

DATE IN

SUSPENSE

ENGINEER

LOGGED IN

TYPE

APPROV.

ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



## ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

## Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [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

[D] Other: Specify \_\_\_\_\_

[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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[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.

Print or Type Name

Signature

Title

Date

e-mail Address



**Southwestern Energy  
Production Company**

A subsidiary of Southwestern Energy Company

2350 N. Sam Houston Parkway East  
Suite 300  
Houston, Texas 77032  
(281) 618-4700 FAX: (281) 618-4757

April 11, 2005

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

**RECEIVED**

APR 11 2005

Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

To Whom It May Concern:

Please find enclosed the original Form C-107-B Application for Surface Commingling (Diverse Ownership) and required attachments. Copies of this application have been mailed to all interest owners in the subject well.

If you have any questions or need additional information, please feel free to contact me directly at 281/618-4775.

Sincerely,

Jill Hegemier  
Production Analyst

Enclosures

March 31, 2003

**District I**

1625 N. French Drive, Hobbs, NM 88240

**District II**

1301 W. Grand Ave, Artesia, NM 88210

**District III**

1000 Rio Brazos Road, Aztec, NM 87410

**District IV**1220 S. St Francis Dr, Santa Fe, NM  
87505

Energy, Minerals and Natural Resources Department

**OIL CONSERVATION DIVISION**1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**OPERATOR NAME: Southwestern Energy Production CompanyOPERATOR ADDRESS: 2350 N. Sam Houston Pkwy. E., Suite 300, Houston, TX 77032

APPLICATION TYPE:

☐ Pool Commingling    ☒ Lease Commingling    ☐ Pool and Lease Commingling    ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)
LEASE TYPE:    ☐ Fee    ☒ State    ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. \_\_\_\_\_  
 Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
☒ Yes ☐ No

**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Value of Non- Commingled Production	Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No  
 (3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.  
 (4) Measurement type: ☐ Metering ☐ Other (Specify)  
 (5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

- (1) Pool Name and Code. Corral Canyon Delaware, NW (Pool No. 96464)  
 (2) Is all production from same source of supply? ☒ Yes ☐ No  
 (3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No  
 (4) Measurement type: ☒ Metering ☐ Other (Specify)

**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

- (1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**

Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No  
 (2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.  
 (2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
 (3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Jill HegemierTITLE: Production AnalystDATE: 04/11/2005TYPE OR PRINT NAME Jill HegemierTELEPHONE NO: 281/618-4775

## **Information Required for Surface Commingling**

### **Working Interest Owner**

Southwestern Energy Prod. Co. – Applicant

### **Royalty Interest Owners**

#### **Section 2 – Lease # - ST NM V-3361**

Devon Energy Production Company L.P.  
20 N. Broadway  
Oklahoma City, OK 73102

New Mexico State Land Office  
Oil, Gas, and Minerals Division  
P.O. Box 1148  
Santa Fe, New Mexico 87504-1148

#### **Section 11 – Lease # - ST NM V-3633-2**

EOG Resources, Inc.  
P.O. Box 2267  
Midland, TX 79702

New Mexico State Land Office  
Oil, Gas, and Minerals Division  
P.O. Box 1148  
Santa Fe, New Mexico 87504-1148

**All Production is from the Corral Canyon Delaware, NW Pool (Pool No. 96464)**

### **Wells to be commingled:**

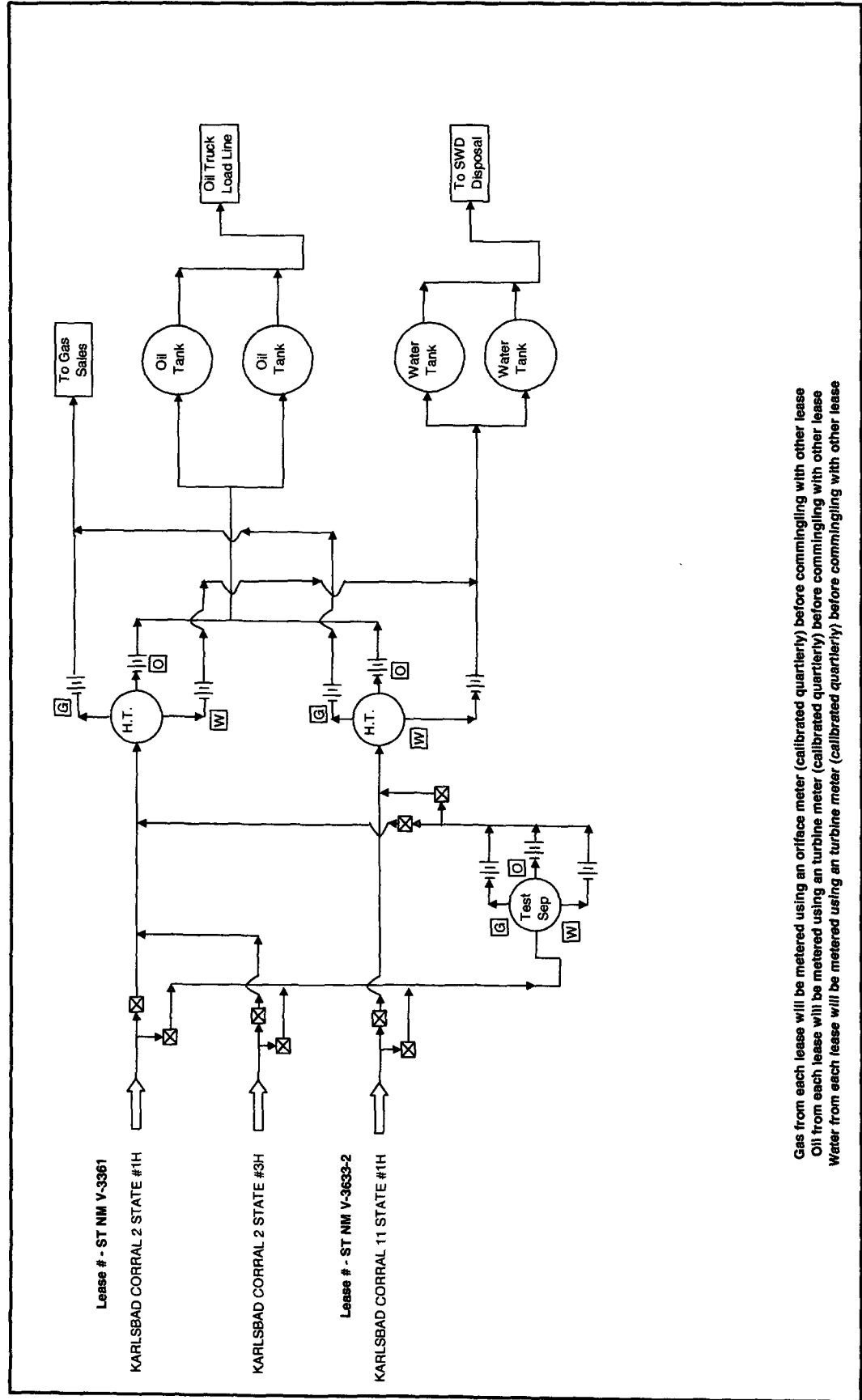
#### **State Lease No. V-3361**

**Karlsbad Corral 2 State #1-H – API # 30-015-33324**  
**Karlsbad Corral 2 State #3-H - API # 30-015-33722**

#### **State Lease No. V-3633-2**

**Karlsbad Corral 11 State #1-H – API # 30-015-33983**

# KARLSBAD CORRAL PRODUCTION FACILITY FACILITY DRAWING SECTIONS 2 AND 11, T-25-S, R-29-E, EDDY COUNTY, NEW MEXICO



Gas from each lease will be metered using an orifice meter (calibrated quarterly) before commingling with other lease  
 Oil from each lease will be metered using a turbine meter (calibrated quarterly) before commingling with other lease  
 Water from each lease will be metered using a turbine meter (calibrated quarterly) before commingling with other lease

24S 29E

MITCHELL ENERGY  
Corral Fly '35' Fed

1  
14,000 35

MEWBOURNE OIL CO  
Pierce Crossing 36

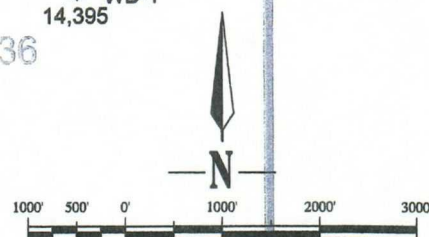
1  
14,000

SUPERIOR OIL  
FORCENERGY GAS  
CONCHO  
Oscar St

1  
WD-1  
14,395

34

36



SWN

7,300

STATE LEASE  
No. V-3361

SANTA FE ENERGY

Corral Fly Unit

14,002

SWN

Karlsbad Corral 12 S

1H

7,240

EASTLAND OIL  
New Year Fed

1  
5,850

3

1

SANTA FE ENERGY  
Corral Fly '11' Sta

1

8,395

STATE LEASE  
No. V-3633-2

11

SWN  
Karlsbad Corral 11

3H

7,300

CORRAL FLY  
"CC - 4"

25S 29E

14

MOBIL  
Corral Draw Unit

1  
15,585

POGO PRODG  
Bradley '13' Fed

2  
6,000

POGO PRODG  
Bradley '13' Fed

4  
8,600



**SOUTHWESTERN ENERGY  
PRODUCTION COMPANY**

KARLSBAD CORAL  
EDDY COUNTY, NEW MEXICO

KARLSBAD CORRAL AREA  
GAS GATHERING SYSTEM

INTERP. BY: CHUCK CORNISH

DATE: 11-APR-05

DRAFTED BY: S.D.P.

CADFILE: z:\corral fly\coralfly\_cc3\_8x11

LOC:

GGRFX FILE:

MOBIL  
Latham Fed

1  
5,300

MOBIL  
Latham Fed

2  
5,500

LE&STOVALL  
Draw Fed

2  
100