

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

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 87505-6429

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☐ NO

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410-1893

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Taurus Exploration U.S.A., Inc. Address 2198 Bloomfield Highway, Farmington, NM 87401

Lease Wright State Com. Well No 1E Unit Ltr. - Sec - Twp - Rge I-36-T32N-R13W County San Juan, New Mexico

OGRID NO. 162928 Property Code 007651 API NO. 30-045-25930 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	Wildcat Gallup 96535		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	5810'-6315		6680'-6907
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) 1216 Calc b. (Original) 1788 Calc	a. b.	a. 696 Calc b. 2262 Calc
6. Oil Gravity ($^{\circ}$ API) or Gas BTU Content			
7. Producing or Shut-In?	Shut-in		Producing
Production Marginal? (yes or no)	yes		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)	Date: 4/92 Rates: 0-10-0	Date: Rates:	Date: 11/6/97 Rates: 1-72-0
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 0 % Gas: 12 %	Oil: % Gas: %	Oil: 100 % Gas: 88 %

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. 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 Gary W. Brink TITLE Production Superintendent Date 12/8/97

TYPE OR PRINT NAME Gary W. Brink TELEPHONE NO. (505) 325-6800

District I
PO Box 1908, Hobbs, NM 88241-1908
District II
PO Drawer DD, 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-1C
Revised February 21, 199
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 30-045-25930		Pool Code 96535/71599		Pool Name WC): 32N13W36E: Gallup/Basin Dakota	
Property Code 7651		Property Name Wright State Com			Well Number 1E
OGRID No. 162928		Operator Name Taurus Exploration U.S.A., Inc.			Elevation 5780'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
I	36	32 N	13 W		1550	South	790	East	S.J.

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 160-E/320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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 Not resurveyed, prepared
from a plat dated 9-21-83
by Michael Daly.

17 OPERATOR CERTIFICATION

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

Perry Bradfield
Signature
Perry Bradfield
Printed Name
Regulatory Administrator
Title
4-22-96
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
or under my supervision, and that the same is true and
correct to the best of my belief.

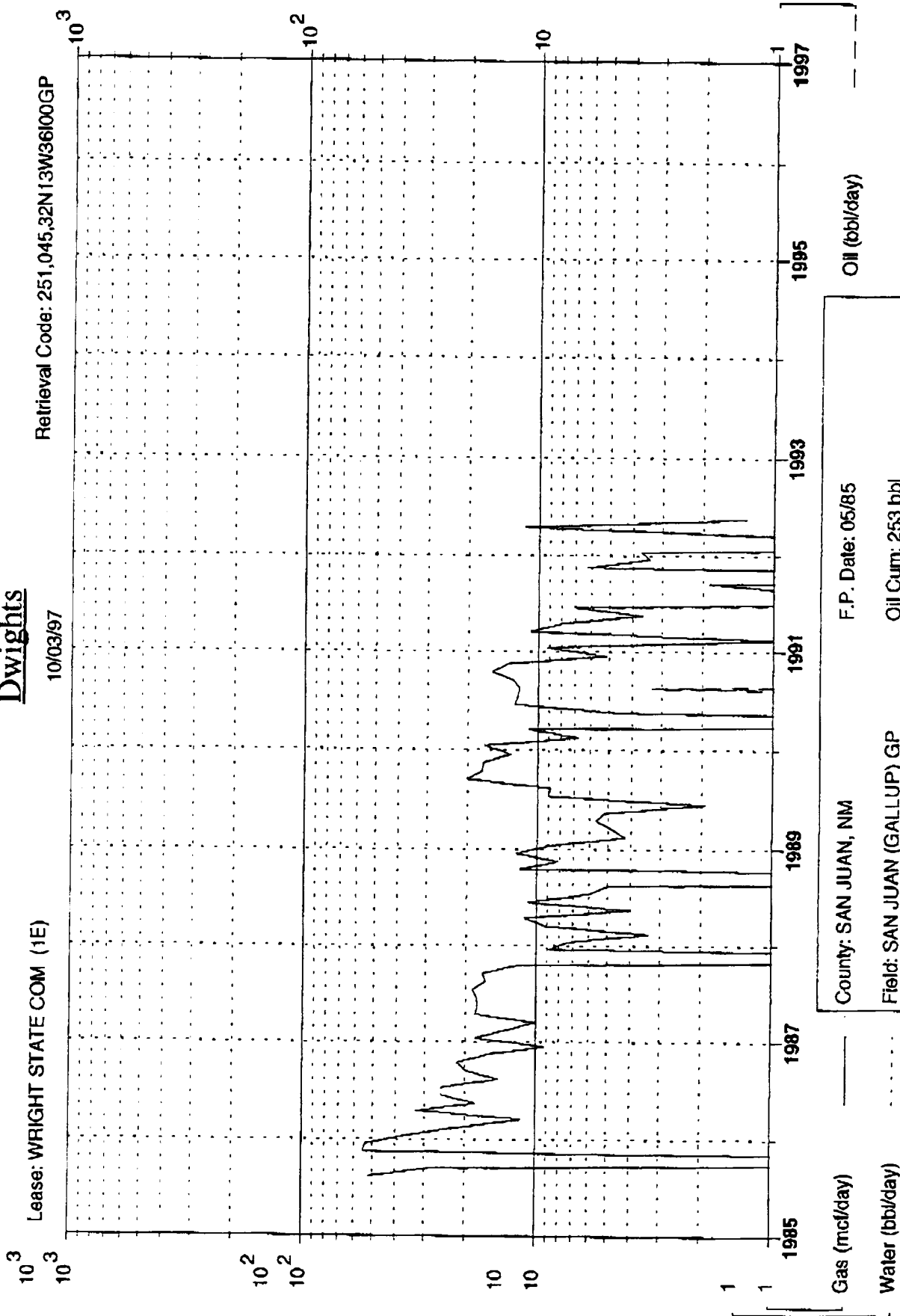
4-16-96
Date of Survey
Signature
H. E. C. EDWARDS
8857
8857
Certificate Number

Dwights

Lease: WRIGHT STATE COM (1E)

Retrieval Code: 251,045,32N13W36I00GP

10/03/97



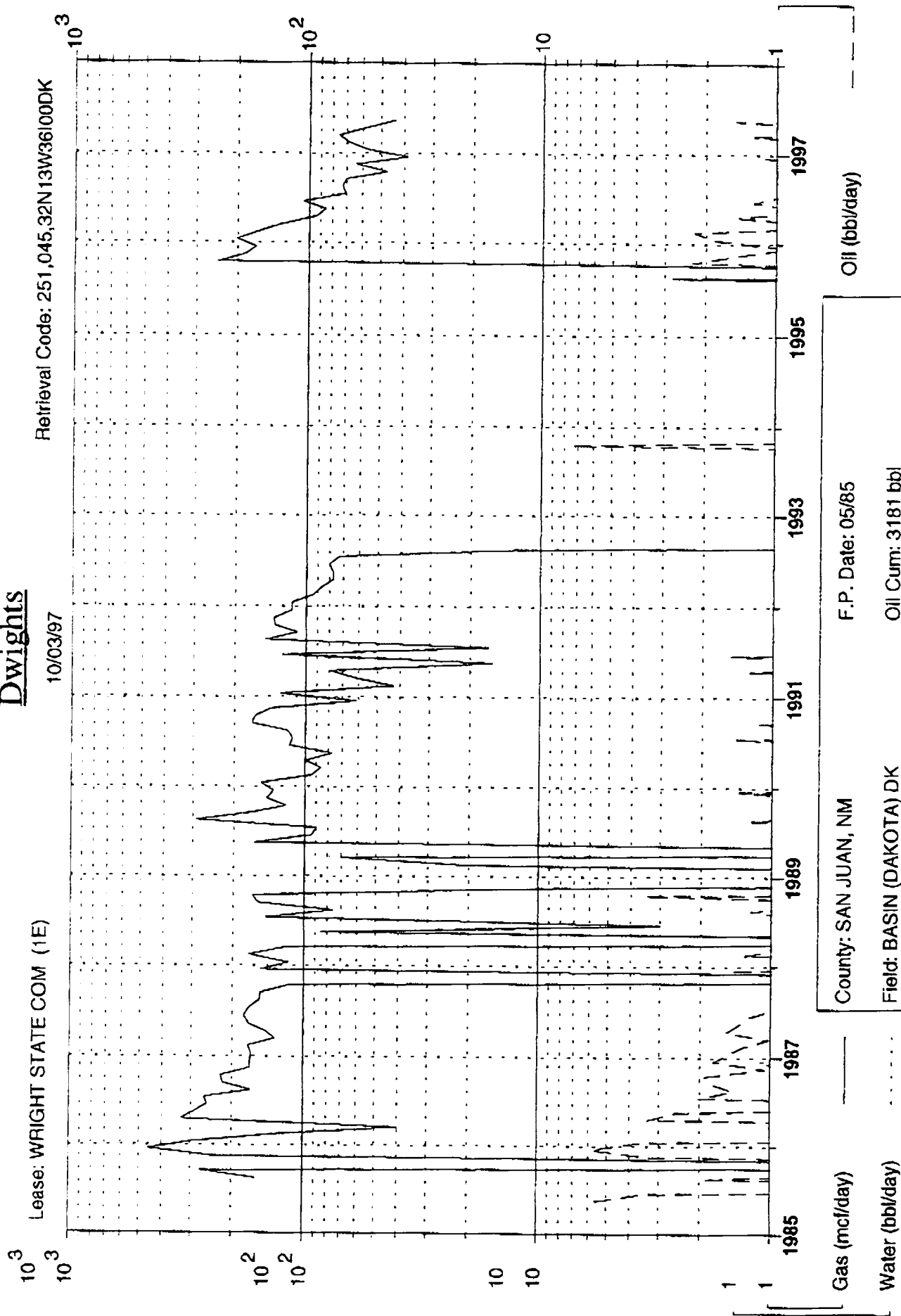
County: SAN JUAN, NM	F.P. Date: 05/85
Field: SAN JUAN (GALLUP) GP	Oil Cum: 253 bbl
Reservoir: GALLUP	Gas Cum: 30.63 mmcf
Operator: BURLINGTON RES O&G CO	Location: 36I 32N 13W

Dwights

Lease: WRIGHT STATE COM (1E)

Retrieval Code: 251,045,32N13W36100DK

10/03/97



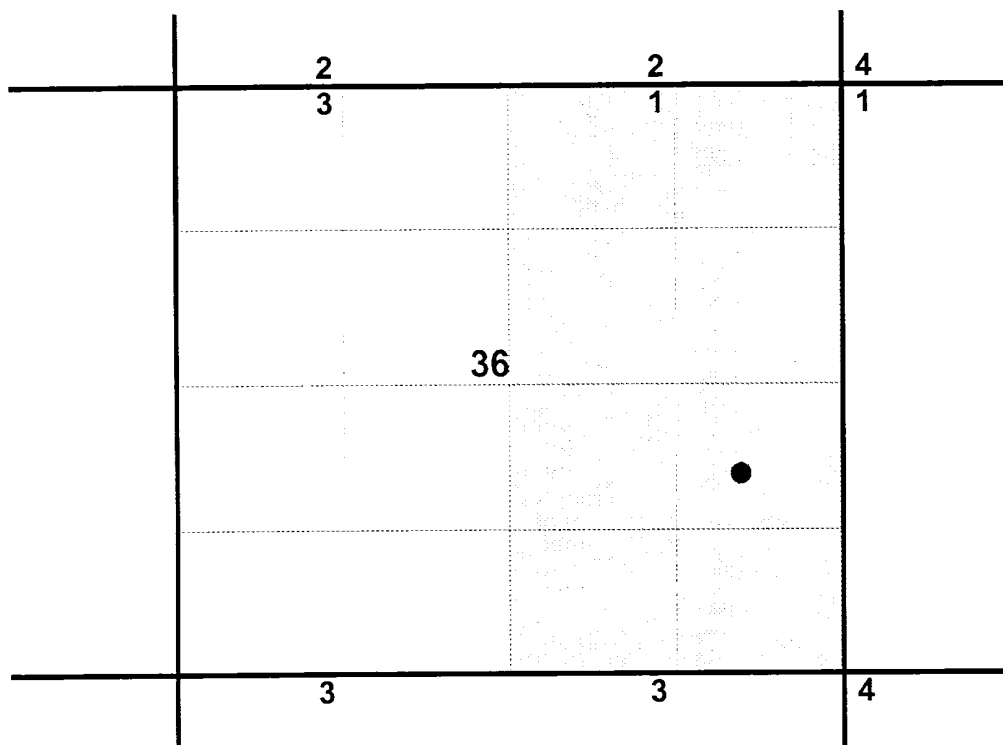
County: SAN JUAN, NM	F.P. Date: 05/85
Field: BASIN (DAKOTA) DK	Oil Cum: 3181 bbl
Reservoir: DAKOTA	Gas Cum: 392.1 mmcf
Operator: BURLINGTON RES O&G CO	Location: 361 32N 13W

Taurus Exploration U.S.A., Inc

Wright State Com #1E Offset Operator / Ownership Plat

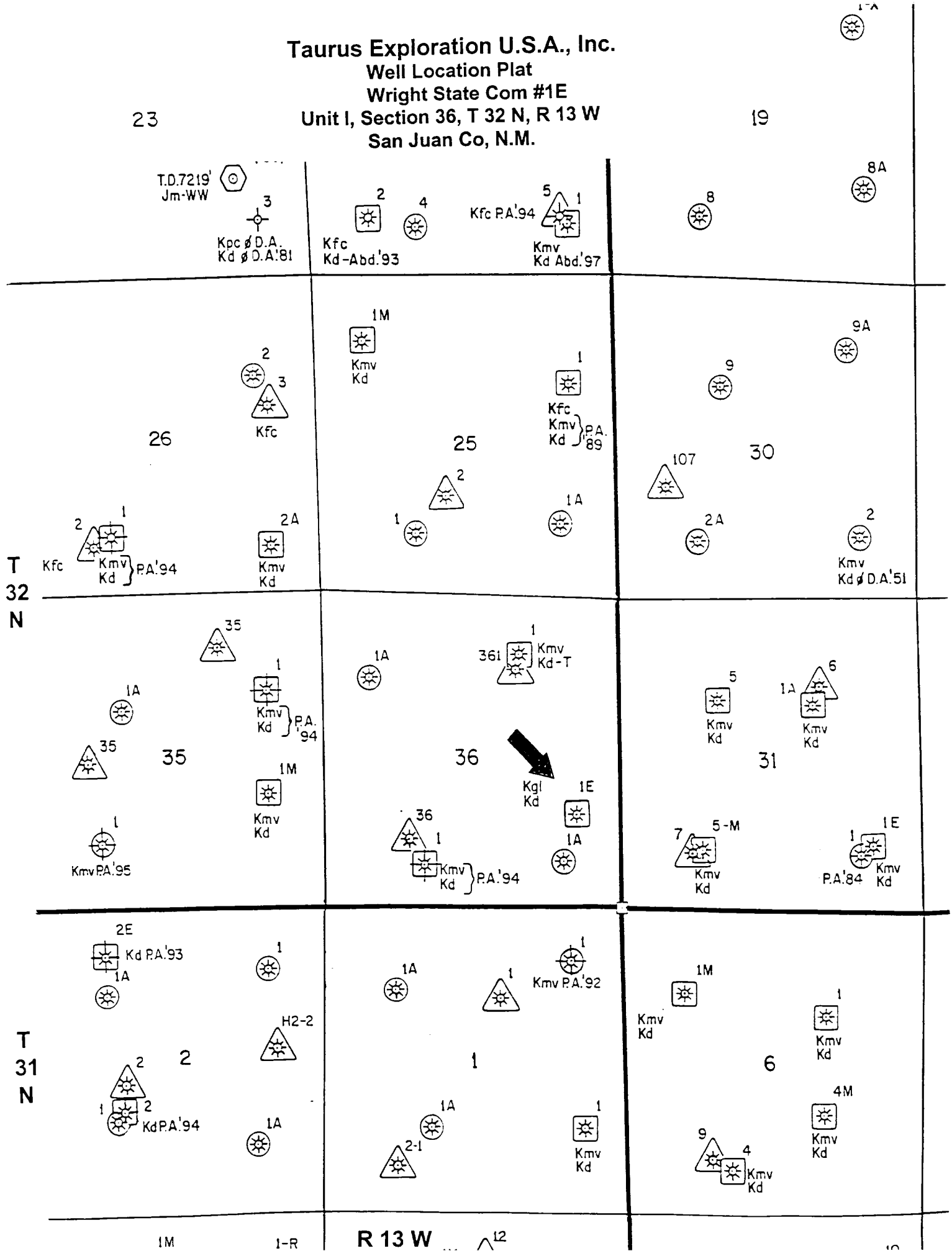
Wildcat Gallup/ Basin Dakota
Downhole Commingling

Township 32 N, Range 13 W



- 1) Taurus Exploration U.S.A., Inc
- 2) Amoco Production Company
P.O. Box 800
Denver, Co 80201-0800
- 3) Chateau Oil and Gas, Inc.
5802 Highway 64
Farmington, N.M. 87401
- 4) Burlington Resources
P.O. Box 4289
Farmington, N.M. 87499-4289

Taurus Exploration U.S.A., Inc.
Well Location Plat
Wright State Com #1E
Unit I, Section 36, T 32 N, R 13 W
San Juan Co, N.M.



TAURUS

TAURUS EXPLORATION USA, INC.
2198 Bloomfield Highway
Farmington, New Mexico 87401
Telephone (505) 325-6800

December 8, 1997

Mr. William LeMay
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

RE: Administrative Approval to Downhole Commingle
Taurus Exploration U.S.A., Inc.
Wright State Com #1E
10550' FSL, 790' FEL, Section 36, T32N, R13W NMPM
San Juan County, New Mexico

DEC 10 1997
N.M. OIL CON. DIV.
DIST. 3

Dear Mr. LeMay:

Taurus Exploration U.S.A., Inc. requests administrative approval for downhole commingling the Wildcat Gallup and Basin Dakota pools in the subject well. The well is currently producing as a Gallup/Dakota dual with the Gallup zone loaded up with fluid.

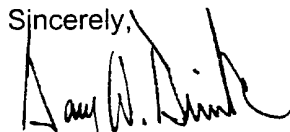
To comply with NMOCD rules, Taurus Exploration U.S.A., Inc. is submitting the following data for your approval of the proposed commingling:

1. Form C107A - Application for Downhole Commingling
2. C-102 - Location plat showing each spacing unit and dedicated acreage
3. Production curves for both the Gallup and Dakota
4. Offset operator plat
5. Well location plat.

In accordance with New Mexico Oil Conservation Division Rule 303C, all offset operators are being notified of this application by certified mail. As an offset operator, if you have no objection to this application, you do not have to respond to this notification.

If additional information is needed, please contact me.

Sincerely,



Gary W. Brink
Production Superintendent

GWB/df
cc: NMOCD - Aztec
Offset Operators