

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

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

OIL CONSERVATION DIVISION

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

APPROVAL PROCESS:

Administrative Hearing

EXISTING WELLBORE

X YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

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

Florance LS #4A D 18 27N 08W San Juan, NM
Lease Well No. Unit Ltr. - Sec - Twp - Rge County

OGRID NO. 167067 Property Code 022711 API NO. 3004526591 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. Well Name and Zone	Otero Chacra 82329		Blanco Mesavende 72319
2. Top and Bottom of Pay Section (Perforations)	3055' - 3255' (perf'd)		4394' - 4703' (perf'd)
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: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 375 psia (calc) b. (Original) 730 psia (calc)	a. RECEIVED MAR - 8 1999 b. OIL & GAS DEPT. BUREAU	a. 297 psia (calc) b. 482 psia (calc)
6. Oil Gravity (°API) or Gas BTU Content)	1186 BTU		1209 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	Date: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 02/22/99 Rates: 24 mcfpd, 0 bwpd, 0 bopd	Date: Rates:	Date: 02/22/99 Rates: 30 mcfpd, 0 bwpd, 0 bopd
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 0% Gas: 22%	Oil: % Gas: %	Oil: 100% Gas: 78%

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 X No
If not, have all working, overriding, and royalty interests been notified by certified mail? X Yes No
Have all offset operators been given written notice of the proposed downhole commingling? X Yes No

11. Will cross-flow occur? Yes No X 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? X Yes No

13. Will the value of production be decreased by commingling? Yes No X No (If Yes, attach explanation)

14. If this well in 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. X 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 Production Engineer DATE 3/4/99

TYPE OR PRINT NAME Jeffery W. Patton TELEPHONE NO. (505) 324-1090

✓

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section.

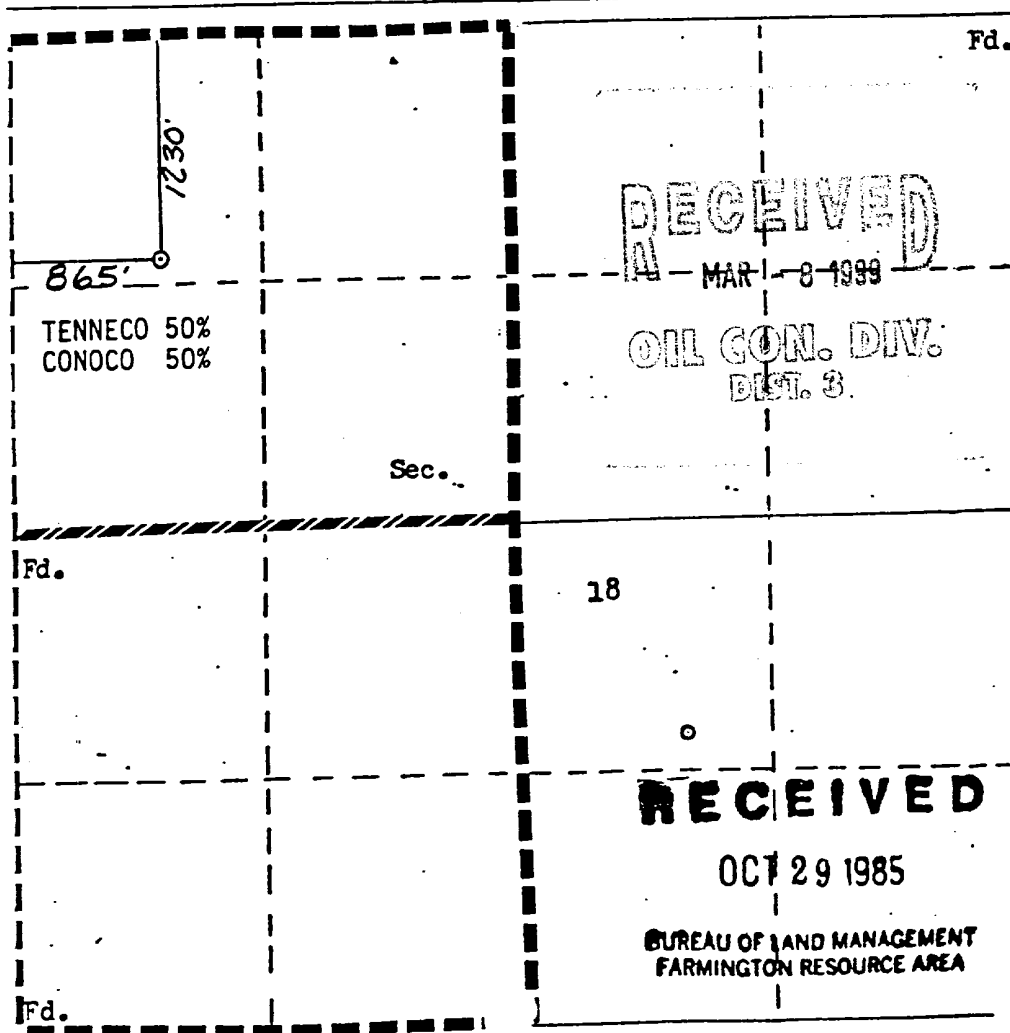
Operator TENNECO OIL COMPANY			Lease FLORANCE LS		Well No. 4A
Unit Letter D	Section 18	Township 27N	Range 8W	County San Juan	
Actual Footage Location of Well: 1230 feet from the North line and 865 feet from the West line					
Ground Level Elev: 6058	Producing Formation Chacra/Mesaverde	Pool Otero Chacra/Blanco Mesaverde		Dedicated Acreage: 160/320 A Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☒ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1"=1000'

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Scott McKinney

Name
Scott McKinney

Position
Sr. Regulatory Analyst

Company
Tenneco Oil Co

Date
July 5, 1985

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 knowledge and belief.

Date Surveyed _____

Registered Professional Engineer and Land Surveyor #8466

Certificate of Registration
WILLIAM E. MAHNKE
REGISTERED PROFESSIONAL LAND SURVEYOR

Cross Timbers Oil Company

FLORANCE 4A

CROSS TIMBERS
BLANCO (MESAVERDE)
SAN JUAN, NEW MEXICO
18D 27N 08W
RWT

SAN JUAN
70311

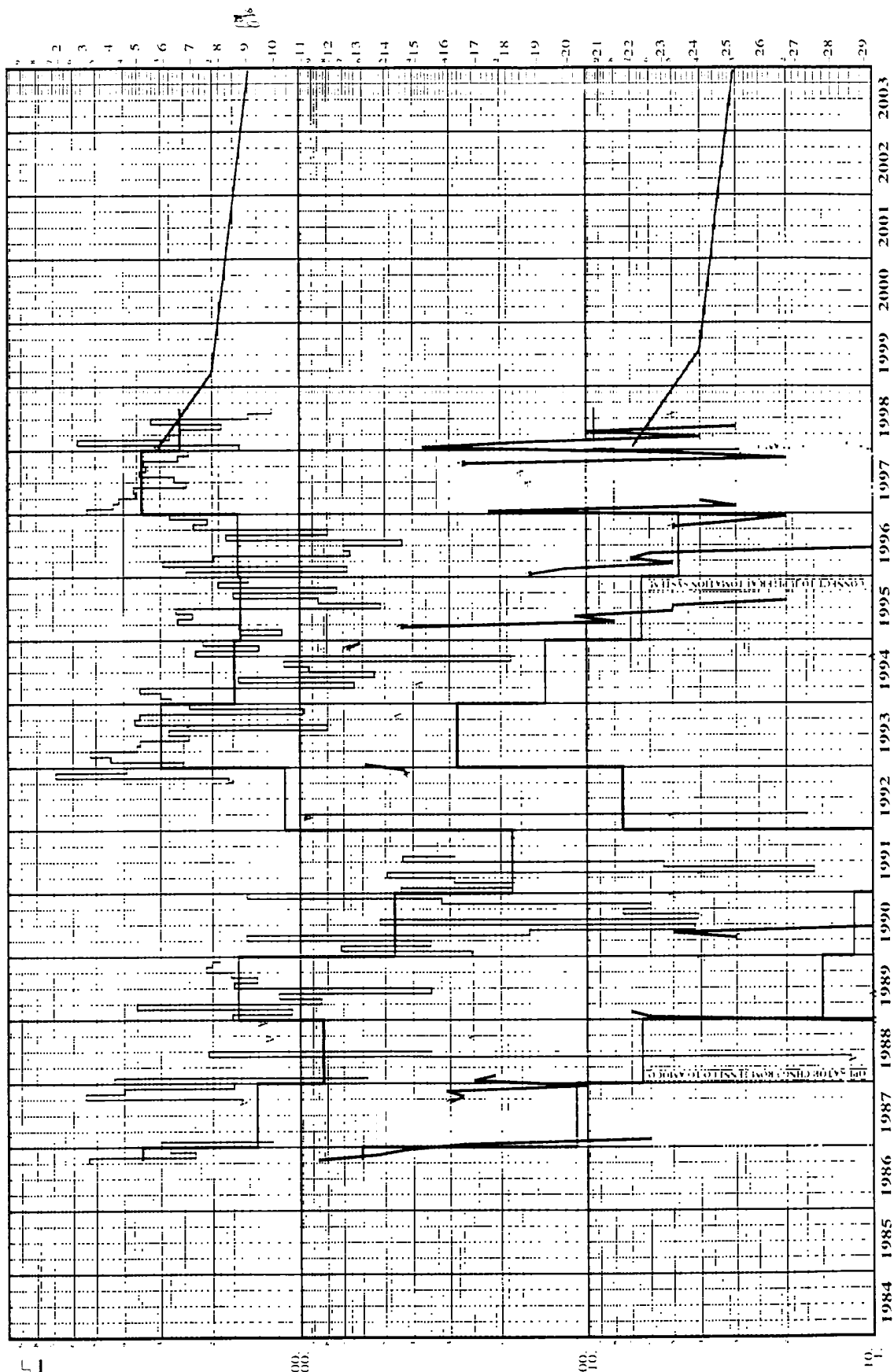
CO
526591

M & L - 1998 FORECAST

JWP DLM CP-K-LDR

Run Date: 03/09/98
Run Time: 11:04:17

GAS (mc/dm) ▽
OIL (bbls/dm) Δ



Cross Timbers Oil Company

FLORANCE 4A

CROSS TIMBERS
OTERO (CHACRA)
SAN JUAN, NEW MEXICO
18D 27N 08W
RWT

SAN JUAN
70312

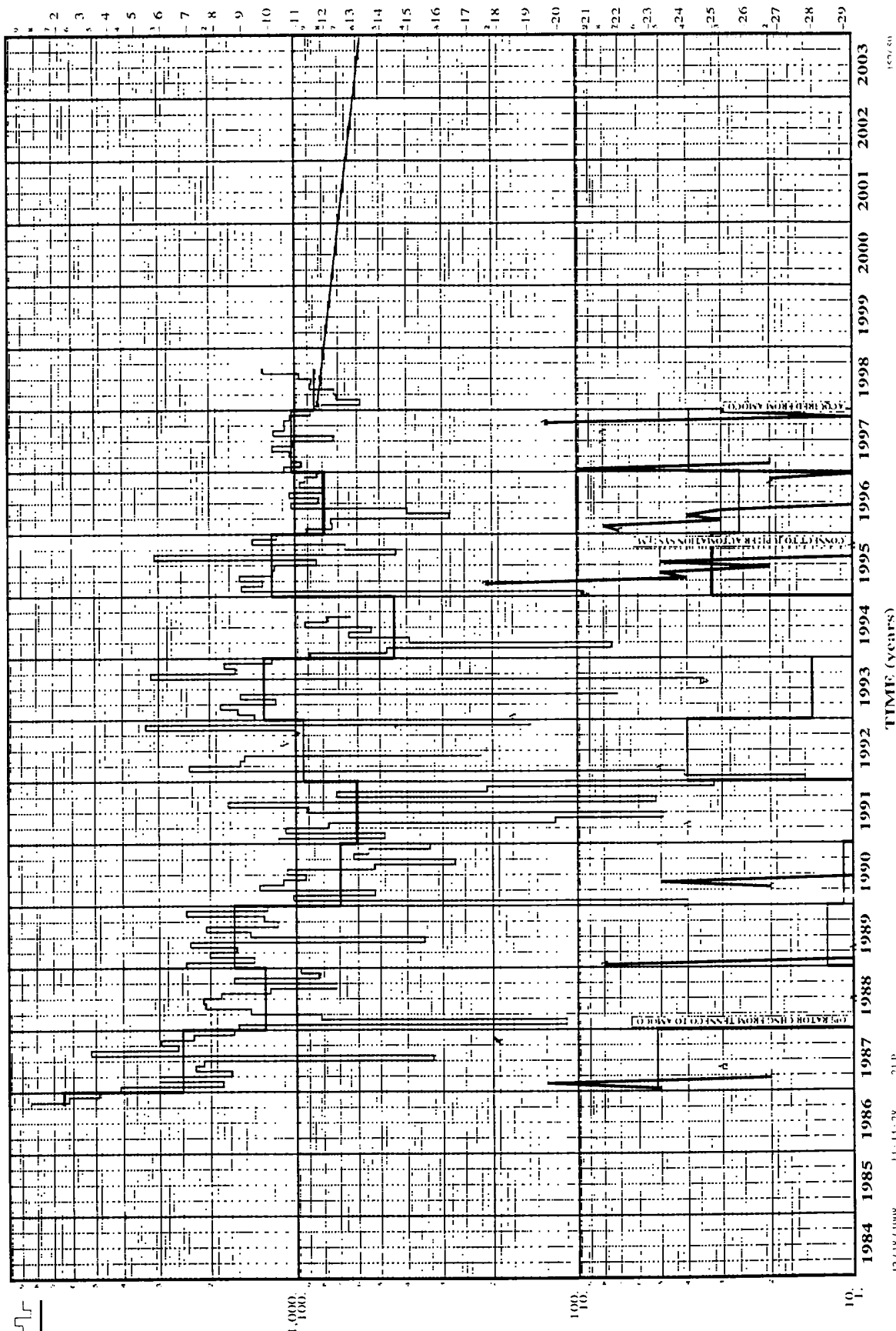
CO
452659

M & L - 1/98 FORECAST

JWP DLM CP-K-LDR

Run Date: 03/19/98
Run Time: 11:04:23

GAS (mcf/mo) ∇ $\square$
OIL (bbl/mo) Δ $\square$



TIME (years)

19/18/1998 11:11:58 21P

157/50



Cross Timbers Operating Company

Re: Administrative Approval to Downhole Commingle
Cross Timbers Operating Co.
Florance LS #4A
1,230' FNL & 865' FWL Sec. 18, T27N, R08W
San Juan County, New Mexico

Dear Operating interest owner,

As an interest owner in the above mentioned well, you are hereby notified that Cross Timbers Operating Co is filing for downhole commingle approval.

As an interest owner in the Mesaverde, 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 certified 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.

Burlington Resources Oil & Gas

Signature:



Cross Timbers Operating Company

Re: Administrative Approval to Downhole Commingle
Cross Timbers Operating Co.
Florance LS #4A
1,230' FNL & 865' FWL Sec. 18, 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 certified 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>Four Star Oil & Gas</i>	Signature:



Cross Timbers Operating Company

Florance LS #4A

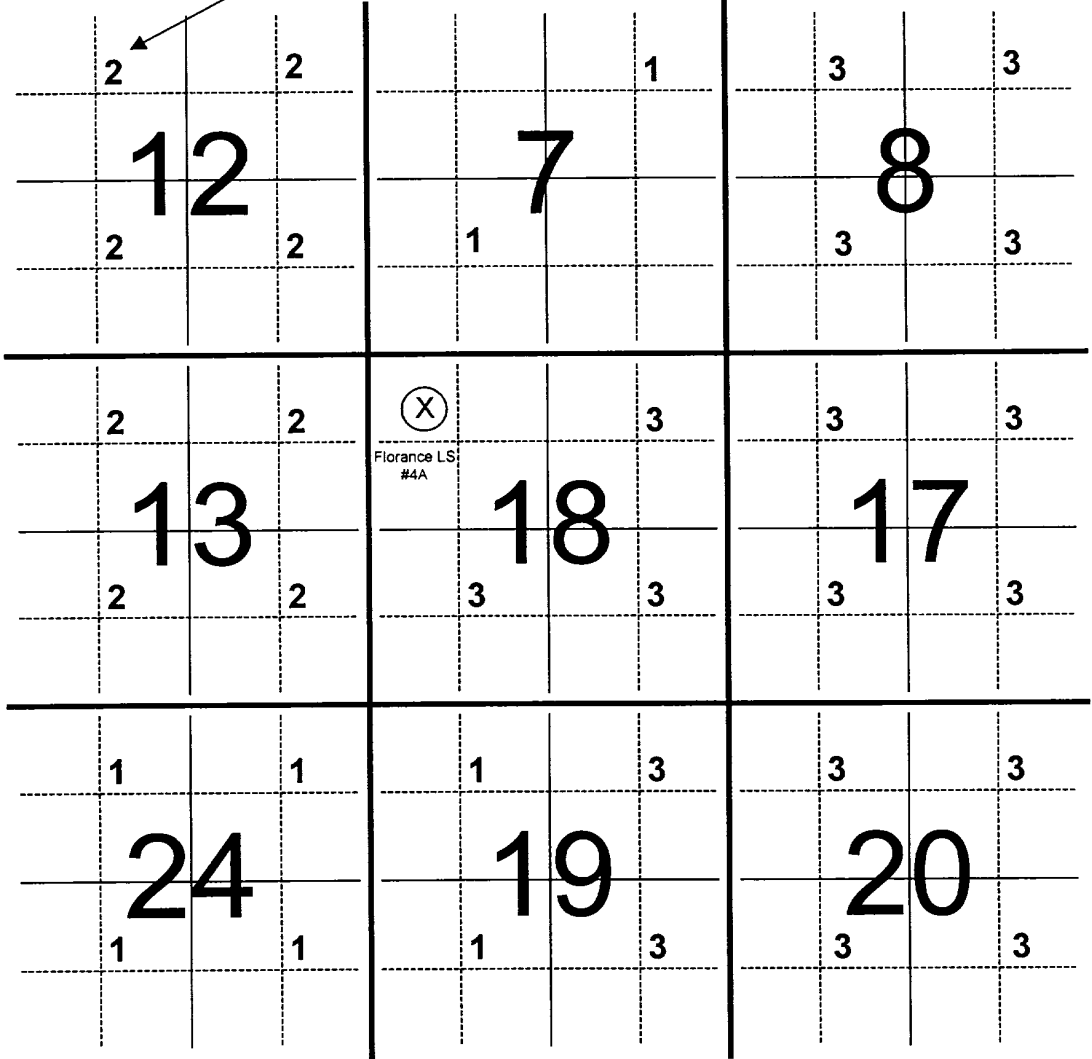
**Offset Operator / Ownership Plat
Blanco Mesaverde / Otero Chacra
Downhole Commingle**

Township 27N, Range 09 W / Township 27 N, Range 08 W

1. Burlington Resources Oil & Gas Company
3535 E. 30th St.
Farmington, NM 87402
 2. Four Star Oil & Gas Company
c/o Texaco E & P Inc.
3300 N Butler Ave.
Farmington, NM 87401
 3. Cross Timbers Operating Co.
6001 E. Hwy 64
Farmington, NM 87401
-



Offset Operator as indicated on previous page



Township 27N, Range 09W	Township 27N, Range 08W
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