

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- 1480
- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
  - [DD-Directional Drilling] [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]

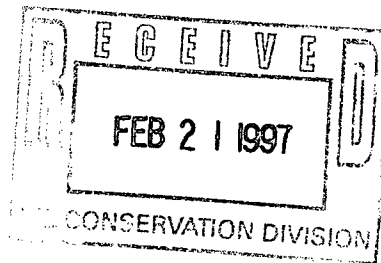
[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling  
 NSL    NSP    DD    SD

Check One Only for [B] and [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



[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] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

BOBBIE BROOKS  
Print or Type Name

*Bobbie Brooks*  
Signature

PROD. ANALYST  
Title

2/18/97  
Date

DISTRICT I

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

DISTRICT II

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

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

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: ARCH PETROLEUM INC. Address: 10 Desta Drive, Ste. 420E, Midland, TX 79705  
 Lease: C. D. WOOLWORTH Well No. 5 Unit Ltr. - Sec - Twp - Rge M Sec. 30, T-24S, R37E County Lea  
 OGRID NO. 000962 Property Code 014899 API NO. 30-025-25790 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	Jalmat Yates & 7RQ		Langlie Mattix 7RQ
2. Top and Bottom of Pay Section (Perforations)	3169-3363'		3406-3692'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Pump		Pump
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 1400	a.	a. 1450
	b. (Original) 1400	b.	b. 1450
6. Oil Gravity (°API) or Gas BTU Content	35.5		25.9
7. Producing or Shut-In?	Producing		Shut-in
Production Marginal? (yes or no)	yes		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	Date: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 11/30/96 Rates: 1 8 4	Date: Rates:	Date: 9-1-94 Rates: 1 9 7
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 50 % Gas: 47 %	Oil: % Gas: %	Oil: 50 % Gas: 53 %

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 Bobbie Brooks TITLE Production Analyst DATE 2/18/97

TYPE OR PRINT NAME Bobbie Brooks TELEPHONE NO. ( 915 ) 685-1961

JAN 16 1997

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

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, NM 87504-2088

Form C-101  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

Operator Name and Address. <b>ARCH PETROLEUM, INC. 10 DESTA DRIVE, STE. 420E MIDLAND TX 79705</b>		OGRID Number <b>000962</b>
Property Code <b>14899</b>		API Number <b>30-025-25790</b>
Property Name <b>C. D. WOOLWORTH</b>		Well No. <b>5</b>

**7 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>M</b>	<b>30</b>	<b>24S</b>	<b>37E</b>		<b>660</b>	<b>SOUTH</b>	<b>660</b>	<b>WEST</b>	<b>Lea</b>

**8 Proposed 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
Proposed Pool 1 <b>LANGLIE MATTIX</b>					Proposed Pool 2 <b>JALMAT OIL AND JALMAT GAS</b>				

Work Type Code <b>A</b>	Well Type Code <b>O</b>	Cable / Rotary <b>R</b>	Lease Type Code <b>P</b>	Ground Level Elevation
Multiple <b>YES</b>	Proposed Depth <b>3,696'</b>	Formations <b>7RQGRBG</b>	Contractor	Spud Date <b>ASAP</b>

**Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight / foot	Setting Depth	Sacks of Cement	Estimated TOC

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

We propose to drill out CIBP and clean out to 3,696'. Place Langlie Mattix on production and downhole commingle with the Jalmat.

I hereby certify that the information given above is true and complete to the best

of my knowledge and belief

Signature: *Bobbie Brooks*

Print name: **Bobbie Brooks**

Title: **Production Analyst**

Date: **1/2/97** Phone: **685-1961**

**OIL CONSERVATION DIVISION**

Approved by: **ORIGINAL SIGNED BY JERRY SEXTON**  
Title: **DISTRICT SUPERVISOR**

Approval Date: **JAN 14 1997** Expiration Date:

Conditions of Approval:  
Attached

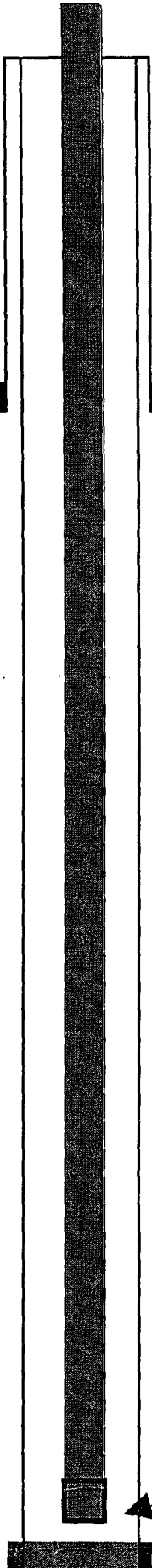


Lease	C. D. Woolworth		Well No.	5	
Location	660'	FSL	and	660'	FWL
Unit	M	Section	30	Township	24S
Range	37E	County	Lea	State	NM

Completion date 21-Mar-78  
 Initial Formation Langlie Mattix  
 From 3406' to 3692'  
 MCFPD

GE 3261'  
 KB to GE 13'  
 DF to GE \_\_\_\_\_

Surface csg  
9/5/08 " OD Surface  
 Set @ 371 ft  
 Cmt with 250 sx  
 Cmt circulated yes



- = 3169
- = 3178
- = 3180
- = 3182
- = 3204
- = 3246
- = 3248
- = 3262
- = 3264
- = 3318
- = 3327
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- = 3359
- = 3361
- = 3363

Jalmat Oil Perfs.

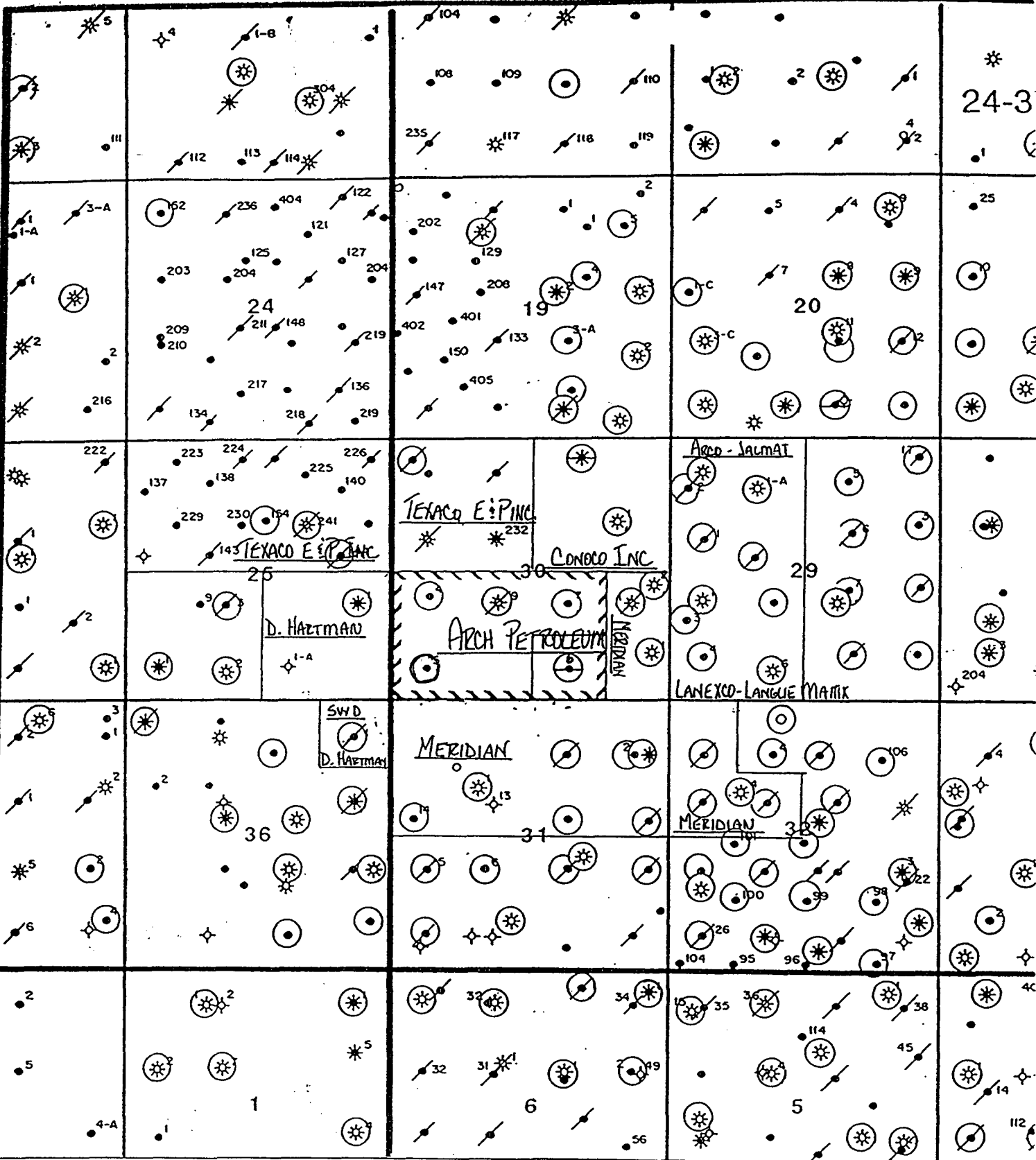
- = 3406
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- = 3489
- = 3491
- = 3548
- = 3550
- = 3598
- = 3600
- = 3625
- = 3627
- = 3655
- = 3657
- = 3690
- = 3692

Langlie Mattix Perf.

2 3/8" tubing with seat nipple @ approximately 3601 ft.

PBTD 3696 ft  
 TD 3750 ft

Production csg  
4 1/2 " OD  
9 1/2 #  
 Grade K55  
 Set @ 3750 ft  
 Cmt with 550 sx  
 TOC @ Surface ft by TS



C.D. WOOLWORTH LEASE

EXHIBIT 1

DHC - C. D. Woolworth #5  
Unit M, Sec. 30, T24S, R37E,  
Lea County, New Mexico

OFFSET OPERATORS

Conoco, Inc.  
P. O. Box 2197  
Houston TX 77079-1175

Lanexco  
P. O. Box 2730  
Midland TX 79702-2730

ARCO Permian  
P. O. Box 1610  
Midland TX 79702

Doyle Hartman  
500 North Main  
Midland TX 79701

Meridian Oil Inc.  
P. O. Box 4239  
Houston TX 77210-4239

Texaco E & P Inc.  
4601 DTC Boulevard  
Denver CO 80237-2549



# Arch Petroleum Inc.

CERTIFIED-RETURN RECEIPT

January 2, 1997

Re: DHC - C.D. Woolworth #5  
Unit M, Sec. 30, T24S, R37E,  
Lea County, New Mexico

To: All offset operators

We are enclosing our application to downhole commingle the production from the Langlie Mattix and Jalmat zones in the above well.

We have previously obtained permission to downhole commingle these same zones in our C. D. Woolworth #6.

If you have any questions, please call me at 915-685-1961.

Sincerely,

Bobbie Brooks  
Production Analyst

Enclosures