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SIGNATURE

TYPE OR PRINT NAME DEBORAH MARBERRY

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco Santa Fe, New Mexico 87505-6429 Form C-107-A New 3-12-96 APPROVAL PROCESS: Administrative ___ Hearing EXISTING WELLBORE

APPLICATION FOR DOWNHOLE COMMINGLING

NG WELLBORE

perat c 07	Addre	197 HOUSTON, TX 77252	-11
AN JUAN 28-7	53	- 28 - 28N - 71a/ RI	O ARRIBA
e de la companya de l	53 L Well No Unit Li	28 - 28N - 7W RI tr Sec - Twp - Rge	County
OGRID NO. 005073 Property Co	de <u>016608</u> API NO <u>30-0</u>		Unit Lease Types (check 1 or more) X , State , (and/or) Fee
The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
Pool Name and Pool Code	BASIN FRUITLAND COAL 71629	BLANCO PICTURED CLIFF 72359	SBLANCO MESAVERDE 72319
Top and Bottom of Pay Section (Perforations)	PROPOSED 3050' - 3245'	PROPOSED 3246'-3404'	4838'- 5605'
Type of production (Oil or Gas)	GAS - EXPECTED	GAS - EXPECTED	GAS
Method of Production (Flowing or Artificial Lift)	EXPECTED TO FLOW	EXPECTED TO FLOW	FLOWING
Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current	a. ^(Current) 1,167	a. 1,119	a. 540
Estimated Current Gas & Oit - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	b. ^(Original) 1,167	ь. 1,119	b. 1,250
6. Oil Gravity (° API) or Gas BTU Content	1,045	1,189	1,250
7. Producing or Shut-In?	TO BE COMPLETED	TO BE COMPLETED	PRODUCING
Production Marginal? (yes or no)	YES	YES	YES
If Shut-In, give date and oil/gas/ water rates of last production. Note For new zones with no production history appricant shall be required to attach production	Date Rates	Date. Rates:	Date: Rates
 If Producing, give date and oil/gas/ water rates of recent test (within 60 days) 	Pales ESTIMATED 150-250 MCFD	Date Rates ESTIMATED 200-300MCFD	Date: APPROX CURRENT 140MCFD
A 8 Fixed Percentage Allocation Formula -% for each zone	llocate by prod test OH Gas %	Allocate by prod test % Gas: %	Subtraction alloc
If allocation formula is based using submit attachments with support	pon something other than currer rting data and/or explaining met	nt or past production, or is based hod and providing rate projection	upon some other method as or other required data.
Are all working, overriding, and If not, have all working, overrid Have all offset operators been	royalty interests identical in all ing, and royalty interests been n given written notice of the propo	otified by certified mail?	Yes X No
Will cross-flow occur?Y flowed production be recovered.	es X No $$ If yes, are fluids cod, and will the allocation formula	mpatible, will the formations not be reliable. X_Yes t	be damaged, will any cros No (If No, attach explana
2. Are all produced fluids from all	commingled zones compatible v	with each other? X Y	es No
Will the value of production be	decreased by commingling?	Yes X No (If Ye	s, attach explanation)
If this well is on, or communitiz United States Bureau of Land I NMOCD Reference Cases for I	Management has been notified in	either the Commissioner of Public n writing of this application. ORDER NO(S).	C Lands or the X Yes No
Production curve for For zones with no pro- Data to support alloc Notification list all of Notification list of all	each zone for at least one year. oduction history, estimated produ ation method or formula. fset operators.	pacing unit and acreage dedication (If not available, attach explanation rates and supporting data.	ion.)

TITLE REGULATORY ANALYSTDATE 04/25/2000

TELEPHONE NO. (_____) (281)293-1005