf/d	33%	1 bcpd	33%
Morrow	500 mcf/d	67%	2 bcpd	67%

All working, royalty and overriding interests in this well are common and therefore, no notice is required.

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36437	Pool Code 97225	Pool Name Wildcat (Strawn)
Property Code 32342	Property Name LAGUNA "16" STATE	Well Number 1
OGRID No. 151416	Operator Name FASKEN OIL & RANCH, LTD.	Elevation 3512'

Surface Location

UL or lot No. P	Section 16	Township 20 S	Range 32 E	Lot Idn	Feet from the 660	North/South line SOUTH	Feet from the 660	East/West line EAST	County LEA
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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 320	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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature Jimmy D. Carlile Printed Name Regulatory Affairs Coord. Title 2/3/04 Date	
	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> APRIL 24, 2003 Date Surveyed Signature & Seal of Professional Surveyor 7977 W.O. No. 3231A Certificate No. Gary L. Jones 7977 BASIN SURVEYS	

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State of New Mexico
Energy, Minerals and Natural Resources Department

Well File
Extra Notes
Form C-102
Revised March 17, 1999

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OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36437	Pool Code 96070	Pool Name Wildcat (Morrow)
Property Code 32342	Property Name LAGUNA "16" STATE	Well Number 1
OGRID No. 151416	Operator Name FASKEN OIL & RANCH, LTD.	Elevation 3512'

Surface Location

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Dedicated Acres 320	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 the the information contained herein is true and complete to the best of my knowledge and belief.	
				Signature <i>Jimmy D. Carlile</i>	
				Printed Name Jimmy D. Carlile	
				Title Regulatory Affairs Coord.	
				Date 2/3/04	
				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.	
				Date Surveyed APRIL 24, 2003	
				Signature & Seal of Professional Surveyor <i>W. O. Jones</i>	
				Certificate No. 7977	
				Professional Surveyor	
				BASIN SURVEYS	

LAT - N32°34'04.3"
LONG - W103°45'53.4"

660'

660'