		N.M. Oil Co	ons. Divi	CIS
	UNITED STATE EPARTMENT OF THE I IREAU OF LAND MAN	811 S. 1st Str Artesia, NM NTERIOR	reet	FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993 5. Lease Designation and Serial No.
Do not use this form for prop	NOTICES AND REPO posals to drill or to deep CATION FOR PERMIT—	en or reentry to a diff	erent reservoir.	NM 84701 see attached 6. If Indian, Allonce or Tribe Name
	SUBMIT IN TRIPLIC	ATE MEGE		7. If Unit or CA, Agroement Designation
Type of Well Oil Well Well Other		AUG 2 -	1000	8. Well Name and No.
Name of Operator		N. K	- 1999	Dagger Draw: 31 Fel
Nearburg Producing Co Address and Telephone No.	ompany	OIL COR	# IFANA	9. APT Well No. 30-015-26425
P. O. Box 823085, Dal	las, Texas 75382-3	1085 (254) 73	9-1778	10. Field and Pool, or Exploratory Area
Location of Well (Footage, Sec., T., R.,	M., or Survey Description)		- 25	11. County or Parish, State
31	-195-25E		1	11. County of Farital, State
	6601	N 1060/m		
CHECK APPROPR	NATE BOX(s) TO INDI	CATE NATURE OF N	IOTICE, REPOR	T, OR OTHER DATA
TYPE OF SUBMISSIO	N		TYPE OF ACTION	
Notice of Intent		Abandonment		Change of Plans
-		Recompletion		
L] Subsequent Report		Casing Repair		Water Shut-Off
Final Abandonment Not	ice	Altering Casing Other <u>commingli</u>	ng	Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well
				Completion or Recompletion Report and Log form.) any proposed work. If well is directionally drilled,
give subsurface locations and measu	ared and true vertical depths for all r	narkers and zones pertinent to the acce commingling,	off-lease sto	orage and measurement
	e No. NM 84701 31 Federal #1, #4 a	ind #5		CA AR
- 1 1 1				
Federal Lease Dagger Draw	e Nos. NM 0559175 a 31 Federal Com #2 a	and $#6$		II 17 N
	e <u>No. NM 25488</u> deral #1, #2 and #1	a a a a a a a a a a a a a a a a a a a		
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		000 C		
			ATTACHED	
1				
14. I hereby certify that the foregoing is tru	1 100 -	CONDIT	IONS OE API	PROVAL
14. 1 hereby critify that the foregoing is tru Signed Contraction of the series (This space for Federal or State office to (ORIG. SGD.) ALEXIS Approved by	C SHOTOLA THU	CONDIT	IONS OE AP	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CRA BLM FORMAT

APPLICATION FOR SURFACE COMMINGLING, OFF LEASE STORAGE AND MEASUREMENT APPROVAL

This Format Should Be Attached To A Sundry Notice

To: Bureau of Land Management P. O. Box 1778 Carlsbad, New Mexico 88221-1778

Nearburg Producing Company is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following formations and wells on Federal Lease No. NM 84701; Lease Name: Dagger Draw 31 Federal

<u>Well</u> <u>No.</u>	Loc.	Sec.	<u>Twp.</u>	Rng.	Formation
1	NW/4	31	19S	25E	Cisco/Canyon
4	NW/4	31	19S	25E	Cisco/Canyon
5	NW/4	31	19S	25E	Cisco/Canyon

with hydrocarbon production from the following formations and wells on Federal Lease Nos. NM 0559175 and NM 84701; Lease Name: Dagger Draw 31 Federal Com.

<u>Well</u> <u>No.</u>	Loc.	<u>Scc.</u>	<u>Twp.</u>	<u>Rng.</u>	Formation
2	W/2NE/4	31	19S	25E	Cisco/Canyon
6	E/2NE/4	31	19S	25E	Cisco/Canyon

with hydrocarbon production from the following formations and wells on Federal Lease No. NM 25488; Lease Name: Foster 31 Federal

<u>Well</u> No.	Loc.	Sec.	<u>Twp.</u>	<u>Rng.</u>	Formation
1	SW/4	31	19S	25E	Cisco/Canyon
2	SW/4	31	19S	25E	Cisco/Canyon
3	SW/4	31	19S	25E	Cisco/Canyon

Production from the wells involved is as follows:

Well Name and No.	BOPD	Oil Gravity	<u>MCFPD</u>
Dagger Draw 31 Federal No. 1	ТА		
Dagger Draw 31 Federal No. 4	10.8	41	39.6
Dagger Draw 31 Federal No. 5	12	41	55.2
Dagger Draw 31 Federal Com. No. 2	32.1	41	209.1
Dagger Draw 31 Federal Com. No. 6	78.9	41	412.5
Foster 31 Federal No. 1	58.1	41	125
Foster 31 Federal No. 2	17	41	170.9
Foster 31 Federal No. 3	18.8	41	117.5

The proposed operation is described in detail on the attached diagrams.

 Λ map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling/common storage facility. All unitized/communitized areas, producing zones/pools are also clearly illustrated.

 Λ schematic diagram is also attached which clearly identifies all equipment that will be utilized.

The storage and measuring facility is located at SE/4 NW/4 and NE/4 SW/4, Section 31, T19S, R25E, on Lease Numbers NM 84701 and NM 25488, Eddy County, New Mexico. BLM will be notified if there is any future change in the facility location.

Details of the proposed method for allocating production to contributing sources is as follows:

All oil, gas and water will be individually metered prior to surface commingling. Said meters will be calibrated on a regular basis.

The working interest owners have been notified of the proposal.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced Federal leases.

We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

Additional wells require additional commingling approvals.

Signature: Van N. Rodgen

Name: Van N. Rodgers

Title: Production Landman

Date: 7-16-96



The Central Tank Battery is 1.377 acres located in Units F and K

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ALL WELLS PRODUCE FROM THE CISCO/CANYON FORMATION

