

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

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-107A
Revised May 15, 2000

APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

McKAY OIL AND GAS, LLC. P.O. BOX 14738, Albuquerque, NM 87191-4738

Operator SULLIVAN Address 3J A-29-29N-10W SAN JUAN
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 010715 Property Code API No. 30-045-23265 Lease Type: ☐ Federal ☐ State ☒ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Aztec Fruitland		Aztec P.O.
Pool Code	71200		71280
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	1564' - 1582'		1766' - 1806'
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1150		1150
Producing, Shut-In or New Zone	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: 8/2002 Rates: 3 MCFD	Date: Rates:	Date: 8/2002 Rates: 152 MCFD
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 % 2 %	Oil Gas % %	Oil Gas % 98 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? ☒
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐
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 ☐

NMOC 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 Dana Delventhal TITLE Agent DATE 1/21/03
TYPE OR PRINT NAME Dana Delventhal TELEPHONE NO. (505) 326-4125

No order in place 1-31-03



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

District II
P.O. Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos RD., Aztec, NM 87410

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

Instructions on back
Submit to Appropriate District Office

State Lease - 4 Copies
Fee Lease - 3 Copies

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-045-23265	2 Pool Code 71200 / 71280	3 Pool Name Aztec Fruitland Sand / Aztec Pictured Cliffs
4 Property Code	5 Property Name Sullivan	6 Well Number 3J
7 OGRID No. 10715	8 Operator Name McKay Oil and Gas, LLC	9 Elevation 5502' GL

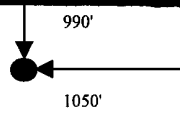
10 Surface Location

UL or lot no. A	Section 29	Township 29N	Range 10W	Lot Idn	Feet from the 990'	North/South line North	Feet from the 1050	East/West line East	County San Juan
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11 Bottom Hole Location If Different From Surface

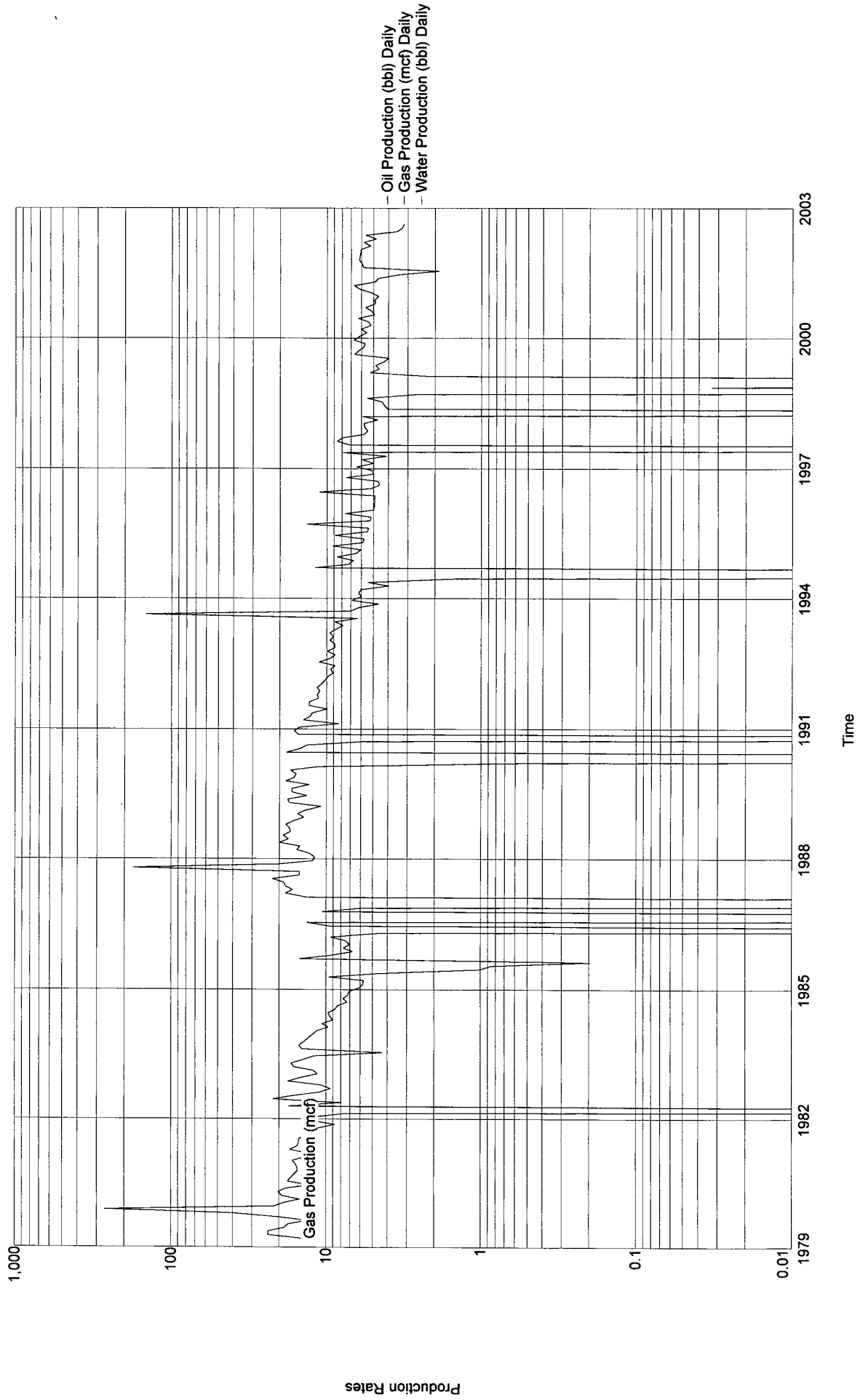
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 160 / 160	13 Joint or Infill N	14 Consolidation Code	15 Order No.						

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

16	 <p>Aztec Fruitland Aztec Pictured Cliffs Fee Lease</p>		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief	
			Signature <i>Dana Delventhal</i>	
			Printed Name Dana L. Delventhal	
			Title Agent	
Date 21-Jan-03		18 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 of Survey		Signature and Seal Professional Surveyor:		
Certificate Number				

Lease Name: SULLIVAN
County, State: SAN JUAN, NM
Operator: MCKAY OIL & GAS LIMITED LIABILITY CO
Field: AZTEC
Reservoir: FRUITLAND
Location: 29 29N 10W SW NE NE

SULLIVAN - AZTEC



Lease Name: SULLIVAN
County, State: SAN JUAN, NM
Operator: MCKAY OIL & GAS LIMITED LIABILITY CO
Field: AZTEC
Reservoir: PICTURED CLIFFS
Location: 29 29N 10W SW NE NE

SULLIVAN - AZTEC

