

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980
DISTRICT II
811 S. 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 Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 875054-6429

Form C-107-A
New 3-12-96

APPROVAL PROCESS:

Administrative Hearing

EXISTING WELLBORE

YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Cross Timbers Operating Company 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401
Operator Address

Block "C" LS #11 K 28 T27N 08W San Juan
Lease Well No. Unit Ltr. - Sec - Twp - Rge County

OGRID NO. 167067 Property Code 022596 API NO. 3004506227
Spacing Unit Lease Types: (check 1 or more)
Federal X 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	S. Blanco Pictured Cliff 72439		Blanco Mesaverde 72319
2. Top and Bottom of Pay Section (Perforations)	2222' - 2238'		4498' - 4652'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift Gas & Oil - Flowing: Estimated Current All Gas Zones: Measured Current Estimated Or Measured Original	a. (Current) 227 psia (calc) b. (Original) 820 psia (calc)	a. b.	a. 441 psia (calc) b. 1121 psia (calc)
6. Oil Gravity (^o API) or Gas BTU Content)	1155 btu		1338 btu
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	yes		yes
* If Shut-In, give 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 * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates: Date: 02/10/99 Rates: 21 mcfpd 0 bwpd 0 bopd	Date: Rates: Date: Rates:	Date: Rates: Date: 02/10/99 Rates: 65 mcfpd 0 bwpd 0 bopd
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 0 % Gas: 35 %	Oil: % Gas: %	Oil: 100 % Gas: 65 %

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? ☒ Yes ☐ No
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 ☐ No

11. 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 ☐ No

13. 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. NMOC 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 Jeffery W. Patton TITLE Operator DATE 2/19/99

TYPE OR PRINT NAME JEFFERY W. PATTON TELEPHONE NO. (505) 324-1090

Well Location and Acreage Dedication Plat

Section A.

Date JANUARY 22, 1958

Operator EL PASO NATURAL GAS COMPANY Lease BOLACK SF 079232
 Well No. 11-C (PM) Unit Letter K Section 28 Township 27-N Range 8-W NMPM
 Located 1800 Feet From SOUTH Line, 1550 Feet From WEST Line
 County SAN JUAN G. L. Elevation 6195 Dedicated Acreage 320 & 160 Acres
 Name of Producing Formation MESA VERDE & PICTURED CLIFF Pool BLANCO MV & SOUTH BLANCO FC

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?
 Yes X No _____
2. If the answer to question one is "no", have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____. If answer is "yes", Type of Consolidation _____
3. If the answer to question two is "no", list all the owners and their respective interests below:

Owner

Land Description

Section B.

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

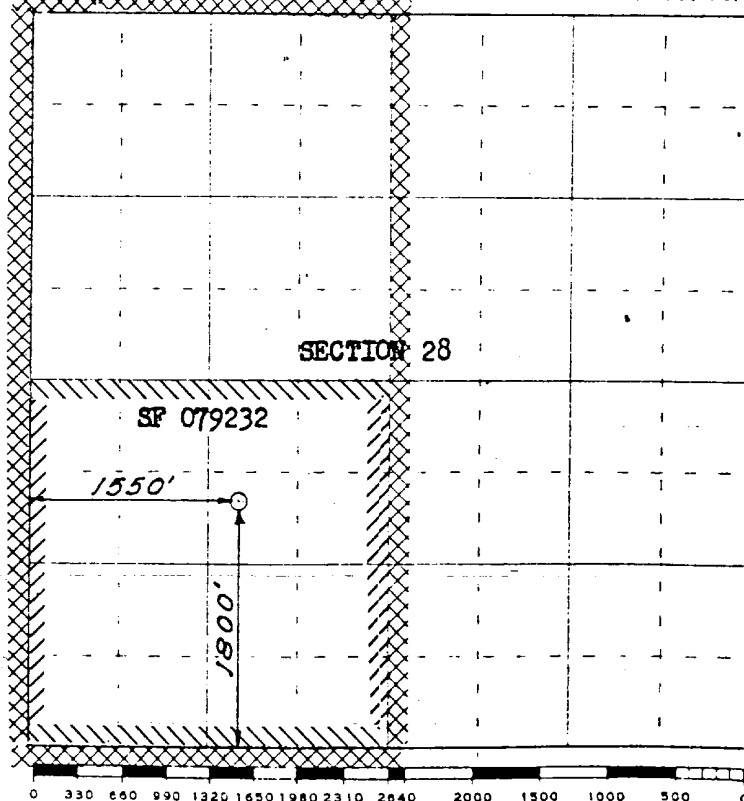
El Paso Natural Gas Company
 (Operator)

Original Signed F. H. WOOD
 (Representative)

Box 997
 (Address)

Farmington, New Mexico

xxxxxx All distances must be from outer boundaries of section.



Scale 4 inches equal 1 mile

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

(Seal)

Date Surveyed JANUARY 17, 1958

Farmington, New Mexico

David O. Kilmer
 Registered Professional Engineer and/or Land Surveyor

Cross Timbers Oil Company

BOLACK C 11

CROSS TIMBERS
BLANCO S (PICTURED CLIFFS)

SAN JUAN
70085

28K 27N 08W

BGV

CO

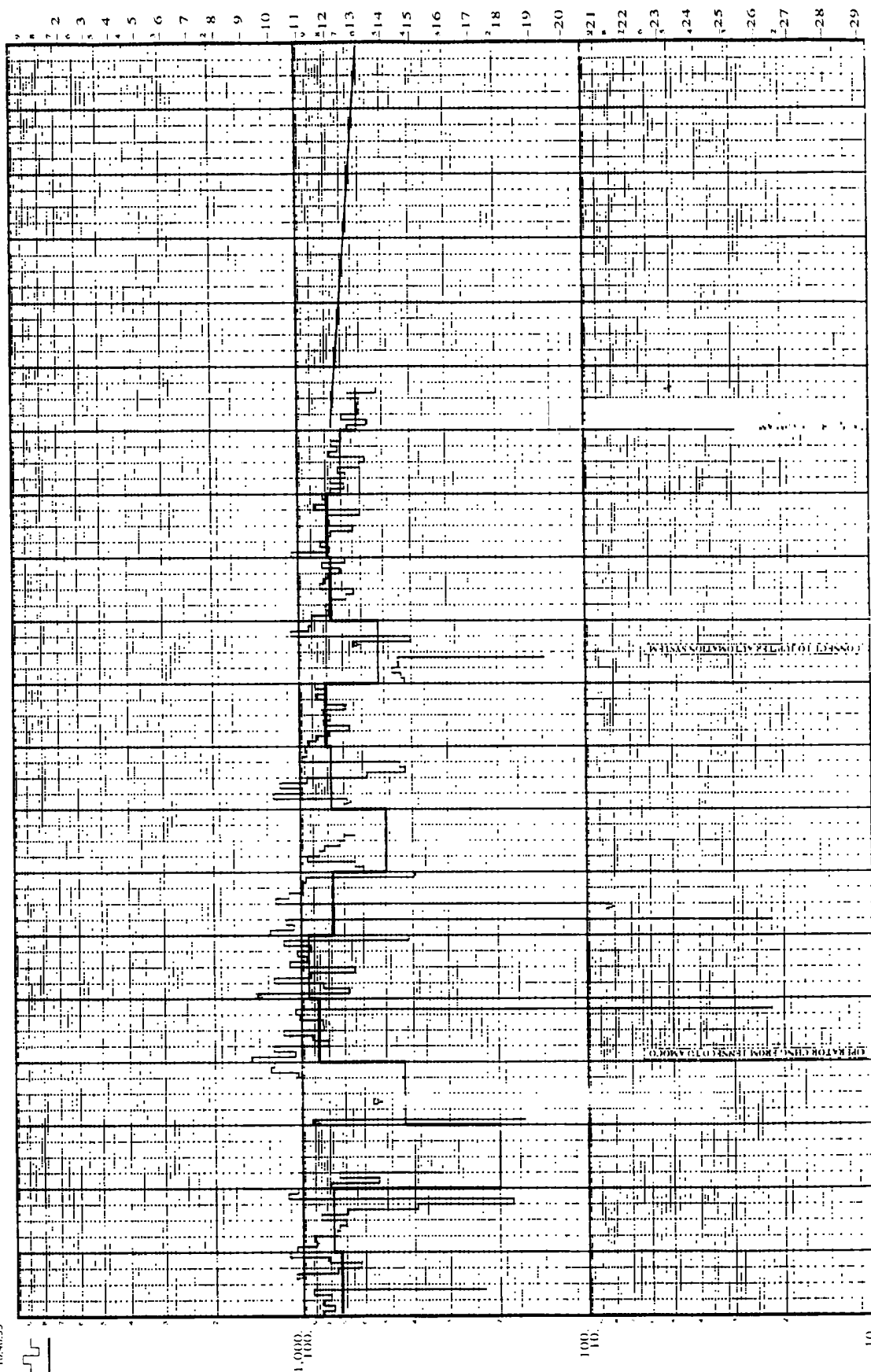
772439

M & L - 1/98 FORECAST

JWP DLM CP-K-LDR

Run Date: 03/19/98
Run Time: 10:40:55

GAS (mcf/day) ▽
OIL (bbl/day) Δ



TIME (years)

772439

Cross Timbers Oil Company

BOLACK C 11

CROSS TIMBERS
BLANCO (MESAVERDE)
SAN JUAN, NEW MEXICO
28K 27N 08W
BGV

SAN JUAN
70084

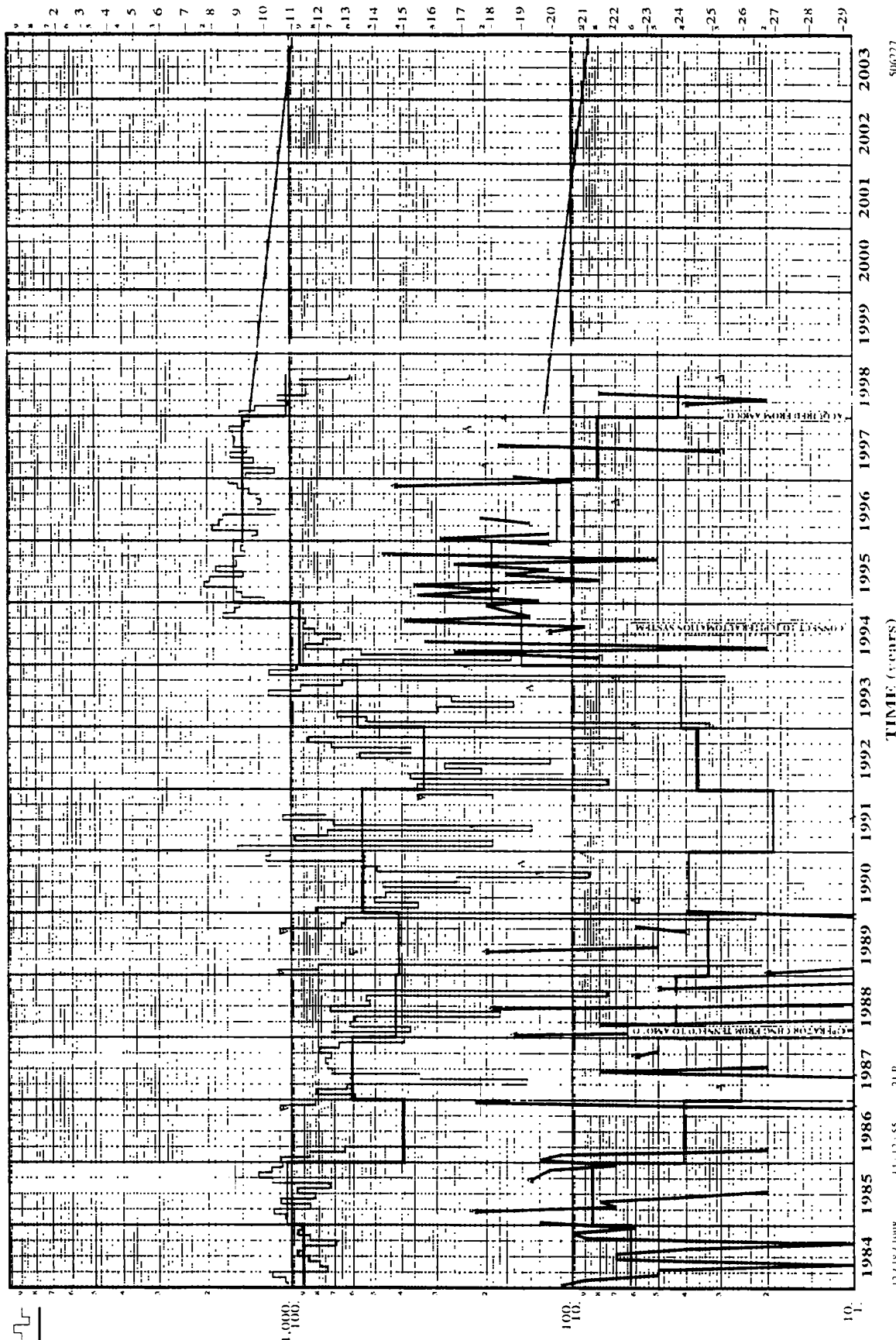
CO
506227

M & L - 1/98 FORECAST

JWP DLM CP-K-LDR

Run Date: 03/19/98
Run Time: 10:40:44

GAS (mcf/mo) ▽
OIL (bbls/mo) Δ



TIME (years)

12/18/1998 14:13:55 21P

506227



Cross Timbers Operating Company

Re: Administrative Approval to Downhole Commingle
Cross Timbers Operating Co.
Bolack "C" LS #11
1,800' FSL & 1,550' FWL Sec. 28, T27N, R08W
San Juan County, New Mexico

Dear Offset Operator,

As an offset operator to the above mentioned well, you are hereby notified that Cross Timbers Operating Co is filing for downhole commingle approval.

As an offset operator, you have the right to file an objection to the commingling of the above mentioned well within twenty (20) days starting upon receipt of this letter. If you do not have any objections to the above well being commingled, you can either sign this letter waiving your rights to an objection or let the twenty days, upon receipt of this letter, expire.

Please return this letter or a letter of objection to Mr. David Catanach at the address listed.

Mr. David Catanach
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Cross Timbers Oil Co sincerely appreciate your prompt response concerning this approval.

<i>Burlington Resources Oil & Gas</i>	Signature:
<i>Conoco Incorporated</i>	Signature:
<i>Western Oil & Minerals Ltd.</i>	Signature:
<i>M & G Drilling Co.</i>	Signature:
<i>Bledsoe Petro Corp.</i>	Signature:
<i>Breck Operating</i>	Signature:



Bolack "C" LS #11

Offset Operator / Ownership Plat

Blanco Mesaverde / South Blanco Pictured Cliffs

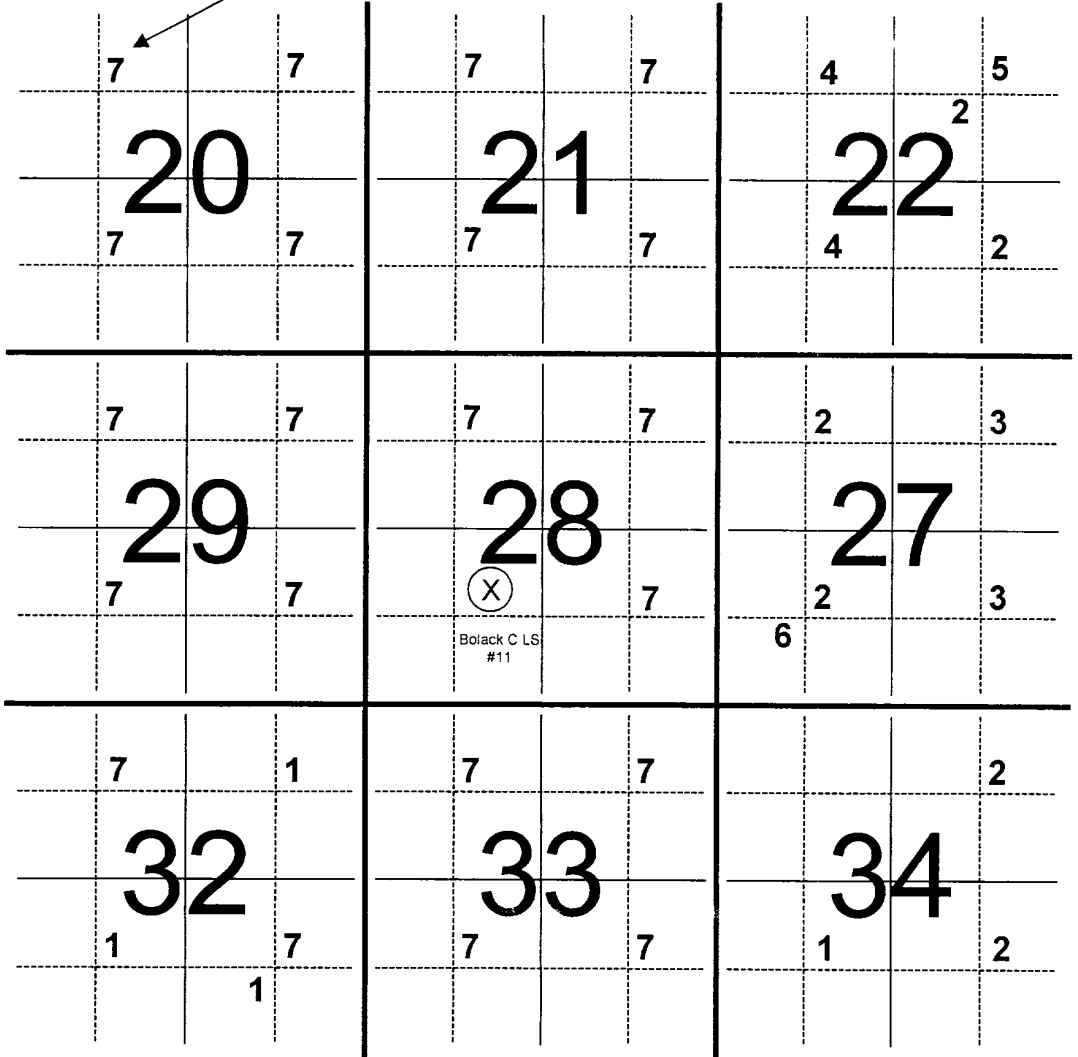
Downhole Commingle

Township 27 N, Range 08 W

1. Burlington Resources Oil & Gas Company
3535 E. 30th St.
Farmington, NM 87402
 2. Conoco Incorporated
10 Desta Dr.
Suite 100W
Midland, Tx 79705
 3. Western Oil & Minerals Limited
3001 Northridge
Farmington, NM 87401
 4. M & G Drilling Company
c/o KM Production
368 NM Hwy 170
Farmington, NM 87401
 5. Bledsoe Petro Corporation
1717 Main
Suite #5850
Dallas, Tx 75201
 6. Breck Operating Corp.
P.O. Box 911
Breckenridge, Tx 76024-0911
 7. Cross Timbers Operating Co.
6001 E. Hwy 64
Farmington, NM 87401
-



Offset Operator as indicated on previous page



Township 27N,
Range 08W

