

DISTRICT I

P.O. Box 1080, Hobbs, NM 88240

DISTRICT II

811 South First St., Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

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

APPROVAL PROCESS:

Administrative Hearing

EXISTING WELLBORE

YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator: Meridian Oil Inc. Address: P.O. Box 51810 Midland, Texas 79710-1810
 Well No.: Little Jack '30' Federal # 3 Unit Loc.: 0, Sec. 30, T23S, R32E Spacing Unit Lease Types: (check 1 or more)
 County: Lea
 OGRID NO.: 26485 Property Code: 15123 API NO.: 30-025-32478 Federal State (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	West Triste Draw Delaware 59945		South Sand Dunes Bone Spring 53805
2. Top and Bottom of Pay Section (Perforations)	7252'-7262'		8606'-8650' (Pro)
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		see attached
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 1100	a.	a. 1275 (est.)
	b. (Original) 2175	b.	b. 2500 (est.)
6. Oil Gravity (^o API) or Gas BTU Content	39		37.8
7. Producing or Shut-in?	Producing		
Production Marginal? (yes or no)	Yes		
* 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: Rates:	Date: Rates:	Date: Rates:
	Date: 5/12/96 Rates: 88 oil, 113 mcf, 89 water	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 60 % Gas: 60 %	Oil: % Gas: %	Oil: 40 % Gas: 40 %

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(C) 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 Donna Williams TITLE Regulatory DATE 7/22/96

TYPE OR PRINT NAME Donna Williams TELEPHONE NO. (915) 888-6943

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

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-32478		² Pool Code 59945		³ Pool Name West Triste Draw Delaware	
⁴ Property Code 15123		⁵ Property Name Little Jack '30' Federal			⁶ Well Number # 3
⁷ OGRID No. 26485		⁸ Operator Name Meridian Oil Inc.			⁹ Elevation 3597'

¹⁰ Surface Location

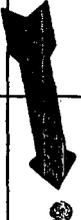
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
	30	23S	32E		660'	South	2310'	East	Lea

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 40	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

	¹⁷ OPERATOR CERTIFICATION	
	<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>	
		
	Signature Donna Williams Printed Name Regulatory Compliance Title 7/10/96 Date	
¹⁸ SURVEYOR CERTIFICATION		
<i>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.</i>		
Date of Survey Signature and Seal of Professional Surveyor:		
		Certificate Number

Delaware - Upper Zone

LITTLE JACK 30 FEDERAL I 3 I 39708A-1

Prop 22 *

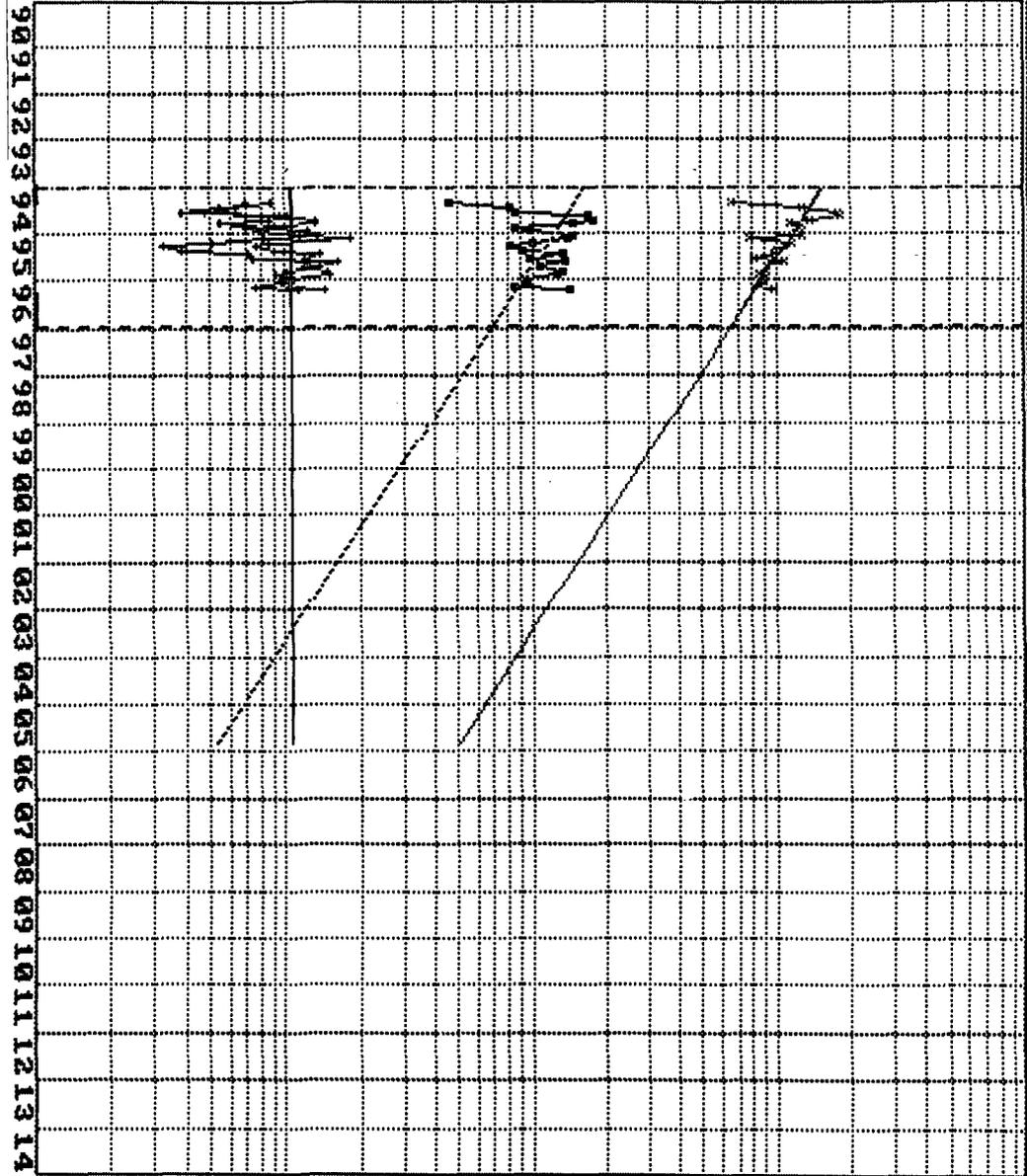
• WATER
• GAS/OIL
• GAS
• OIL

10000
100000
1000
100

1000
10000
100
10

100
1000
10
1

10
100
1
0.1



- OIL Bbl/d
- GAS Mcf/d
- GAS/OIL
- WATER Bbls/d

RateTime
Semi Log

EUR

Cum Rem Yrs 9.42

Date 7/1/1996

Act Qmo 2,322

Q n 76
De 25.23

Qab 5

GetQual WKJ

Major = OIL

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¹¹ Bottom Hole Location If Different From Surface

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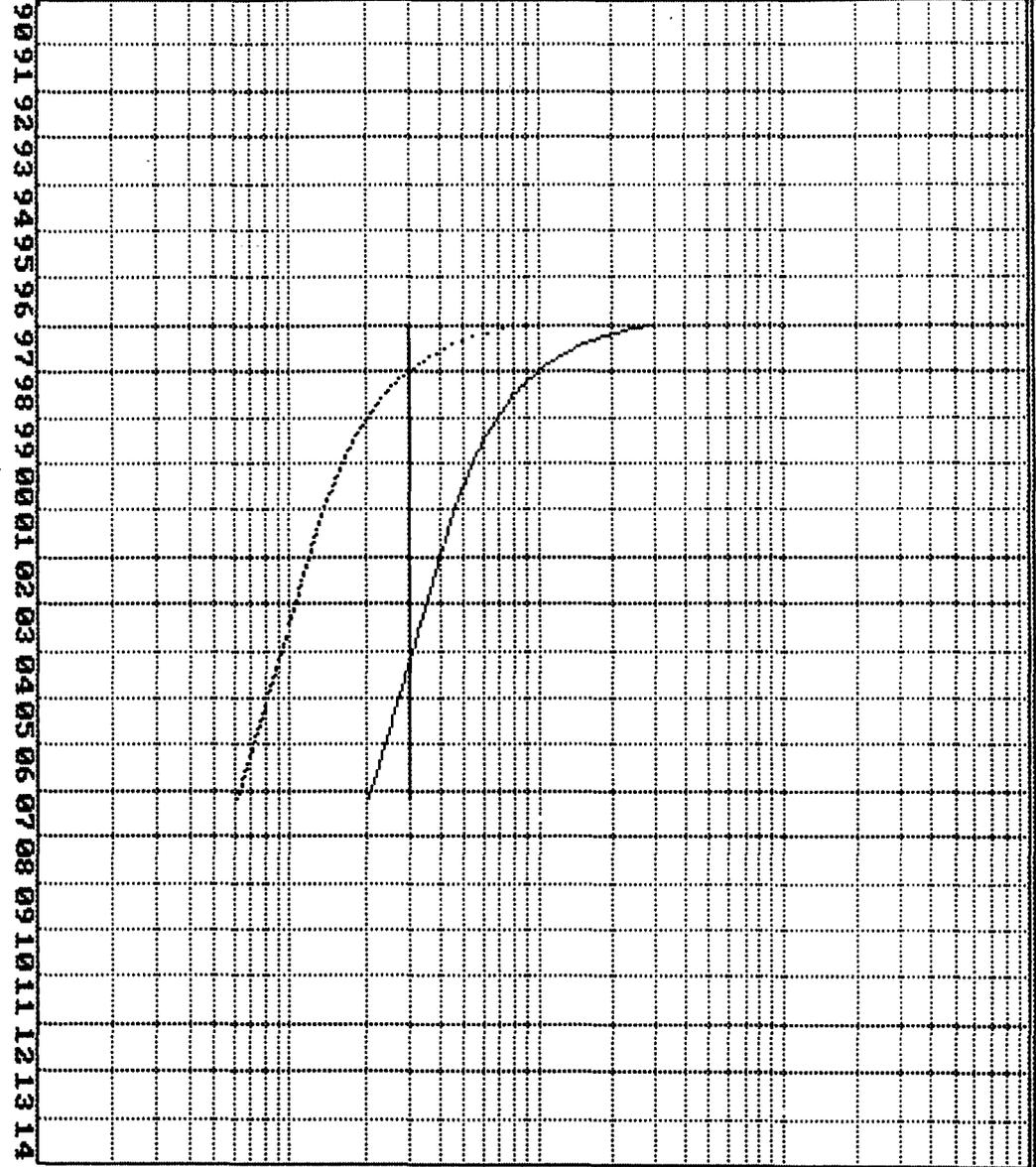
				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>	
				 Signature Donna Williams Printed Name Regulatory Compliance Title 7/10/96 Date	
				¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location 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.</i>	
				Date of Survey Signature and Seal of Professional Surveyor: Certificate Number	



Bone Spring - Lower Zone

LITTLE JACK 30 FEDERAL 1 3 1 39708A-2

10 100 1000 10000 WATER
 100 10000 100000 GAS/OIL
 1 10 100 1000 GAS
 0.1 1 10 100 OIL



Prop 23 *

- OIL Bbl/d
- GAS Mcf/d
- GAS/OIL
- WATER Bbls/d

Rate
 Time
 Semi
 Log

EUR	
Cum Rem	
Rem% Yrs	10.25
Date	1/1/1997
Act Qmo	0
Q	832
n	30
De	1.6
Qab	95
GetQual	2
	BONE

Major = OIL

MERIDIAN OIL INC.
APPLICATION FOR ADMINISTRATIVE APPROVAL
DOWNHOLE COMMINGLING
LITTLE JACK '30' FEDERAL WELL NO. 3
LEA COUNTY, NEW MEXICO

Mobil Exploration & Production
Box 633
Midland, Texas 79702

Santa Fe Energy Resources Inc.
550 W. Texas Avenue, Ste. 1330
Midland, Texas 79701

Texaco Inc.
Box 3109
Midland, Texas 79702

Yates Petroleum Corporation
105 S. 4th
Artesia, New Mexico 88210

Bone Spring - Lower Zone

LITTLE JACK 30 FED 1 1 37667A-2

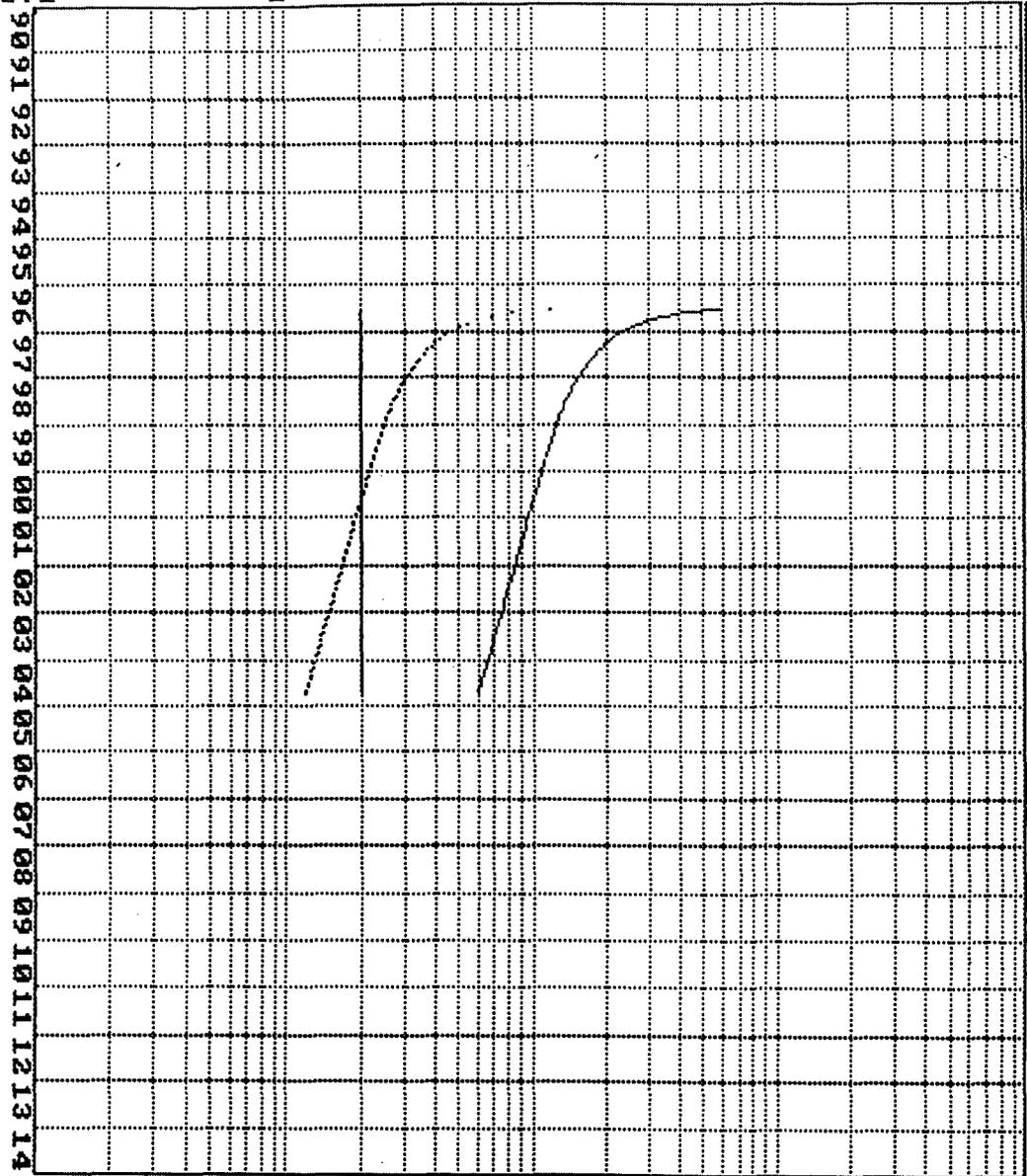
• WATER
• GAS/OIL
• GAS
• OIL

10000
100000
1000
100

1000
10000
100
10

100
1000
10
1

10
100
1
0.1



Prop 16 *

- OIL Bbl/d
- GAS Mcf/d
- GAS/OIL
- WATER Bbls/d

RateTime
Semi Log

EUR

Cum Rem
Rem%
Yrs
8.34

Date
7/1/1996

Act Qmo
0
1,513

Q n
60
2.4

De
99.9

Qab
6

GetQual WKJ

Major = OIL

Bone Spring - Lower Zone

LITTLE JACK 30 FEDERAL 1 2 39704B-1

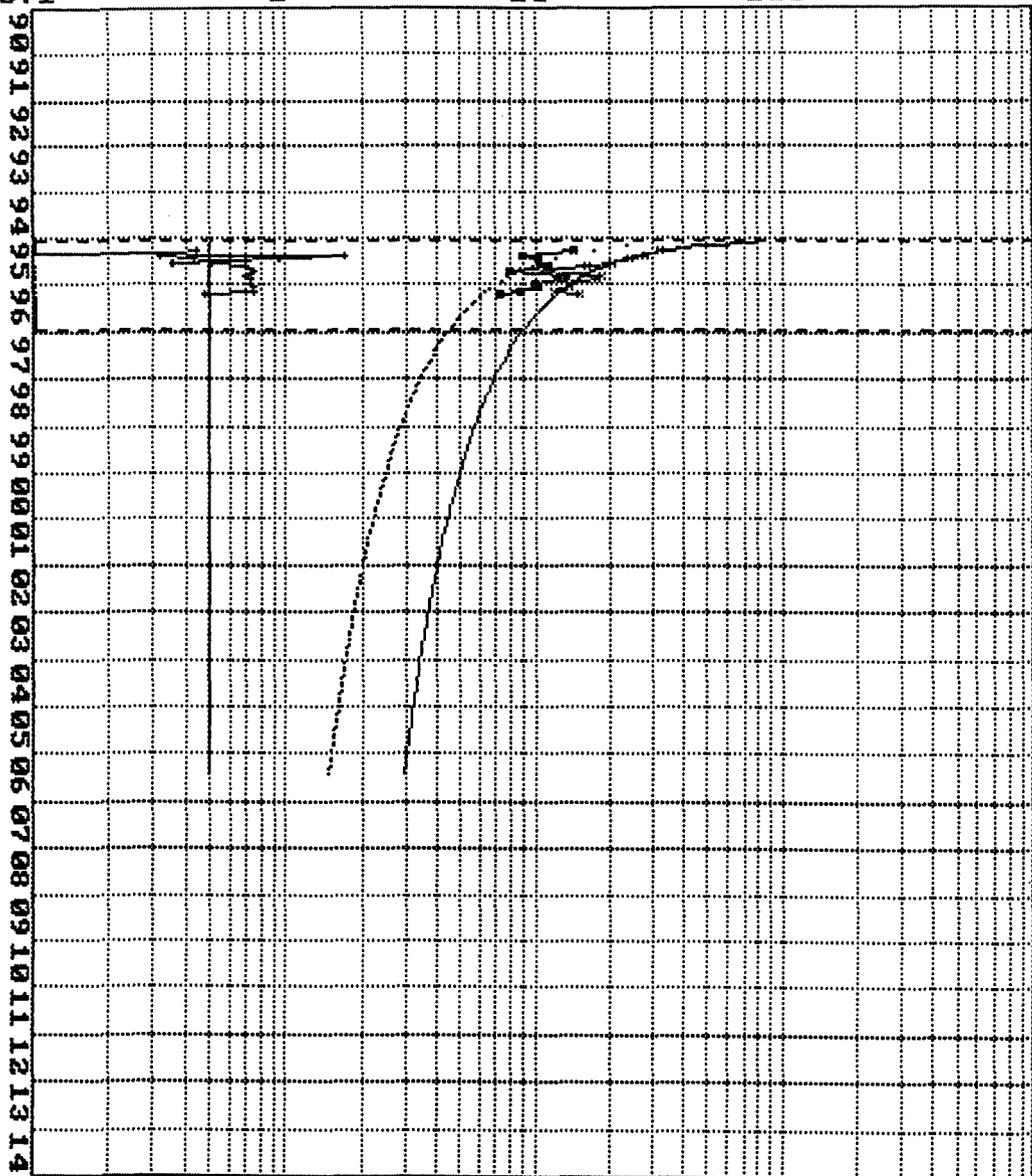
• WATER
• GAS/OIL
• GAS
• OIL

1000
1e+06
1000
100

100
100000
100
10

10
10000
10
1

1
1000
1
0.1



Prop 21

- OIL Bbl/d
- GAS Mcf/d
- GAS/OIL
- WATER Bbls/d

RateTime
Semi Log

Cum Rem
Rem%
Yrs
10

Date 7/1/1996

Act Qmo
0 324

Q n
10.7 1.6

De 34.609

Qab 3

GetQual 97PDP

Major = OIL

ADDITIONAL DATA FOR DOWNHOLE COMMINGLING
LITTLE JACK '30 FEDERAL WELL NO. 3

Meridian Oil Inc. respectfully submits the following:

The estimated bottomhole pressures for the perforations in the Bone Spring for the above referenced wells are calculated off the actual BHP for the Little Jack '30' Federal well(s) no 1 & 2. As indicated on the application for the # 1 & 2, the actual BHP for the oil zone is an average of 1302 at present. MOI used 1275 due to the well location of the # 3 in relationship to the other two wells. We anticipate the well to come in flowing but eventually will have to be put on artificial lift. The estimated gravity for the Bone Spring zone is +/- 38. Based off figures from the Bone Spring production in the # 1 & 2, we anticipate the Bone Spring perms in the # 3 to be approximately 65 bbls oil, 75 mcf, and 50 water. This would make the allocation factors for the downhole commingling of the Little Jack '30' Federal # 3 to be as follows:

Delaware:	60% oil and 60% gas
Bone Spring:	40% oil and 40% gas

We submit the production graph information for the Little Jack '30' Federal well(s) no. 1 & 2 to be considered for the proposed downhole commingling of the Little Jack '30' Federal # 3.