

DISTRICT I
P O. Box 1985, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

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

DISTRICT II
811 S. First St., Artesia, NM 88210-2835

OIL CONSERVATION DIVISION

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

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410-1693

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

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

Federal Gas Com H #2 G 31 30 N 12W San Juan
Lease Well No. Unit Ltr. - Sec - Twp - Rge County

OGRID NO. 167067 Property Code API NO. 30-045-29705 Spacing Unit Lease Types: (check 1 or more)
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	Basin Fruitland Coal 71629		Fulcher Kutz PC 77200
2. Top and Bottom of Pay Section (Perforations)	1,260' - 1,504'		1520 1530
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: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 585 psig Estimated b. (Original) 585 psig Estimated	a. b.	a. 600 psig Estimated b. 600 psig Estimated
6. Oil Gravity (^o API) or Gas BTU Content)	1053 BTU Estimated		1200 BTU Esitimated
7. Producing or Shut-In?	Not Completed Yet		Not Completed Yet
Production Marginal? (yes or no)	Y		Y
* 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: N/A Rates:	Date: Rates:	Date: NA Rates:
* If Producing, give date and oil/gas/ water rates of recent test (within 60 days)	Date: Not Producing Rates: To be determined	Date: Rates:	Date: Not producing Rates: TO be determined
8. Fixed Percentage Allocation Formula -% for each zone	Oil: % Gas: 9% %	Oil: % Gas: %	Oil: % Gas: % Diff. %

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 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. ☐ 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 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 Loren W Fothergill TITLE Operation Engineer DATE 9/28/99

TYPE OR PRINT NAME Loren W Fothergill TELEPHONE NO(505) 324 1090

DATE IN	SUSPENSE	ENGINEER	LOGGED	TYPE
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

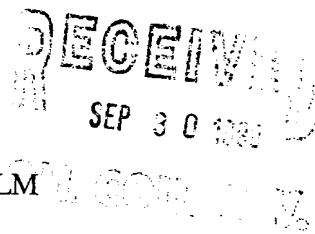
[A] Location - Spacing Unit - Directional Drilling
NSL NSP DD SD

Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

DHC CTB PLC PC OLS OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
WFX PMX SWD IPI EOR PPR



[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

[A] Working, Royalty or Overriding Royalty Interest Owners

[B] Offset Operators, Leaseholders or Surface Owner

[C] Application is One Which Requires Published Legal Notice

[D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Loren W Fothergill
Print or Type Name

Loren W Fothergill
Signature

Operations Engineer
Title

9-28-89
Date

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 60, Artesia, NM 88211-0719

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

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 71629 / 77200	*Pool Name BASIN FRUITLAND COAL/FULCHER KUTZ PICTURED CLIFFS
*Property Code	*Property Name FEDERAL GAS COM H		*Well Number 2
*GRID No. 167067	*Operator Name CROSS TIMBERS OPERATING COMPANY		*Elevation 5464'

¹⁰ Surface Location

UL or lot no. G	Section 31	Township 30N	Range 12W	Lot Idn	Feet from the 2045	North/South line NORTH	Feet from the 1685	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		¹³ Joint or Infill	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

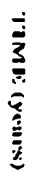
¹⁶ 5280' 2045' 1685' 5280' 31 5280'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Loren W. Fothergill Printed Name Production Engineer Title Date
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that 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. SEPTEMBER 14, 1998 Date of Survey Signature and Seal of Professional Surveyor Certificate No. 6857

U

A

Run Date:
Run Time:

GAS (mL/min)	∇	∇
OIL (cc/min)	Δ	Δ



30045290750000

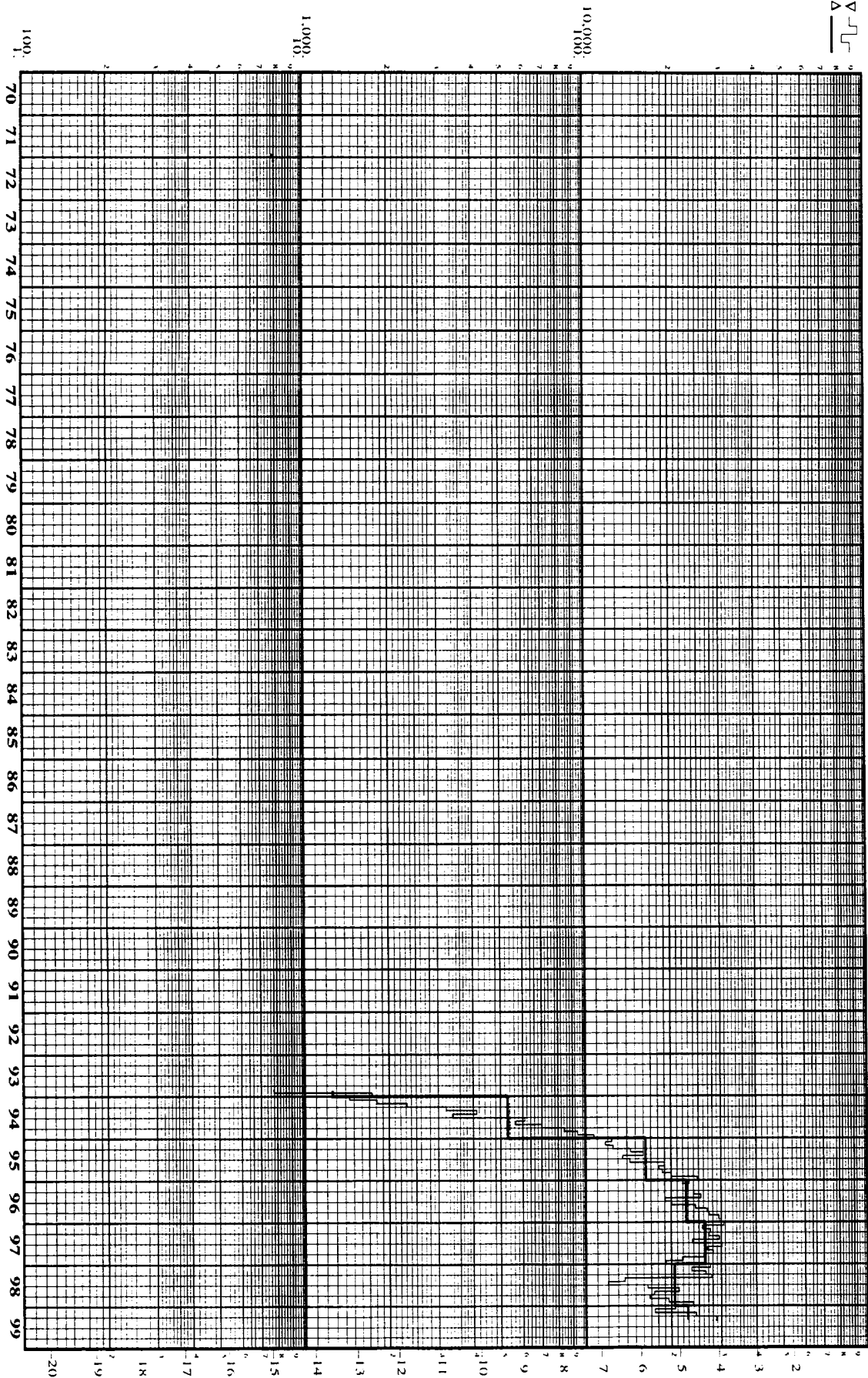
СТОС -

GAS (m.c.f.m.)
OIL (bbl/mi)

ROPCO FEE FC 6 1
TEXAKOMA OIL & GAS CORPORATION
BASIN (FRUITLAND COAL)
SAN JUAN, NEW MEXICO

Run Date :
Run Time:[illegible]

СТОС -


$$(\chi\chi) / (\chi) / (\chi)$$

13. 11 : 22

219

TIME (years)

FEDERAL FC 5
1
TEXAKOMA OIL & GAS CORPORATION
BASIN (FRUITLAND COAL)
SAN JUAN, NEW MEXICO
E 20 0112 111

СТОС -

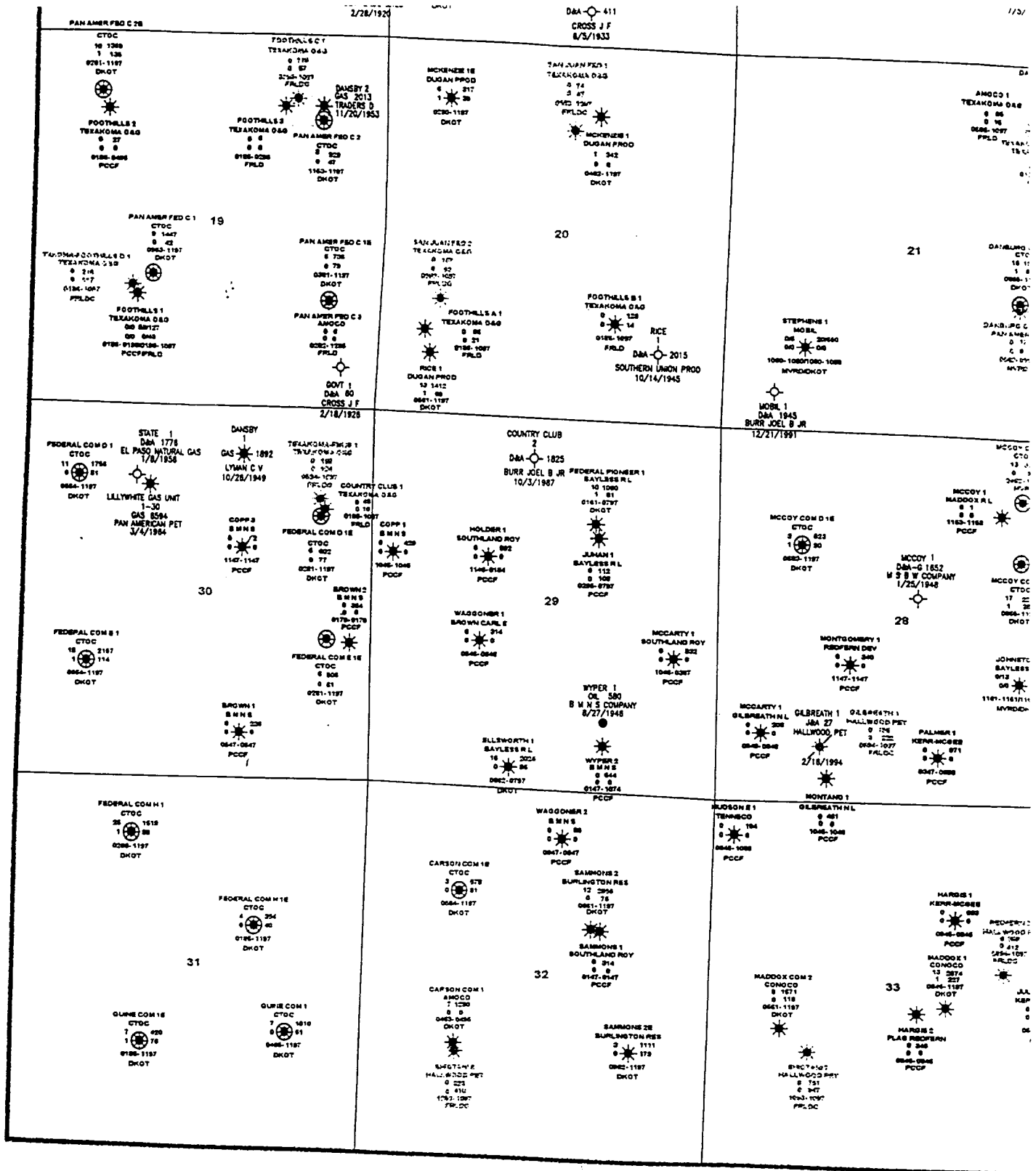
Run Date :
Run Time:

ALLOCATION METHOD
FEDERAL GAS COM H #2

Cross Timbers Operating Company proposes to allocate the production for the Federal Gas Com H #2 by a difference method. CTOC proposes to test the Pictured Cliffs formation. The initial production rate established would be declined at a rate of 9%. The 9% decline was determined from the surrounding Pictured Cliff production (see attached decline curves).

Once the Fruitland Coal formation is completed in this well and its production is commingled downhole with the Pictured Cliffs production. The expected production from the Pictured Cliff formation will be subtracted from the total production from the well and the difference allocated to the Fruitland Coal formation. If the expected Pictured Cliff production exceeds the total production from the well, all production for that month will be assigned to the Pictured Cliffs formation.

One hundred percent of the water production will be allocated to the Fruitland Coal formation.



WELLS W/PRODUCTION

Well Name & Number
Operator
Cum Oil MBO
Curr Rate Bopd
Start-End Date
Formation

FRUITLANI

FRUITLAN

PICTURED