

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

- DHC 4736-A  
 - Breitburn Operating, LP  
 370080  
 WEL  
 - Ewone 1511959047  
 30025-42351  
 Pool  
 - Tubb Oil and Gas  
 (oil)  
 60240  
 - Blinney Oil  
 and Gas  
 6660  
 - Wanz, AB  
 6270  
 - Drinkand  
 19190

[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.

Shelly Doescher \_\_\_\_\_ Agnt \_\_\_\_\_ 04-29-2015  
 Print or Type Name Signature Title Date  
 shelly\_doescher@yahoo.com  
 e-mail Address

April 29, 2015

Mr. Michael McMillan  
New Mexico Oil Conservation Division  
Engineering Bureau  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505

Re: Form C-107A: Application for Downhole Commingling  
Breitburn Operating LP  
Encore M State No. 016  
API No. (30-025-42391)  
645 FNL & 1880 FEL  
Section 29, T-22 South, R-37 East, NMPM  
Lea County, New Mexico

Dear Mr. McMillan:

Attached is a C-107A application and attachments for amending DHC-4736-0, downhole commingling the captioned well to include the Tubb Oil & Gas (Oil) 60240 Pool. Since receiving DHC-4736-0, issued 02/20/2015, Breitburn has determined that the Tubb Formation shows production potential and is also to be completed.

Please reference DHC-4705-A, issued 03/04/2015, for the Encore M State No. 008, and DHC 4737-A, issued 04/08/2015, for the Encore M State No. 015. Given the close proximity of the M State No. 016 to these locations, supporting data for the DHC-4705-A and DHC 4737-A will be used to establish an allocation of 25% for each zone as indicated on the attached C-107A.

Please note that the working, royalty and overriding royalty interest ownership in this well is common throughout. Consequently, notice of this application is not required to any interest owner. (See attached letter).

Approval of this application will afford Breitburn the opportunity to recover additional oil and gas reserves from the Blinebry Oil & Gas, Tubb Oil & Gas (Oil), Drinkard and Wantz;Abo Pools within the Encore M State No. 016 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

If there should be any questions, please call me at 505-320-5682 or Jeannie McMillan, Regulatory Manager at 713-634-4696.

Sincerely,

  
Shelly Dogscher  
Agent



April 29, 2015

New Mexico Oil Conservation Division  
Attn: Mr. Michael McMillan  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Re: DHC: Encore M State No. 16 well  
Ownership

Dear Mr. McMillan:

This letter is to clarify ownership in the referenced well and should be included in the down hole commingle application for the above well.

The ownership is identical for all of the pools (zones) to be commingled: (Bliebry Oil & Gas (oil) (#6660); Drinkard (#19190); Wantz; Abo (#62700) and Tubb Oil and Gas Pool (#60240).

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul Aguirre', is written over the typed name.

Paul Aguirre  
Landman  
Breitburn Operating LP  
1401 McKinney Street, Suite 2400  
Houston, TX 77010

District I  
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

Form C-107A  
Revised August 1, 2011

APPLICATION TYPE  
 Single Well  
 Establish Pre-Approved Pools  
 EXISTING WELLBORE  
 Yes  No

APPLICATION FOR DOWNHOLE COMMINGLING

Breitbart Operating LP

1401 McKinney Street, Suite 2400 Houston, TX 77010

Operator **Encore M State** Address **016 Unit B, Section 29, T-22 South, R-37 East** LEA

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 370080 Property Code 314022 API No. 30-025-42391 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE 1	INTERMEDIATE ZONE 2	LOWER ZONE
Pool Name	Bliebrly Oil & Gas (Oil)	Tubb Oil & Gas (Oil)	Drinkard	Wantz-Abo
Pool Code	06660	60240	19190	62700
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5460'-6074'	6080'-6260'	6400' - 6645'	6669' - 6787'
Method of Production (Flowing or Artificial Lift)	Artificial Lift	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)	Not Required	Not Required	Not Required	Not Required
Oil Gravity or Gas BTU (Degree API or Gas BTU)	38 Deg. API 1342 BTU			
Producing, Shut-In or New Zone	New Zone	New Zone	New Zone	New Zone
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.)	Estimated: 5 BOPD 16 MCFGD 10 BWPD			
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas Water 25% 25% 25%			

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  No

Are all produced fluids from all commingled zones compatible with each other? Yes  No

Will commingling decrease the value of production? Yes  No

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  No

NMOC 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 Pool
- 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 and complete to the best of my knowledge and belief.

SIGNATURE Shelly Doescher TITLE: Agent DATE: April 29, 2015  
 TYPE OR PRINT NAME: Shelly Doescher TELEPHONE NO: (505) 320-5682 E-Mail Address: shelly\_doescher@yahoo.com

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
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State of New Mexico  
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**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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-42391	<sup>2</sup> Pool Code 6660	<sup>3</sup> Pool Name Blinebry Oil and Gas (Oil)	
<sup>4</sup> Property Code 314022	<sup>5</sup> Property Name M State		<sup>6</sup> Well Number 16
<sup>7</sup> GRID No. 370080	<sup>8</sup> Operator Name Breitburn Operating LP		<sup>9</sup> Elevation 3362'

<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	29	22 S	37 E		645'	North	1800'	East	Lea

<sup>11</sup>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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill N	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

**<sup>17</sup>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 heretofore entered by the division.

*Shelby Doescher* 4-29-15  
Signature Date

*Shelby Doescher*  
Printed Name

*shelby\_doescher@yahoo.com*  
E-mail Address

---

**<sup>18</sup>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.

12-17-2014  
Date of Survey

*Michael L. Stanford*  
Signature and Seal of Professional Surveyor

**MICHAEL L. STANFORD**  
NEW MEXICO  
REGISTERED PROFESSIONAL LAND SURVEYOR  
10324

10324  
Certificate Number

DISTRICT I  
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Revised August 1, 2011  
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AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-42391		<sup>2</sup> Pool Code 60240		<sup>3</sup> Pool Name Tubb Oil and Gas (Oil)	
<sup>4</sup> Property Code 314022		M State		<sup>5</sup> Property Name	
<sup>7</sup> GRID No. 370080		Breitburn Operating LP		<sup>8</sup> Operator Name	
				<sup>6</sup> Well Number 16	
				<sup>9</sup> Elevation 3362'	

<sup>10</sup>Surface Location

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M STATE 16  
Elev. 3362'  
NAD 83 NM East  
N = 499638'  
E = 896697'  
Lat. = 32°22'05.95"  
Long. = 103°10'56.55"

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*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 heretofore entered by the division.*

*Shelly Doercher* 4-29-15  
Signature Date

Shelly Doercher  
Printed Name

shelly.doercher@yahoo.com  
E-mail Address

---

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Submit one copy to appropriate  
District Office

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-42391		<sup>2</sup> Pool Code 19190		<sup>3</sup> Pool Name Drinkard	
<sup>4</sup> Property Code 314022		M State		<sup>5</sup> Property Name	
<sup>7</sup> GRID No. 370080		Breitburn Operating LP		<sup>8</sup> Operator Name	
				<sup>6</sup> Well Number 16	
				<sup>9</sup> Elevation 3362'	

<sup>10</sup>Surface Location

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<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill N	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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*Shelly Doeschen* 4-29-15  
Signature Date

Shelly Doeschen  
Printed Name

shelly.doeschen@yahoo.com  
E-mail Address

---

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12-17-2014  
Date of Survey

Signature and Seal of Professional Surveyor

Michael  
10324  
Certificate Number

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Form C-102  
Revised August 1, 2011  
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District Office

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-42391		<sup>2</sup> Pool Code 62700		<sup>3</sup> Pool Name Wantz;Abo	
<sup>4</sup> Property Code 314022		<sup>5</sup> Property Name M State			<sup>6</sup> Well Number 16
<sup>7</sup> OGRD No. 370080		<sup>8</sup> Operator Name Breitburn Operating LP			<sup>9</sup> Elevation 3362'

<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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*Shelly Dreescher*  
Signature Date 7-29-15

Shelly Dreescher  
Printed Name

shelly.dreescher@yahoo.com  
E-mail Address

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12-17-2014  
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*Michael L. Stanford*  
Signature and Seal of Professional Surveyor

10324  
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State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**David R. Catanach, Division Director**  
Oil Conservation Division



Administrative Order DHC-4736

Order Date: February 20, 2015

Application Reference Number: pMAM1504446681

Breitburn Operating LP  
600 Travis Street, Suite 4800  
Houston, Tx. 77002

Attention: Ms. Jeanie McMillan

Encore M State Well No. 16  
API No. 30-025-42391  
Unit B, Section 29, Township 22 South, Range 37 East NMPM  
Lea County, New Mexico

Pool	BLINEBRY OIL AND GAS (OIL)	Oil (6660)
Names:	DRINKARD	Oil (19190)
	WANTZ;ABO	Oil (62700)

Reference is made to your recent application for an exception to Division Rule 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11A. NMAC, and since reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division Rule 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of oil production from the subject well shall be based on the analysis of the historical production from surrounding wells in the same pools.

Assignment of allowable and allocation of production from the well shall be as follows:

BLINEBRY OIL AND GAS (OIL) POOL	Pct. Oil: 33 1/3	Pct. Gas: 33 1/3
DRINKARD POOL	Pct. Oil: 33 1/3	Pct. Gas: 33 1/3
WANTZ;ABO POOL	Pct. Oil: 33 1/3	Pct. Gas: 33 1/3

It is also understood that notice of this application, pursuant to Division Rule 19.15.4.12A.(6), is not required since the interest ownership between the zones to be commingled is common throughout.

REMARKS: The operator shall notify the Division's District I office upon implementation of commingling operations.

This Order is subject to like approval from the New Mexico State Land Office.

Pursuant to Division Rule 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



David R. Catanach  
Director

DRC/mam

cc: New Mexico Oil Conservation Division – Hobbs  
New Mexico State Land Office – Oil, Gas, and Minerals