

**ARCO Permian**

600 North Marientfeld  
 Midland, TX 79701-4373  
 P.O. Box 1610  
 Midland, TX 79702-1610  
 Telephone 915-688-5570  
 Facsimile 915-688-5956  
 Email [ecasbee@mail.arco.com](mailto:ecasbee@mail.arco.com)

Elizabeth A. Casbeer  
 Regulatory/Compliance Analyst

July 25, 2000

New Mexico Oil Conservation Division  
 ATTN: David Catanach  
 2040 S. Pacheco Street  
 Santa Fe, NM 87505

Bureau of Land Management  
 Carlsbad Resource Area  
 P. O. Box 1778  
 Carlsbad, NM 88220

N.M. Oil Cons. Division  
 811 S. 1st Street  
 Artesia, NM 88210-2834

SF

RECEIVED  
 2000 JUL 27 AM 10:18

NEW MEXICO  
 OIL CONSERVATION DIVISION

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 2000 JUL 27

RE: Application of ARCO Permian  
 for Downhole Commingling on  
 Sweet Thing Federal Unit Well No. 2  
 Little Box Canyon (Morrow) and Indian Loafer Draw (Upper Penn) Pools  
 Eddy Co., NM

NM 82831  
~~82835~~ lease

NM ~~82835~~ 71032 A agmt

JUL 4, 31, 2000, 22E

Mr. Catanach:

ARCO Permian respectfully requests administrative approval for downhole commingling on the Sweet Thing Federal Unit Well Number 2. Attached are the supporting documents for this application.

If you have any questions, please contact me at 915/688-5570. Please send the approved permit to:

ARCO Permian  
 ATTN: E. A. CASBEER, Room 959-54  
 P. O. Box 1610  
 Midland, TX 79702

Yours very truly,

*Elizabeth A. Casbeer*

Elizabeth A. Casbeer  
 Regulatory Compliance Analyst

Attachments

xc: Mike Brock – EUN  
 Gary Smallwood – 63323/MIO  
 Central Files - 041/MIO  
 R/C Files

APPROVED

LONG (300) ALEXIS C. SWOBODA

Alexis C. Swoboda, Petroleum Engineer  
 BUREAU OF LAND MANAGEMENT

## DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

## DISTRICT II

811 South First St., Artesia, NM 88210-2835

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410-1693

State of New Mexico  
Energy, Minerals and Natural Resources DepartmentForm C-107-A  
New 3-12-96

## OIL CONSERVATION DIVISION

2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

## APPLICATION FOR DOWNHOLE COMMINGLING

ARCO Permian

P.O. Box 1610 Midland, TX 79702

Sweet Thing Federal Unit #2

Lot 4-31-20.5S-22E

Eddy

Lease Well No. Unit Ltr. - Sec. - Twp. - Rge. County

OGRID NO. 21602 Property Code NM 82831 API NO. 30-015-30338

Spacing Unit Lease Types: (check 1 or more)  
Federal ☒ State ☐ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Indian Loafer Draw (Upper Penn)		Little Box Canyon (Morrow)
2. Top and Bottom of Pay Section (Perforations)	6710' - 7252'		8042' - 8088'
3. Type of production (Oil or Gas)	GAS		GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING		FLOWING
5. Bottomhole Pressure	a. (Current)	a.	a.
Oil Zones - Artificial Lift: Estimated Current			
Gas & Oil - Flowing: Measured Current			
All Gas Zones: Estimated Or Measured Original	2049 psi	b.	b. 2796 psi
6. Oil Gravity ( $^{\circ}$ API) or Gas BTU Content	S.G. gas 0.666		S.G. gas 0.640
7. Producing or Shut-in?	PRODUCING		PRODUCING
Production Marginal? (yes or no)			
* If Shut-in, give date and oil/gas/water rates of last production	Date: N/A Rates:	Date: Rates:	Date: N/A Rates:
Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data			
* 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: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

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OCD - ARTESIA

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?  
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 ☐ No11. 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 ☐ No13. 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(D) Exceptions: ORDER NO(S).

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 Elizabeth A. Casbeer TITLE Compliance Analyst DATE July 25, 2000TYPE OR PRINT NAME Elizabeth A. Casbeer TELEPHONE NO. ( 915 ) 688-5570

DISTRICT I  
P.O. Box 1988, Hobbs, NM 88241-1988

DISTRICT II  
P.O. Drawer ED, Artesia, NM 88211-0719

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

DISTRICT IV  
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

Form C-101  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

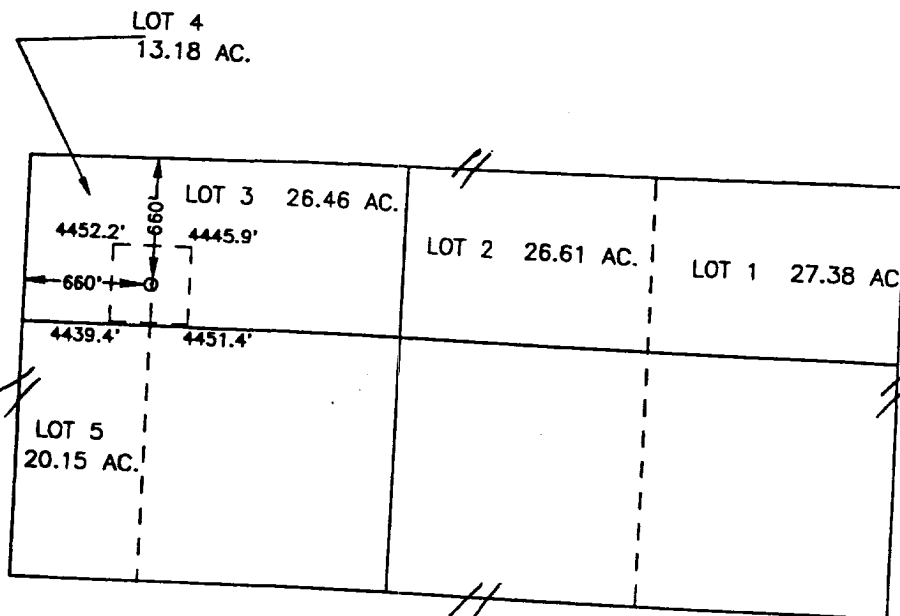
WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code 80240		Pool Name Little Box Canyon Morrow	
Property Code 15750		Property Name SWEETHING FEDERAL UNIT			
OGRID No. 021602		Operator Name STEVENS & TULL, Inc.			
				Well Number 2	
				Elevation 4443	

Surface Location									
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	31	20 1/2 S	22 E		660	NORTH	660	WEST	EDDY

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
4	31	20 1/2 S	22 E		660	North	660	West	Eddy
Dedicated Acres 233.79		Joint or Infill I		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

Michael G. Mooney

Printed Name

Consulting Engineer

Title

6/8/98

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.

MAY

28, 1998

Date Surveyed

Signature

Professional Surveyor

RONALD EIDSON

3239

W.O. Num 98-0837

5-29-98

Certificate No.

RONALD EIDSON,

PROFESSIONAL SURVEYOR

McDONALD,

JLP

3239

12841

12185