

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410
DISTRICT IV
2040 S. Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107-A
Revised August 1999

APPROVAL PROCESS:

Administrative ☐ Hearing ☐

EXISTING WELLBORE

☒ YES ☐ NO

Mallon Oil Company

P.O Box 2797 Durango, Colorado 81302

Operator Address
Jicarilla 459-20 #12 O 20-30N-3W Rio Arriba
Lease Well No. Unit Ltr. - Sec - Twp - Rge County
OGRID NO. 013925 Property Code 00022862 API NO. 30-039-25855 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	Cabresto Canyon San Jose (96822) & Nacimiento (96821) Extension	Cabresto Canyon Ojo Alamo Extension (96538)	Pictured Cliffs (72400)
2. Top and Bottom of Pay Section (Perforations)	1060' - 1790' & 2500' - 2650'	3276' - 3312'	3778' - 3848'
3. Type of production (Oil or Gas)	Gas	Gas	Gas
4. Method of Production (Flowing or Artificial Lift)	NA	Flowing	Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 170 psig & 674 psig	a. 600 psig	a. 400 psig
	b. (Original) 244 psig & 674 psig	b. 832 psig	b. 1223 psig
6. Oil Gravity (EAPI) or Gas BTU Content	1065 Btu & 1063 Btu	1090 Btu	1168 Btu
7. Producing or Shut-In?	Not Completed	Producing	Producing
Production Marginal? (yes or no) * 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)	NA	No	No
	Date: NA Rates:	Date: NA Rates:	Date: NA Rates:
	Date: NA Rates:	Date: 4/19/00 Rates: 152 mcf/d, 67 bwpd	Date: 4/19/00 Rates: 131 mcf/d, 0 bwpd
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

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

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. 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 working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, data, or documents required to support commingling.

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

SIGNATURE John Zellitti TITLE District Engineer DATE 4/20/00

TYPE OR PRINT NAME John Zellitti TELEPHONE NO. (970) 382-9100