

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

JUL - 7 1997

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

Santa Fe Energy Resources, Inc. 550 W. Texas, Suite 1330, Midland, Texas 79701
Operator Address
Zia "6" Federal #1 (H), Sec. 6, T-24S, R-32E Lea Co.
Case Well No. Unit (Tr. Sec. Twp. Rge) County
OGRID NO. 020305 Property Code 016637 API NO. 30-025-32505 Spacing Unit Lease Types: (check 1 or more)
Federal ☒ State ☐ Landlord Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Mesa Verde (Delayed) 96191		S. Sand Dunes (Bone Spring) 53805
2. Top and Bottom of Pay Section (Perforations)	7278'-7298' & 8288'-8332'		9690'-9706'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 1100 b. (Original)	a. b.	a. 1000 b.
6. Oil Gravity (° API) or Gas BTU Content	42°		41°
7. Producing or Shut-In?	Producing		SI below RBP
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: 6/7/96 Rates: 10 BO, 20 MCFG, 8 BW
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 4/8/97 Rates: 12 BO, 60 MCFG, 100 BW	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 55 % Gas: 75 %	Oil: % Gas: %	Oil: 45 % Gas: 25 %

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) _____

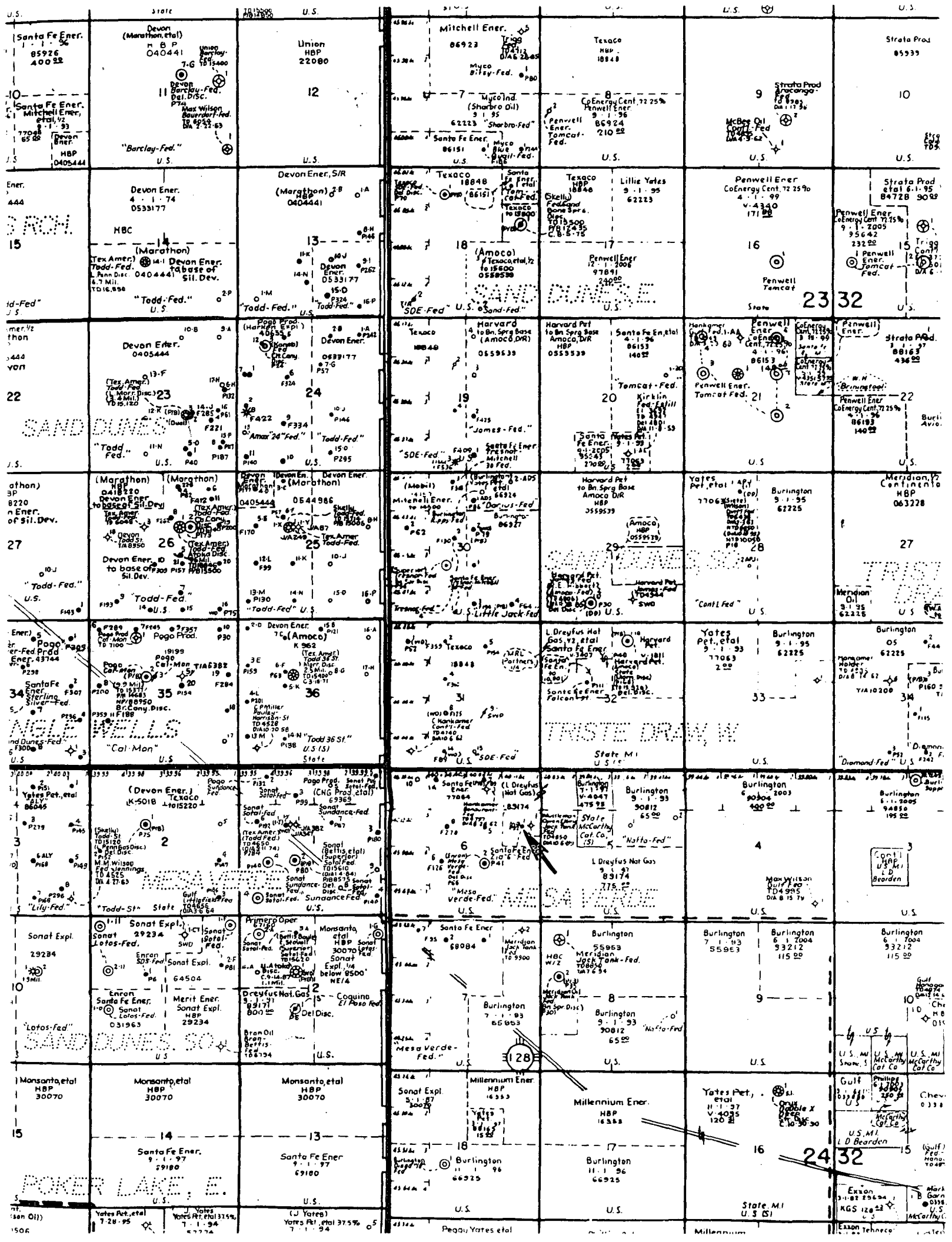
16. ATTACHMENTS:

- * 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 Gary L. Travis TITLE Sr. Engineer DATE April 15, 1997

TYPE OR PRINT NAME Gary L. Travis TELEPHONE NO. (915) 686-6613



Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer 111, Artesia, NM 88210

DISTRICT III

1600 Rio Brazos Rd., Artesia, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

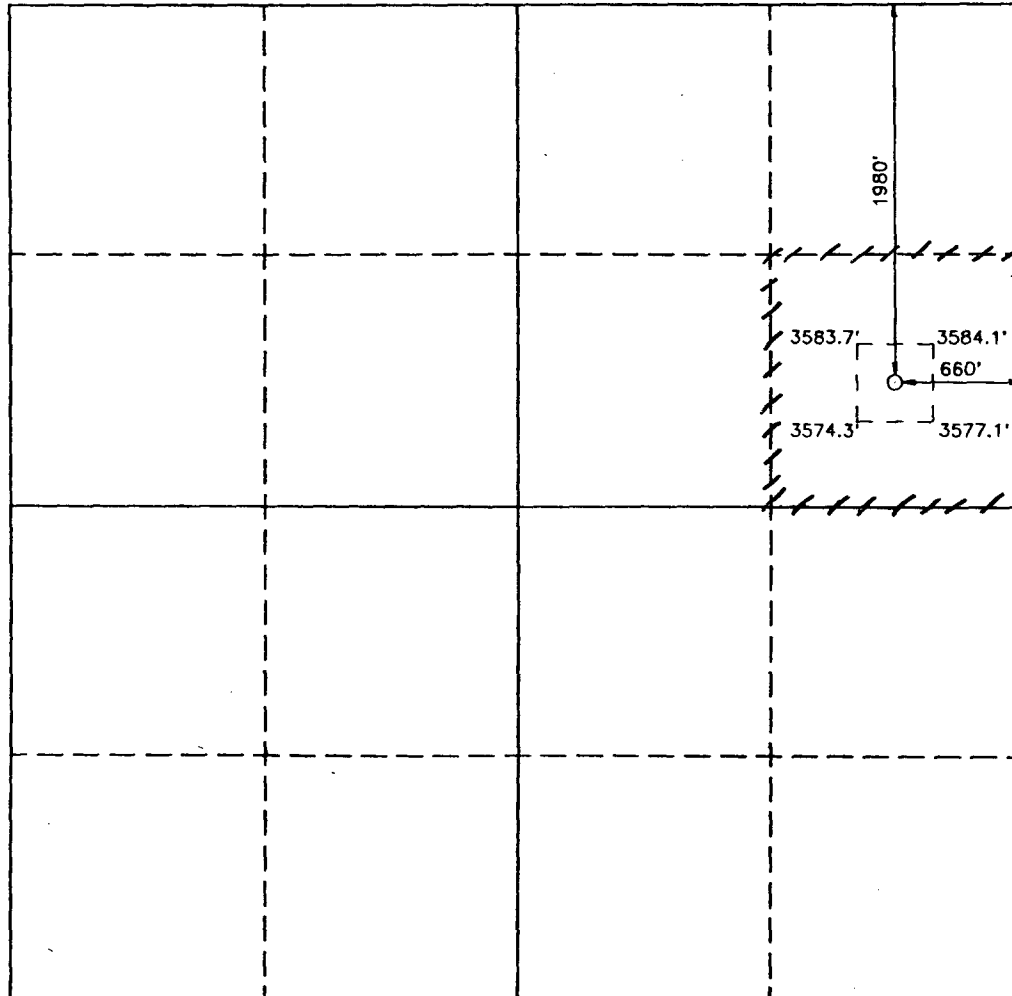
All Distances must be from the outer boundaries of the section

Operator SANTA FE ENERGY RESOURCES			Lease ZIA 6 FEDERAL		Well No. 1
Unit Letter H	Section 6	Township 24 SOUTH	Range 32 EAST NMPM	County LEA	
Actual Footage Location of Well: 1980 feet from the NORTH line and 660 feet from the EAST line					
Ground Level Elev. 3580.0'	Producing Formation Bone Spring	Pool South Sand Dunes (Bone Spring)		Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☒ No If answer is "yes" type of consolidation _____

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

OPERATOR CERTIFICATION

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

Signature

Gary L. Travis

Printed Name

Gary L. Travis

Position Sr. Reservoir/
Evaluations Engineer

Company

Santa Fe Energy Resources

Date

April 15, 1997

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 knowledge and belief.

Date Surveyed

NOVEMBER 12, 1993

Signature & Seal of
Professional

Gary L. Jones
GARY L. JONES
NEW MEXICO
7977
Certified No. JONES, GARY L. 878
RONALD E. JONES 8239
JONES, GARY L. 7977
REGISTERED PROFESSIONAL SURVEYOR

93-11-2267

OIL CONSERVATION DIVISION

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DISTRICT III

1000 Rio Bravo Bld., Artes, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

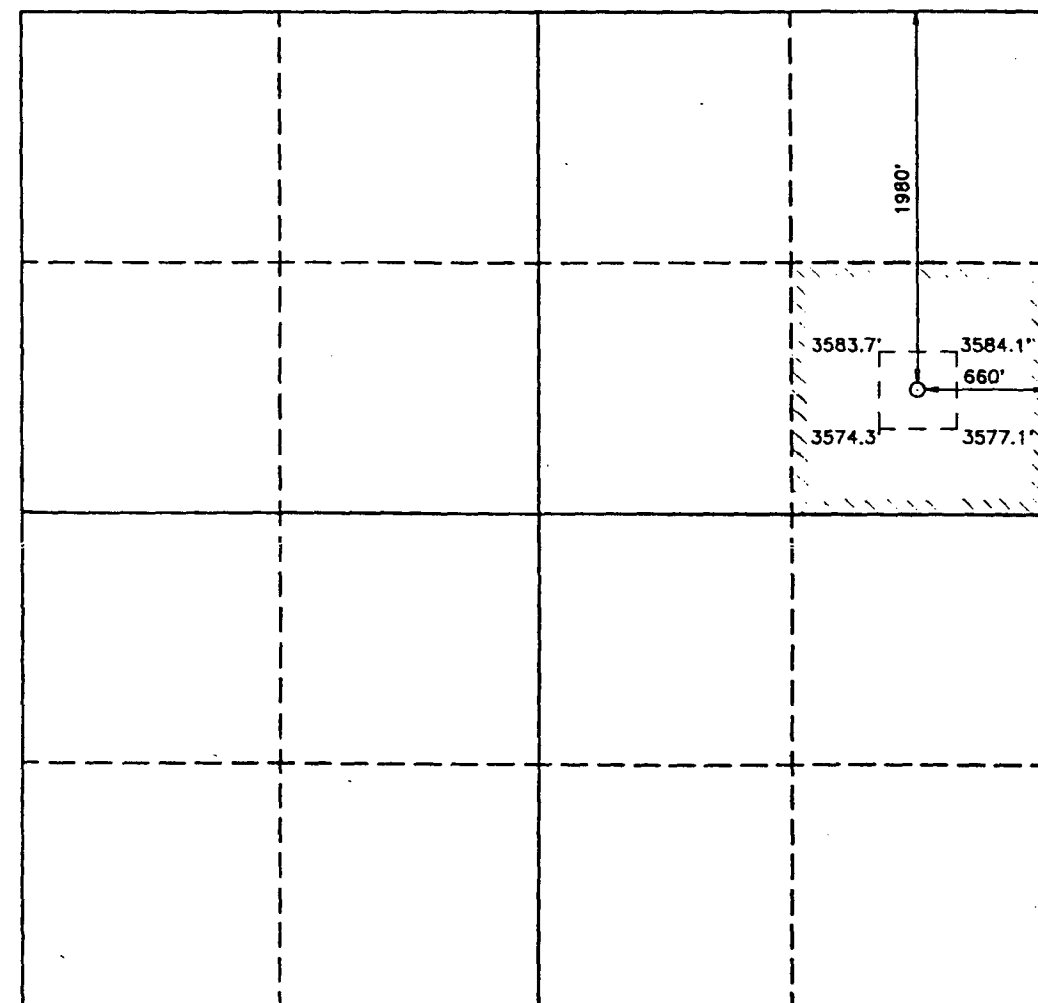
Operator SANTA FE ENERGY RESOURCES		Lease ZIA 6 FEDERAL		Well No. 1
Unit Letter H	Section 6	Township 24 SOUTH	Range 32 EAST NMPM	County LEA
Actual Footage Location of Well:				
1980 feet from the NORTH line and		660 feet from the EAST line		
Ground Level Elev. 3580.0'	Producing Formation Delaware	Pool Triste Draw, West (Delaware)	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature

Daniel Roberts

Printed Name _____

Darrell Roberts

Position

Division Drilling Enginee

Company Santa Fe Energy

Operating Partners, L.P.

Date

March 22, 1994

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 knowledge and belief.

Date Surveyed

NOVEMBER 12, 1993

Signature & Seal of Professional Surveyor

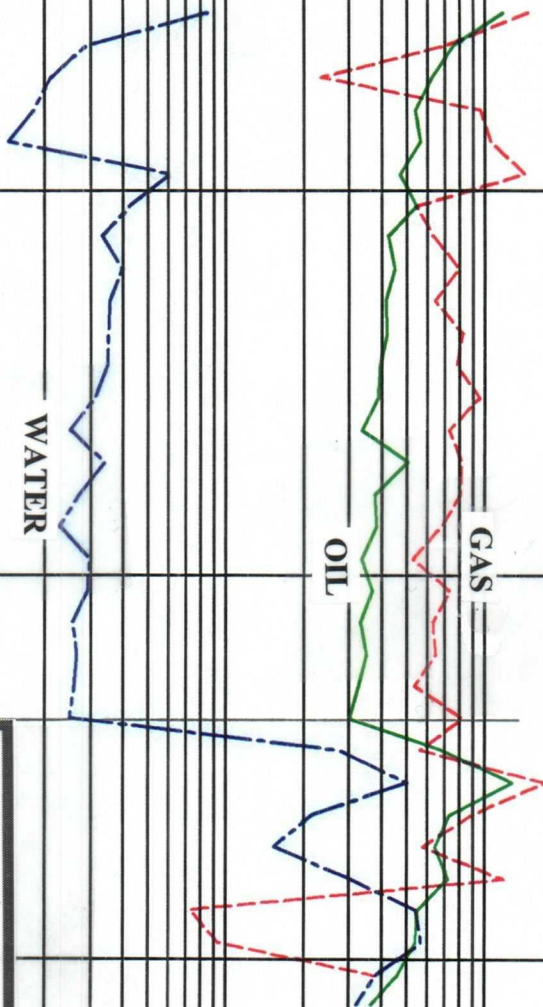


Certification No. JOHN W. WEST, JR. 1975

93-11-2987

1	10	100	Wtr (bbl)	1000	10000	100000
.1	1	10	Gas (mcf)	100	1000	10000
.1	1	10	Oil (bbl)	100	1000	10000

Lease : ZIA 6 FEDERAL 01
 St. Cnty : NM LEA
 Field : BONE SPRING/DELAWARE
 Reservoir : BS/DELM
 Operator : SFER
 Location : 24S 32E 6 ACT NO : 417
 000001



DELAWARE RECOMPLETION

OIL

94

95

96

97

NOTIFICATION LIST OF OFFSET OPERATORS

Santa Fe Energy Resources
Application for Administrative Approval
Downhole Commingling
Zia "6" Federal #1
Sec. 6, T-24-S, R-32-E
Lea County, New Mexico

1. Texaco Inc.
P.O. Box 3109
Midland, TX 79702
2. Burlington Resources
P.O. Box 51810
Midland, TX 79710-1810
3. Sonat Exploration Co.
110 W. Louisiana
Midland, TX 79701