	·····	ptg-w
DATE IN	323.12 SUSPEN	SE ENGINEER WUJ LOGGED IN 3, 23, 12 TYPE DHC APP NO/208356439
		NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau - 1220 South St. Francis Drive, Santa Fe, NM 87505 Ctato TAIC 1 # 50
· · ·		ADMINISTRATIVE APPLICATION CHECKLIST 30-095-09405
т	HIS CHECKLIST IS M	ANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE
Appil	[DHC-Down [PC-Po	ndard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] nhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] ool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[1]	TYPE OF AP [A]	Iified Enhanced Oil Recovery Certification]     [PPR-Positive Production Response]       PLICATION - Check Those Which Apply for [A]       Location - Spacing Unit - Simultaneous Dedication       NSL     NSP       SD
	Check [B]	One Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery     Image: Comparison of the second
	[D]	Other: Specify
[2]	NOTIFICAT	WFX     PMX     SWD     IPI     EOR     PPR       Other: Specify
	[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]		CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

me

Regulatory And <u>Reynlaton Analyst</u> 2/22/12 <u>Date</u> <u>Date</u> <u>Date</u> <u>Date</u> <u>Date</u> <u>Date</u>

District 1 1625 N. French Drive, Hobbs, NM 88240

District II 811 S. First St., Artesia, NM 88210

District III 1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

> Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

Revised August 1, 2011 APPLICATION TYPE X Single Well X Establish Pre-Approved Pools EXISTING WELLBORE

<u>X</u>Yes <u>No</u>

Form C-107A

## APPLICATION FOR DOWNHOLE COMMINGLING

DAC-4545

DATA ELEMENT	UPPE	ER ZONE	INTERN	IEDIATE ZONE	LOW	ER ZONE
OGRID No. <u>14591</u> Property	Code	_ API No. <u>30-025</u>	5-09405	Lease Type:	_Federal <u>X</u>	_StateFee
Lease	Well No.		Section-Townsh	ip-Range		County
State A A/C 1	50	O-24-23	S-36E		L	ea
Operator		Add	lress	• •		
Merit Energy Company		137	<u>727 Noel Rd</u>	Ste 500 Dallas, TX 7.	5240	

19. 19. Junio and a superior and a s			1.21 7
Pool Name	Jalmat Tansil Yates 7-Rivers	a	Eunice 7 Rivers Queen 80
Pool Code	79240		24130
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2957'-3226'		3511'-3584'
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom			
perforation in the lower zone is within 150% of the			
depth of the top perforation in the upper zone)	NA	•	NA
Oil Gravity or Gas BTU (Degree API or Gas BTU)	BTU 1.3174		33.6 API/1.2088 BTU
Producing, Shut-In or			
New Zone	Producing		New Zone
Date and Oil/Gas/Water Rates of	**************************************		
Last Production. (Note: For new zones with no production history,	Date: 02/20/2012	Date:	Date:
applicant shall be required to attach production			
estimates and supporting data.)	Rates: 0 BO; 16 MCF	Rates:	Rates: 1 BO;12 MCF
Fixed Allocation Percentage (Note: If allocation is based upon something other	Oil Gas	Oil Gas	Oil Gas
than current or past production, supporting data or	0 % 60 %	% %	100 % 40 %
explanation will be required.)	0 % 60 %		100 / 0 40 / 0

## ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes_ Yes_	<u>X</u>	No No	
Are all produced fluids from all commingled zones compatible with each other?	Yes_	<u>X</u>	No_	
Will commingling decrease the value of production?	Yes_		No_	X
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes_	<u>x</u>	No	•
NMOCD Reference Case No. applicable to this well:				

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, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

## PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.

I hereby certify that the information above is true a	and complete to the best of my knowledge and	l belief.		
SIGNATURE CLA	TITLE Regulatory Analyst	DATE_	02/22/2012	
TYPE OR PRINT NAME Matt Ogden	TELEPHONE NO	. ()	(972)628-1603	

E-MAIL ADDRESS matt.ogden@meritenergy.com

STATE A A/C:1 #50         STATE A A/C:1 #50         CURRENT WELLBORE DIAGRAM         Mission Resources         SU-T-R: 240-233-36E         Cored 3,445-3,645         Cored 3,445-3,645         Cored 3,445-3,645         Replaced 5 1/2" cag twice to approx. 927 & ornid         Hode       11/2004 BY ERG         LOGE LEVATION: 3,327 H         Bodd M       Status         B	FORM	TOP				1	<u></u>		#E0	<u> </u>
Mission Resources         B S6* (g) 341*         W300 ax Cmt         C0, 51*         LATES TARES VICES         SUT-R         240-235-36E         Anter Status         Action Status         Cored 3,445-3,645*										
8 58° (8) 34"       POOL:       JALMAT, TANYATES, 7 RVRS (PRO GAS)         W300 sx Cmi       CO, ST:       LEA, NEW MEXICO:       LAURAT, TANYATES, 7 RVRS (PRO GAS)         STATUS:       ACTIVE:       ACREAGE:       40.12         LATES TRG WORKOVER:       DIAGRAM REVISED:       S/11/2004 BY ERG         DIAGRAM REVISED:       S/11/2004 BY ERG         Cored 3,445-3,645"       Cored 3,445-3,645"         Cored 3,445-3,645       Cored 3,445-3,645"         Replaced 5 1/2" csg twice to approx. 927 & omid       Stratus 100 (Stratus				5 A A		<b> </b>				
B S GF @ 34*       POOL:       JALMAT_TAN-YATES-7 RVRS (PRO GAS);         W300 as Cmt       CO, ST: LEA, NEW MEXICO       JACREAGE       40.12         LATEST RIG WORKOVER:       ACREAGE       40.12         LATEST RIG WORKOVER:       CO G ELEVATION 3.352 KB         Cored 3.445.3.645*       Cored 3.445.3.645*         Cored 3.445.3.645*       Cored 3.445.3.645*         Replaced 5 1/2* cag twice to approx. 527* & cmid       Cored 3.445.3.645*         Cored 3.445.3.645*       Cored 3.445.3.645*         Replaced 5 1/2* cag twice to approx. 527* & cmid       Cose ELEVATION 3.352 KB         Cored 3.445.3.645*       Cored 3.445.3.645*         Replaced 5 1/2* cag twice to approx. 527* & cmid       Cose 5 1/2* cag twice to approx. 527* & cmid         Cored 3.445.3.645*       Cored 3.445.3.645*         Cored 3.445.3.645*       Cored 3.445.3.645*         Replaced 5 1/2* cag twice to approx. 527* & cmid       Cose 5 1/2* cag applied 3/359         Table Cored 3.445.3.645*       Cored 3.445.3.645*         Cored 3.445       Cored 3.445.3.645*         Cored 3.445.3.645*       Cored 3.455.3.25*         Cored 3.445.3.645*       Cored 3.445.3.645*         Cored 3.445.3.645*       Cored 3.456.3.25*         Cored 3.445.3.645* <t< td=""><td></td><td></td><td></td><td>Ň</td><td></td><td></td><td></td><td></td><td></td><td><u></u></td></t<>				Ň						<u></u>
W1300 sx Cmt       EQ. ST: EQ. ST: LATEST RIG WORKOVER: LATEST RIG WORKOVER: DIAGRAM REVISED:       ACREAGE 5/11/2004 BY ERG         Cored 3,445-3,645'       Cored 3,445-3,645'       COS ELEVATION: 3,352 KB GROUND ELEVATION										
STATUS:       ACTIVE       ACREAGE       40.12         LATES TRIG WORKOVER:       DIAGRAM REVISED:       5/11/2004 BY ERG         DIAGRAM REVISED:       5/11/2004 BY ERG         Cored 3,445-3,645'       LOG ELEVATION: 3,352 KB GROUND ELEVATION: 3,352 KB GROUND ELEVATION: 3,352 KB GROUND ELEVATION: 3,352 KB GROUND ELEVATION: 3,342         Replaced 5 112' cag twice to approx: 927 & cmid       CASING Weight 241 K4 7 776 Trate       LINE TUBIK Weight 241 K4 7 776 Trate         String       String       1/2       1/2       2/77         Replaced 5 112' cag twice to approx: 927 & cmid       String       String       1/2         String       1/2       1/2       2/7       1/2       2/7         Group of the first revises come in stronger Particular       3/99 Particular       3/99 Particular       3/99 Particular       3/99 Particular       3/99 Particular       3/99 Particular       3/99 Particular       1/2       1/2       2/10' by Temp Surv.         TANSILL       2.727 (the pick)       2/97       2/97       3/13       4/6, 4/9, 4/9, 4/9       3/99 Particular       1/90 B, 0/13       1/90 B, 0		1								
LATEST RIG WORKOVER: DIAGRAM REVISED:       Sri11/2004 BY ERG         Cored 3,445-3,645       Cored 3,445-3,645         Cored 3,445-3,645       COG ELEVATION: 3,352 KB GROUND ELEV				描	w/300 sx Cmt					
DIAGRAM REVISED:       5/11/2004 BY ERG         Cored 3,445-3,645'       Cored 3,445-3,645'         Cored 3,445-3,645'       Cored 3,445-3,645'         Replaced 5 1/2' csg twice to approx. 927 & cmtd       Table 12 1/4" 1 7/8" 14# 15/8"         Table 12 1/4" 1 7/8" 14# 15/8"       Sorie         Sorie       11/2 00/9"         Sorie       11/2 00/9"         Sorie       11/2"         Table 12 1/4" 1 ## 15/8"         Table 12 1/4" 1 ## 15/8"         Sorie       11/2"         Cored 3,445-3,645'       Sorie         Sorie       11/2"         Sorie       11/2"         Sorie       11/2"         Sorie       11/2"         Cored 3,445-3,645'       Sorie         Cored 3,415       11/2"         Sorie       11/2"         Table 12 for 11/2"       11/2"         Table 12 for 11/2"       11/2" <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>GE 40.12</td> <td></td>									GE 40.12	
TANSILL       2,727 (flop pick)       2,817 (solution)       3,128         TANSILL       2,727 (flop pick)       2,410' by Temp Surv.       Toc @ 2,410' by Temp Surv.         TANSILL       2,727 (flop pick)       3,178'       Perfs: 2,987-3,220' (15 PF) 2,957, 69, 71, 59, 3,013, 31, 46, 49, 82, 84, 3,130, 48, 56, 3,228'       Toc @ 2,410' by Temp Surv.									RG	
TANSILL       2,727 (file pick)       Cored 3,445-3,645       GROUND ELEVATION: 3,342         Cored 3,445-3,645       GROUND ELEVATION: 3,342       GROUND ELEVATION: 3,342         Hold of 147       147       7,797       Enclosed 5 1/2" (27,797)         Replaced 5 1/2" (28) Wide to approx. 927 & cmld       GROUND ELEVATION: 3,342       Hold of 147       8,797         Wide dual       Grade       147       7,797       Enclosed 3       147       2,797         Wide dual       Grade       Grade       147       7,797       Enclosed       3,797         Midd wid       Grade       Grade       Grade       147       7,797       Enclosed       3,999         First controls       3,999       Grade       3,999       147       3,049       3,371         Midd wid       Grade       Grade       Grade       3,999       147       3,049       3,999         First controls       Grade       Grade       Grade       3,999       147       13,049       13,079       147       147       147       147       147       147       147       147       147       147       147       147       147								<u>1112004010</u>		
TANSILL       2,727 (file pick)       Cored 3,445-3,645       GROUND ELEVATION: 3,342         Cored 3,445-3,645       GROUND ELEVATION: 3,342       GROUND ELEVATION: 3,342         Hold of 147       147       7,797       Enclosed 5 1/2" (27,797)         Replaced 5 1/2" (28) Wide to approx. 927 & cmld       GROUND ELEVATION: 3,342       Hold of 147       8,797         Wide dual       Grade       147       7,797       Enclosed 3       147       2,797         Wide dual       Grade       Grade       147       7,797       Enclosed       3,797         Midd wid       Grade       Grade       Grade       147       7,797       Enclosed       3,999         First controls       3,999       Grade       3,999       147       3,049       3,371         Midd wid       Grade       Grade       Grade       3,999       147       3,049       3,999         First controls       Grade       Grade       Grade       3,999       147       13,049       13,079       147       147       147       147       147       147       147       147       147       147       147       147       147		-						LOG ELE	VATION: 3.352' I	(B
Hole       1/14*       7/8*       2/8*         Peplaced 5 1/2* csg twice to approx. 927* & cmld       Example       Sorie       5/8*       5/7*       2/78*         Weight       24/#       14/#       0.7*       Costs       0       5/8*       0       7         Weight       24/#       14/#       0.7*       Costs       0 <td></td> <td></td> <td></td> <td></td> <td>Cored 3,445</td> <td>5-3,645'</td> <td></td> <td></td> <td></td> <td></td>					Cored 3,445	5-3,645'				
Hole       1/14*       7/8*       2/8*         Peplaced 5 1/2* csg twice to approx. 927* & cmld       Example       Sorie       5/8*       5/7*       2/78*         Weight       24/#       14/#       0.7*       Costs       0       5/8*       0       7         Weight       24/#       14/#       0.7*       Costs       0 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>· · ·</td> <td></td> <td></td> <td></td>							· · ·			
TANSILL       2,727 (file pick)       2,172 3,176       2,577 4, 57, 69, 71, 89, 3,013, 31, 46, 49, 82, 84, 3,100, 48, 56, 3,220 <sup>o</sup> TANSILL       2,727 3,176       TANSILL       2,727 3,176       Concernment (here pick)       Performation 3,176       State of a and a       State of a a       State of a a <thstate of<br="">a a       State of a a       Sta</thstate>								the second s		TUBING
TANSILL       2.727 (file pick)       TOC @ 2.410' by Temp Surv.       Note: Need substructure to W/O. Must use sub- structure to pull bg.       Store form form form form form form form form										2 7 (8"
TANSILL       2,727 (file pick)         YATES       2,913'         7 RVRS       3,178'										
TANSILL       2,727 (file pick)         YATES       2,913         7 RVRS       3,178           Perfect       2,913           7 RVRS       3,178           Parks       2,913           7 RVRS       3,178           Perfect       2,957-3,226' (15 PF)           2,913'       Perfect           Perfect       2,957-3,226' (15 PF)           2,913'       Perfect           Perfect       2,957-3,226' (15 PF)           2,913'       Perfect           Perfect       2,957-3,226' (15 PF)           2,130, 46, 56, 3,226'       Perfect           Perfect       2,97-3,226' (15 PF)           2,130, 46, 56, 3,226'           Perfect <td>·</td> <td></td> <td></td> <td></td> <td>Replaced 5 1/2" csg twice</td> <td>to approx. 927</td> <td></td> <td></td> <td></td> <td></td>	·				Replaced 5 1/2" csg twice	to approx. 927				
TANSILL       2,727 (file pick)         YATES       2,913'         7 RVRS       3,178'           Perfer:       2,957-3,226' (15 PF) 2,957, 69, 71, 69, 3013, 31, 46, 49, 82, 84, 3,130, 48, 56, 3,226'           TANSILL       2,727 (file pick)           YATES       2,913'           Perfer:       2,957-3,226' (15 PF) 2,957, 69, 71, 69, 3013, 31, 46, 49, 82, 84, 3,130, 48, 56, 3,226'           Perforced 3,11-84' (Free W70, 854 gal get 8, 133, 200# sand. Ip OPPORTUNITY		1		1 - 1					3 640'	3 371'
TANSILL       2,727 (file pick)         YATES       2,913         7 RVRS       3,178'		ł							,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
TANSILL       2,727 (file pick)         YATES       2,913         7 RVRS       3,178'		ļ						بە		
TANSILL       2,727 (file pick)         YATES       2,913         7 RVRS       3,178'										
TANSILL     2,727 (file pick)     Perfs: 2,957-3,226' (15 PF)       YATES     2,913'       7 RVRS     3,178'           7 RVRS     3,178'           7 RVRS     3,178'           7 RVRS     3,178'           Performing     3/59           TANSILL     2,727       RVRS     3,178'           Perfs:     2,957-3,226' (15 PF)       2,957     9,97,189,3013,31,46,49,82,84,3130,48,56,3,226'           7 RVRS     3,178'           Performed a,511-84'           Frace w/25,000 gai 0 at 84,0000# sand.           PARKE		]							LOGS	
TANSILL       2,727 (file pick)       TOC @ 2,410' by Temp Surv.         TANSILL       2,727 (file pick)       TOC @ 2,410' by Temp Surv.         TANSILL       2,727 (file pick)       Perfs: 2,957-3,226' (15 PF)         2,913'       TOC @ 2,410' by Temp Surv.       Note: Need substructure to W/O. Must use sub- structure to pull tbg.         YATES       2,913'       Perfs: 2,957-3,226' (15 PF)         7 RVRS       3,178'       Perfs: 2,957-3,226' (15 PF)         2,957.9 (0,07,08)       3,130, 46, 56, 3,226'	1									
TANSILL       2,727 (file pick)       Perfs: 2,957-3,226' (15 PF)         YATES       2,913'       Perfs: 2,957-3,226' (15 PF)         Y RVRS       3,176'       Perfs: 2,957-3,226' (15 PF)         Y RVRS       3,176'       Languet Mattix (LWR 7RVRS-QUEEN HISTORY 3,176'									•	
TANSILL       2,727' (file pick)       TOC @ 2,410' by Temp Surv.       TOC @ 2,410' by Temp Surv.         YATES       2,913'       Perfs: 2,957-3,226' (15 PF) 2,957,69, 71,89, 3013, 31, 46, 49, 82, 84. 3,130, 48, 56, 3,226'       Note: Need substructure to W/O. Must use sub- structure to pull tbg.         YRVRS       3,178'       Perfs: 2,957-3,226' (15 PF) 2,957, 69, 71, 89, 3013, 31, 46, 49, 82, 84. 3,130, 48, 56, 3,226'       Image: Complete the transmitted to the transmit		{								
TANSILL     2,727' (file pick)     TOC @ 2,410' by Temp Surv.       YATES     2,913'     TOC @ 2,410' by Temp Surv.       Perfs:     2,957-3,226' (15 PF)       2,913'     Perfs:     2,957-3,226' (15 PF)       2,913'     Toc @ 2,10' by Temp Surv.     Note: Need substructure to W/O. Must use sub- structure to pull tbg.       Partes     2,913'     Perfs:     2,957-3,226' (15 PF)       2,913'     Toc @ 2,10' by Temp Surv.     Note: Need substructure to W/O. Must use sub- structure to pull tbg.       YATES     2,913'     Perfs:     2,957-3,226' (15 PF)       2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84,     Structure to pull tbg.       YRVRS     3,178'     Perfs: 2,957-3,226' (15 PF)       2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84,     Structure to pull tbg.       YRVRS     3,178'     Perfs: 2,957-3,226' (15 PF)       2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84,     Structure to pull tbg.       YRVRS     3,178'     Perfs: 2,957-3,226' (15 PF)       2,900 @ 3,178'     Y/S9 Spud.     3/59 Initial Completion.       Perforated 3,511-84'     Frac w/25,000 @ 18 & 40,000# sand.       IPF 546 BOPD, 0 BW, GOR 769     Perforated 3,501 & 40,000# sand.								Perforatin	9	7/90
TANSILL     2,727' (file pick)       YATES     2,913'       7 RVRS     3,178'           8 RVRS     3,178'           9 RVRS     1 RVRS           17 RVRS     1 RVRS           17 RVRS     1 RVRS           17 RVRS     1 RVR           17 RVRS     1 RVR </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td><b>├</b>───┼</td> <td></td> <td></td>								<b>├</b> ───┼		
TANSILL     2,727' (file pick)       YATES     2,913'       7 RVRS     3,178'           8 RVRS     3,178'           9 RVRS     1 RVRS           17 RVRS     1 RVRS           17 RVRS     1 RVRS           17 RVRS     1 RVR           17 RVRS     1 RVR </td <td></td>										
TANSILL     2,727' (file pick)       YATES     2,913'       7 RVRS     3,178'           8 RVRS     3,178'           9 RVRS     1 RVRS           17 RVRS     1 RVRS           17 RVRS     1 RVRS           17 RVRS     1 RVR           17 RVRS     1 RVR </td <td></td>										
TANSILL     2,727' (file pick)       YATES     2,913'       7 RVRS     3,178'           8 RVRS     3,178'           9 RVRS     1 RVRS           17 RVRS     1 RVRS           17 RVRS     1 RVRS           17 RVRS     1 RVR           17 RVRS     1 RVR </td <td>1</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>· <b>[</b></td> <td>AN-VATES 7 RVR</td> <td>S ZONE HISTOR</td> <td><del>,</del></td>	1						· <b>[</b>	AN-VATES 7 RVR	S ZONE HISTOR	<del>,</del>
TANSILL     2,727' (file pick)     TOC @ 2,410' by Temp Surv.     7/90 Replace 5 1/2" csg again to approx. 927' & cmt. Perforated 2,957-3,226' Acidized w/1500 gai 15% Frac w/70,854 gai gel & 193,200# sand. IP 0 BO, 876 MCF, 0 BW POP       YATES     2,913'     TOC @ 2,410' by Temp Surv.     Note: Need substructure to W/O. Must use sub- structure to pull tbg.       YATES     2,913'     Perfs: 2,957-3,226' (15 PF) 2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84.     None seen.       YRVRS     3,178'     Perfs: 2,957-3,226' (15 PF) 2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84.     LANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY 3/59 Spud. 3/59 Initial Completion. Perforated 3,511-84' Frac w/25,000 gal oil & 40,000# sand. IPF 546 BOPD, 0 BW, GOR 769		ļ								¥
TANSILL     2,727' (file pick)     TOC @ 2,410' by Temp Surv.     Acidized w/1500 gal 15% Frac w/70,854 gal gel & 193,200# sand. IP 0 BO, 876 MCF, 0 BW POP       YATES     2,913'     Perfs: 2,957-3,226' (15 PF) 2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84, 3,130, 48, 56, 3,226'     Note: Need substructure to W/O. Must use sub- structure to pull tbg.       YATES     2,913'     Perfs: 2,957-3,226' (15 PF) 2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84, 3,130, 48, 56, 3,226'     LANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY 3/59 Spud. 3/59 Initial Completion. Perforated 3,511-84' Frac w/25,000 gal oil & 40,000# sand. IPF 546 BOPD, 0 BW, GOR 769							7/90 Repla	ace 5 1/2" csg aga		& cmt.
TANSILL     2,727' (file pick)     TOC @ 2,410' by Temp Surv.     Frac w/70,854 gal gel & 193,200# sand. IP 0 BO, 876 MCF, 0 BW POP       YATES     2,913'     Perfs: 2,957-3,226' (15 PF)       7 RVRS     3,178'     Perfs: 2,957-3,226' (15 PF)       7 RVRS     3,178'					1		ii			
TANSILL     2,727' (file pick)     TOC @ 2,410' by Temp Surv.     IP 0 BO, 876 MCF, 0 BW POP       YATES     2,913'     Perfs: 2,957-3,226' (15 PF)       2,913'     Perfs: 2,957-3,226' (15 PF)       2,913'     Perfs: 2,957-3,226' (15 PF)       3,130, 48, 56, 3,226'     LANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY       3/59 Spud.     3/59 Initial Completion.       Perforated 3,511-84'     Frac w/25,000 gal oil & 40,000# sand.       IP 546 BOPD, 0 BW, GOR 769				1					200# sand	
TANSILL     2,727' (file pick)     Note: Need substructure to W/O. Must use sub- structure to pull tbg.       YATES     2,913'     Perfs: 2,957-3,226' (15 PF)       2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84, 3,130, 48, 56, 3,226'     None seen.       Image: None seen in the seen in the second seco					1					
TANSILL     2,727' (file pick)     More seen.       YATES     2,913'     Perfs: 2,957-3,226' (15 PF)       2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84.     None seen.       3,178'     Image: structure to pull tbg.       7 RVRS     3,178'		•	20		TOC @ 2,410' by Temp S	iurv.	POP			
TANSILL     2,727' (file pick)     More seen.       YATES     2,913'     Perfs: 2,957-3,226' (15 PF)       2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84.     None seen.       3,178'     Image: structure to pull tbg.       7 RVRS     3,178'										
TANSILL     2,727' (file pick)     More seen.       YATES     2,913'     Perfs: 2,957-3,226' (15 PF)       2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84.     None seen.       3,178'     Image: structure to pull tbg.       7 RVRS     3,178'				23 24			Note: Nee	d substructure to 1	W/O. Must use si	.b-
(file pick)     2,913'     Perfs: 2,957-3,226' (15 PF)       2,913'     2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84, 3,130, 48, 56, 3,226'       7 RVRS     3,178'       7 RVRS     3,178'	( I						lt l			
(file pick)     2,913'     Perfs: 2,957-3,226' (15 PF)       2,913'     2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84, 3,130, 48, 56, 3,226'       7 RVRS     3,178'       7 RVRS     3,178'										·
(file pick)     2,913'     Perfs: 2,957-3,226' (15 PF)       2,913'     2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84, 3,130, 48, 56, 3,226'       7 RVRS     3,178'       7 RVRS     3,178'	TANSILI	2.727		NEWS:	1		<u> </u>	OPPOR		
YATES     2.913'     Perfs:     2,957-3,226' (15 PF)       2,957, 69, 71, 89, 3,013, 31, 46, 49, 82, 84,     3,130, 48, 56, 3,226'     LANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY       3/59 Spud.     3/59 Initial Completion.     Perforated 3,511-84'       Frac w/25,000 gal oil & 40,000# sand.     IPF 546 BOPD, 0 BW, GOR 769							None seen			1
7 RVRS     3,178'       7 RVRS     3,178'           1     1       1<										
7 RVRS     3,178'       7 RVRS     3,178'           1     1       1<	YATES	2 912		<u>_</u>	Perfs: 2.957-3 226' (15)	PF)				
7 RVRS       3,178'       3,130, 48, 56, 3,226'       LANGLIE MATTIX (LWR 7RVRS-QUEEN) HISTORY         3/59       Spud.       3/59       Initial Completion.         Perforated 3,511-84'       Frac w/25,000 gal oil & 40,000# sand.       IPF 546 BOPD, 0 BW, GOR 769		2,010		3			i4, ل <u>ا</u>		. <del></del>	
7 RVRS       3,178'       Perforated 3,511-84'         Frac w/25,000 gal oil & 40,000# sand.       Frac w/25,000 gal oil & 40,000# sand.         IPF 546 BOPD, 0 BW, GOR 769       IPF 546 BOPD, 0 BW, GOR 769								GLIE MATTIX (LWR	7RVRS-QUEEN) HIS	TORY
Frac w/25,000 gal oil & 40,000# sand. IPF 546 BOPD, 0 BW, GOR 769		·			]				npletion.	
IPF 546 BOPD, 0 BW, GOR 769	7 RVRS	3,178'							0# sand	
				連載						
4/66 Acidize w/500 gal.							4/66 Acidiz	e w/500 gal.		
12/89 Replaced approx. 910' of 5 1/2" csg.									of 5 1/2" csg.	
CIBP @ 3,488' on 12/89 CIBP set @ 3,488'							CIBP set @	y 3,400		
Perfs: 3,511-84'				_ <u>_</u>	Perfs: 3,511-84'					
QUEEN 3,510' 3,511-15, 3,525-28, 3,531-34, 3,539-42,	QUEEN	3,510'								1
<b>3,545-48, 3550-52, 3560-62, 3565-68</b> .		}				62, 3565-68,				1
3,570-75, 3,579-84' PBTD 3,610'				44 1						
5 1/2" @ 3,649' w/250 sx Cmt			87			Cmt				
TD 3,650'			TD 3,65	50'			<u>H</u> _			

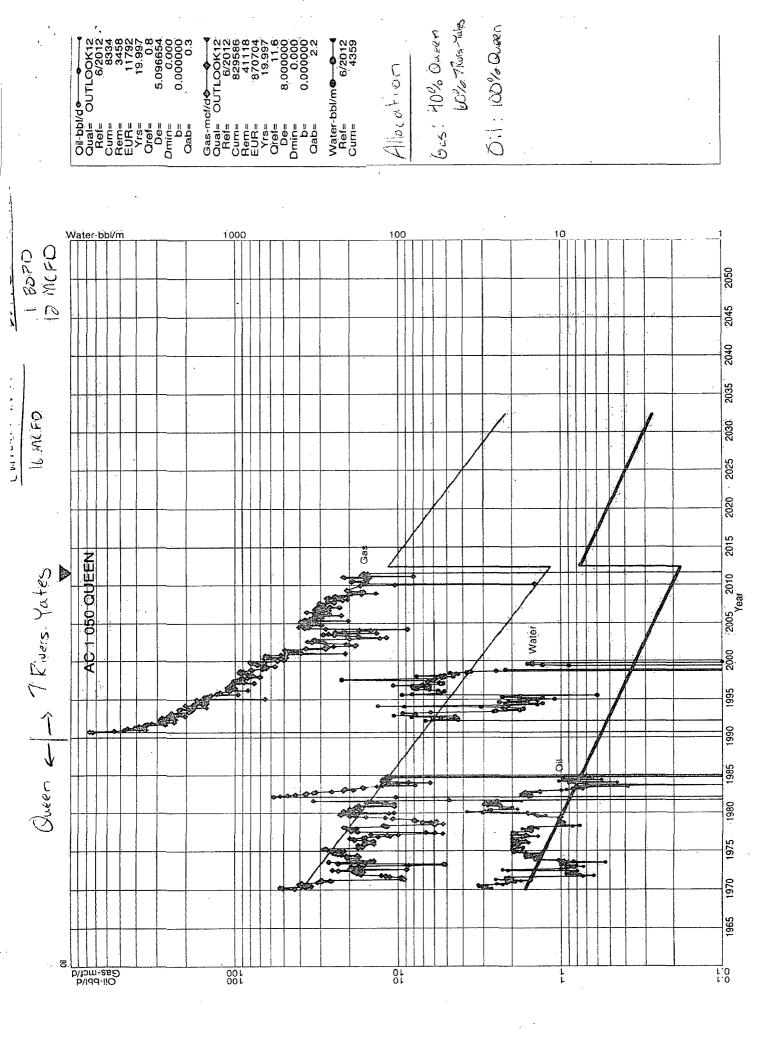
· · · ·

т., **т.** . .

,

X Well file X OCD File

Current



District I 1625 N. French Dr., Hobbs. NM 88240

٠.

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 Revised February 21, 1994 instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

\_\_\_ AMENDED REPORT

API Number 2 Pool Code 3 Pool Name												
AF		2 Pool (	Code				3 Pool Nar	ne				
	30-025-	09405	l	79240				Jalmat	Tansill Yates	7 Rvrs (P		
4 Property (	Code				5 Pro	operf	ty Name	4			6 We	ell Number
24669				<u> </u>	State				·····			50
7 OGRID No.	·				8 Or	pera	tor Name				9 6	levation
16279		_=			Raptor							
					10 Surf	ace	Locatior					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from I	he	North/Sou	•	Feet from the	EastWe		County
0	24	23S	36E		660		Sout	h	1980	Ea	st_	Lea
			11 Bot	tom Ho	le.Locatio	on I	f Differe	ent Fro	m Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from ti	he	North/Sou	uth line	Feet from the	East/We	st line	County
·												
12 Dedicated Acres	5   13 Join	t or infli 14 C	onsolidatio		Order No.	_						
480		,			R-11:				pplied For		· · · · · · · · · · · · · · · · · · ·	
NO ALLOV	VABLE								NTERESTS H BY THE DIVI		EN CON	SOLIDATED
<del></del>	• • • • • • • • •					<u></u>					000	
				Ŧ	•	1			. 11			IFICATION
		140		Ŧ					11 .			contained herein is nowledge and belief
K KO V X	133	0		÷.								
	1450			ŧ								
			Ģ	‡								
			<u> </u>	<u> </u>					- A	ep K	X	athe
A 7		8		1					Signature	D(1) E	R. Keath	
	1650	H		\$					Printed Nam		C. Kealli	·y
1660		254 A+ <sup>4</sup>	•	4			1			Regula	atory Ag	ent
Ē	5,2	,		7	•				Title	8-6-	~ /	
				Ŧ					Date	0 6		
<b>*</b>		_ · · · · · ·		- <del>111111</del>		TTU					CEDT	
I .									Ŧ			IFICATION
#107	, }		ŧ				ÞS	4 114	<u>1</u>			n shown on this plat surveys made by nie
		TIX	·>∠					4 660 TK	r + 1			he same is true and
	1			ļ	32		1650		correct to the	e besi of my i	helicf.	
				1		T		1	Date of Surve	ev		{
0								480			ofessional S	Surveyor:
E		#24		1	50			ľ	刲			
k	450		5					1	Ŧ			
Keicy" #	108	5		15	0. [199	10		1, 600	I			
	-	Tô			1 I I			#17	Ĩ			
6	Í				8			60	Certificate N	umber		·
E				Jum				<u> </u>				

<u>District, 1</u> 1625 N. French Dr., Hobbs. NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u> 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road. Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u>

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

1	r		<sup>2</sup> Pool Code	e	<sup>3</sup> Pool Name						
30-025-094	D9405 24130 Eunice 7 Rivers Queen South										
<sup>4</sup> Property	Code	••••••			5 Property 1	Name			<sup>6</sup> Well Number		
		State A	A/C 1						50		
<sup>7</sup> OGRID	No.				<sup>8</sup> Operator	Name			1	<sup>9</sup> Elevation	
14591		Merit E	nergy Com	ipany							
					<sup>10</sup> Surface I	Location					
UL or lot no.	Section	Township	Range	Lot Idn	· Feet from the	North/South line	Feet from the	Ea	st/West line		County
0	24	<b>7</b> 2S	36E		660	South	1980	East		Lea	
		33	" Bo	ttom Ho	le Location If	Different Fron	n Surface			·.	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	· Eas	t/West line	~~~~~	County
12 Dedicated Acres	s <sup>13</sup> Joint of	r Infill 14	Consolidation	Code 15 Or	rder No.						
40											

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				"OPERATOR CERTIFICATION
				I hereby certify that the information contained herein is true and complete
				to the best of my knowledge and belief, and that this organization either
				owns a working interest or unleased mineral interest in the land including
				the proposed bottom hole location or has a right to drill this well at this
				location pursuant to a contract with an owner of such a mineral or working
				interest, or to a voluntary pooling agreement or a compulsory pooling
				order herotofore entryed by the division.
				Signature 02/22/2012 Date
				Signature
			· .	Matt Ogden
				Printed Name
				matt.ogden@meritenergy.com
				E-mail Address
				<b>SURVEYOR CERTIFICATION</b>
		·		<i>Thereby certify that the well location shown on this</i>
		•		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.
				Date of Survey
			-	,
	-			Signature and Seal of Professional Surveyor:
		•	-1980'	
	4			
	1	3	- 1	Certificate Number
	4		-	Certificate Nutriber
		<del>╒╴╽╶┱╲╡╤╷╹╹╕┥╺╕┥</del>		



Merit Energy Company 13727 Noel Road, Suite 500 Dallas, TX 75240

Date: February 23, 2012

To: New Mexico Oil Conservation Division

Attention: William V Jones P.E.

RE: Jalmat Field: 13 Commingling Applications Lea County, New Mexico

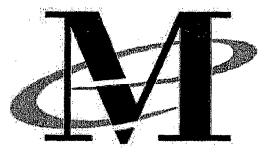
<u>Merit Energy Company</u> has requested approval to commingle the Queen formation (Langlie Mattix Pool) with the Tansill-Yates-Seven Rivers formation (Jalmat Pool).

All of these wells are located in Lea County, C Sec 10, B-D-E-G-M Sec 13, G Sec 15, E-Sec 23, I-K-L-O-Sec 24 T23S R36E and D Sec 9 T22S R36E. Commingling the Jalmat Pool with the Langlie Mattix Pool is in the interest of both royalty owners and the conservation, and it will extend the life of each well and optimize recovery from both Pools. The 13 well's commercial value will be extended 20 years based on estimated reserves from the Queen formation, and will ultimately allow uncommercial Jalmat Pool reserves to be recovered via production from the Queen. The Queen Completions are uneconomic if it is required by the NMOCD to seal off the Jalmat Pool from the Langlie Mattix Pool. Operationally, fluid samples will be collected before and after commingling. Scale inhibitors will be continuously pumped during operations. The fluid level will be maintained below the Jalmat pool both to optimize production and reduce any scaling tendencies.

Please let me know if you have any questions.

Sincerely Jason Vining

Operations Engineer jason.vining@meritenergy.com Phone: 972-628-1606 Fax: 972-682-1906



Merit Energy Company 13727 Noel Road, Suite 500 Dallas, TX 75240

Date: February 23, 2012

To: New Mexico Oil Conservation Division

Attention: William V Jones P.E.

RE. Jalmat Field: AC-1 #50,52,54,57,60,66,71,72,74,80,81, 107 & AC-2 #29-Queen Commingling Lea County, New Mexico

<u>Merit Energy Company</u> has requested approval to commingle the Yates formation (Jalmat Pool) with the Queen formation (Langlie-Mattix).

This well that we are asking to commingle does have "identically owned" (working/royalty/orri) interest from the surface to the base of the queen formation.

Please let me know if you have any questions

Sincerely Matt Van Eaton

Associate Landman <u>matt.vaneaton@meritenergy.com</u> Phone: 972-628-1557 Fax: 972-682-1857