

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

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-8429Form C-107-A
New 3-12-96

APPROVAL PROCESS:

☐ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Texaco Exploration & Producing Inc. Address 205 East Bender Hobbs, New Mexico 88240Lease DD 24 Federal Well No. 3 Unit Ltr. - Sec - Tws - Rge O-24-19S-24E County EddySpacing Unit Lease Types: (check 1 or more)
OGRID NO. 022351 Property Code 010923 API NO. 30-015-27212 Federal ☒ State ☐ (and/or) Fee ☐

| The following facts are submitted in support of downhole commingling: | Lower Zone | Intermediate Zone | Upper Zone |
|---|--|-------------------|--------------------------------|
| 1. Pool Name and Pool Code | Dangard Draw Upper Penn North 15472 | | Canyon Wolfcamp North 96478 |
| 2. Top And Bottom of Pay Section (Perforations) | 7525' - 7806' | | 6218' - 6542' |
| 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 | (Current) a. 324 | a. | a. 276 |
| Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original | (Original) b. | b. | b. |
| 6. Oil Gravity (* API) or Gas BTU Content | 44.7 | | 44.7 |
| 7. Producing or Shut-In? Production Marginal? (yes or no) | Shut-In Yes | | Producing 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: 2/96 Rates: 5/110/28 | | |
| * If Producing, give date and oil/gas/ water rates of recent test (within 60 days) | Date: Rates: | | 5/6/97 3/12/28 |
| 8. Fixed Percentage Allocation Formula -% for each zone | Oil: 62 % Gas: 90 % | Oil: % Gas: % | Oil: 38 % Gas: 10 % |

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 ☐ NoIf not, have all working, overriding, and royalty interests been notified by certified mail? ☐ Yes ☐ NoHave all offset operators been given written notice of the proposed downhole commingling? ☒ Yes ☐ No11. 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 other? ☒ Yes ☐ No13. 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 Land 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.
- * 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 Jason Wacker / Jeff Mann TITLE Engineer DATE 7-29-97TYPE OR PRINT NAME Jason Wacker TELEPHONE NO. (505) 397-0484

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FOR INFORMATION OF

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT --" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well: ☒ OIL WELL ☐ GAS WELL ☐ OTHER

2. Name of Operator
TEXACO EXPLORATION & PRODUCTION INC.

3. Address and Telephone No. 205 E. Bender, HOBBS, NM 88240 397-0431

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Unit Letter O : 660 Feet From The SOUTH Line and 1650 Feet From The
EAST Line Section 24 Township 19-S Range 24-E

5. Lease Designation and Serial No.
NM-56220

6. If Indian, Alottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and Number
DD 24 FEDERAL

3

9. API Well No.
30-015-27212

10. Field and Pool, Exploatory Area
CANYON WOLFCAMP NORTH

11. County or Parish, State
EDDY, NEW MEXICO

12. Check Appropriate Box(s) To Indicate Nature of Notice, Report, or Other Data

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Attlering Casing
☒ OTHER: DHC with Upper Penn North
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

- TOH with pump, rods, and tubing. Inspect pump for scale.
- TIH with 4-3/4" bit & six 3-1/2" drill collars on 2-7/8" workstring to 7165' and drill out CIBP @ 7200'.
- Clean out well to 7957'.
- Spot 1500 gals 15% HCl over Upper Penn perf's. Flush tubing w/ water.
- TOH w/ bit.
- Return well to production.

14. I hereby certify that the foregoing is true and correct.

SIGNATURE

V. Greg Maes

TITLE

Engineering Assistant

DATE

8/23/97

TYPE OR PRINT NAME

V. Greg Maes

(This space for Federal or State office Use)

APPROVED BY

TITLE

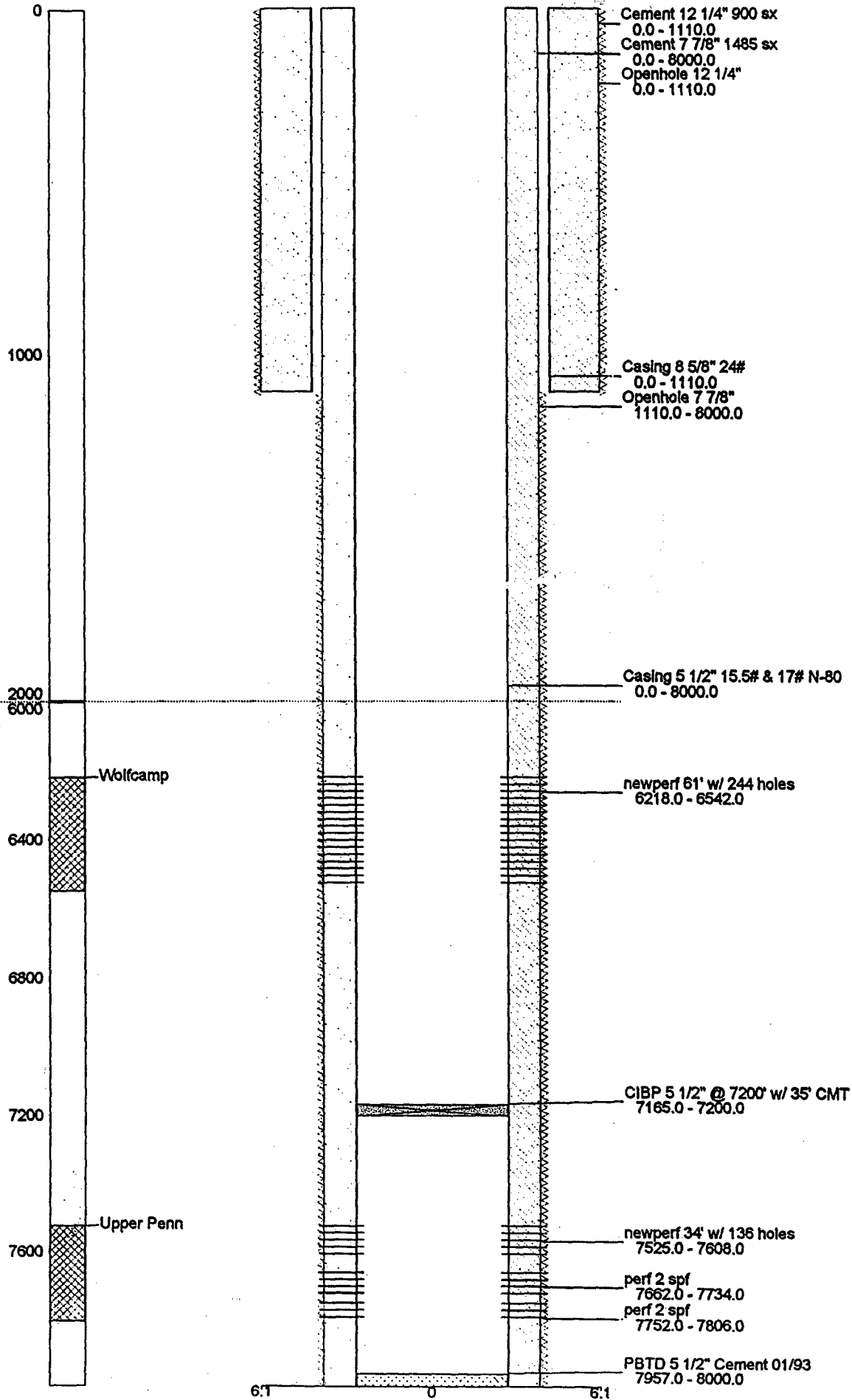
DATE

CONDITIONS OF APPROVAL, IF ANY:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Name: DD24 3 ID: 30015272120000 Type: WOLF Date: 19970727

KB: 3602.0 TD: 8000.0 PBTD: 7957.0 Comp Date: 0



DISTRICT I

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

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|--|---|
| ¹ API Number 30-015-27212 | ² Pool Code 96478 | ³ Pool Name CANYON WOLFCAMP NORTH |
| ⁴ Property Code 10923 | ⁵ Property Name DD 24 FEDERAL | ⁶ Well No. 3 |
| ⁷ OGRID Number 022351 | ⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC. | ⁹ Elevation GR-3588', KB-3602' |

¹⁰ Surface Location

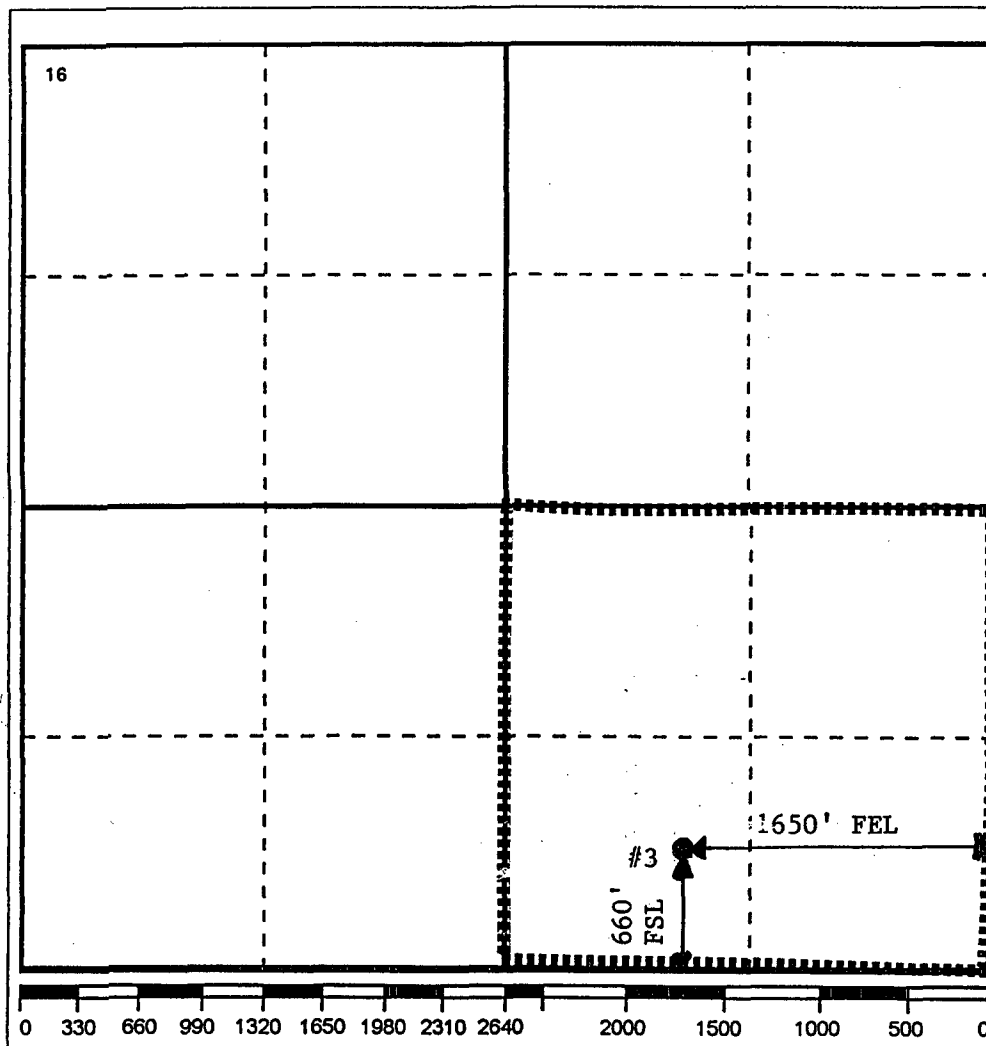
| UI or lot no. | Section | Township | Range | Lot.Idn | Feet From The | North/South Line | Feet From The | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| O | 24 | 19-S | 24-E | | 660 | SOUTH | 1650 | EAST | EDDY |

¹¹ Bottom Hole Location If Different From Surface

| UI or lot no. | Section | Township | Range | Lot.Idn | Feet From The | North/South Line | Feet From The | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|--------------------------------------|-------------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 160 | ¹³ Joint or Infill No | ¹⁴ Consolidation Code | ¹⁵ 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

¹⁷ OPERATOR CERTIFICATION

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

Signature

Printed Name

V. Greg Maes

Position

Engineering Assistant

Date

8/23/97

¹⁸ 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

Signature & Seal of
Professional Surveyor

Certificate No.

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 DD, Artesia, NM 88210

DISTRICT III

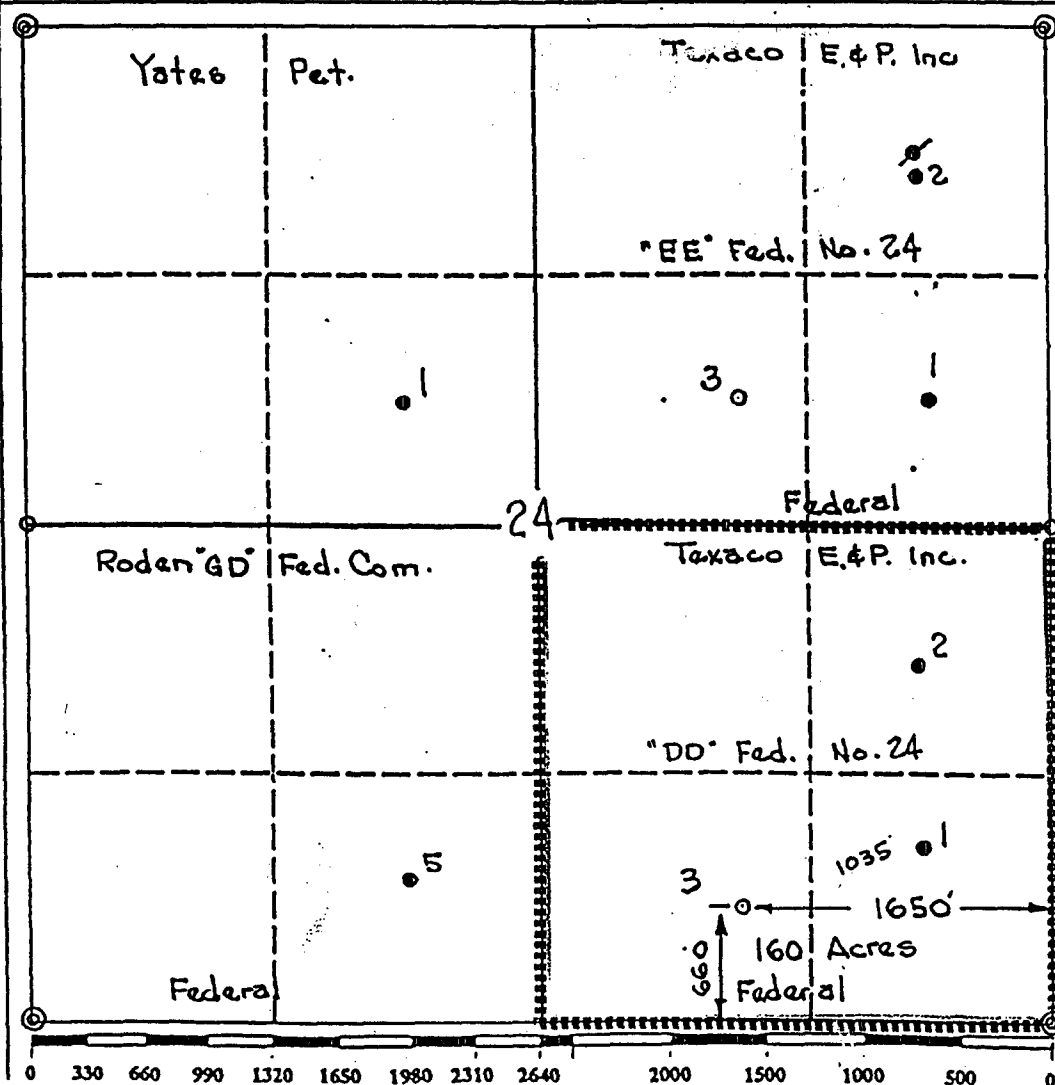
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| | | | | | |
|---|-------------------------------------|----------------------|-------------------------------------|----------------|---------------------------------|
| Operator TEXACO EXPL. AND PROD. Inc. | | | Lease DD FEDERAL "24" | | Well No. 3 |
| Unit Letter O | Section 24 | Township 19-South | Range 24-East NMPM | County Eddy | |
| Actual Footage Location of Well: | | | | | |
| 660 feet from the South | | line and | 1650 feet from the East | | line |
| Ground level Elev. 3588 | Producing Formation Cisco-Canyon | | Pool Dagger Draw Upper Penn., N. | | Dedicated Acreage: 160 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 the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____
- No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature

Printed Name _____

Royce D. Mariott

Position

Div. Surveyor

Company

Texaco Expl. & Prod.

Date _____

October 28, 1992

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 _____

October 23, 1992

Signature & Seal of
Professional Surveyor

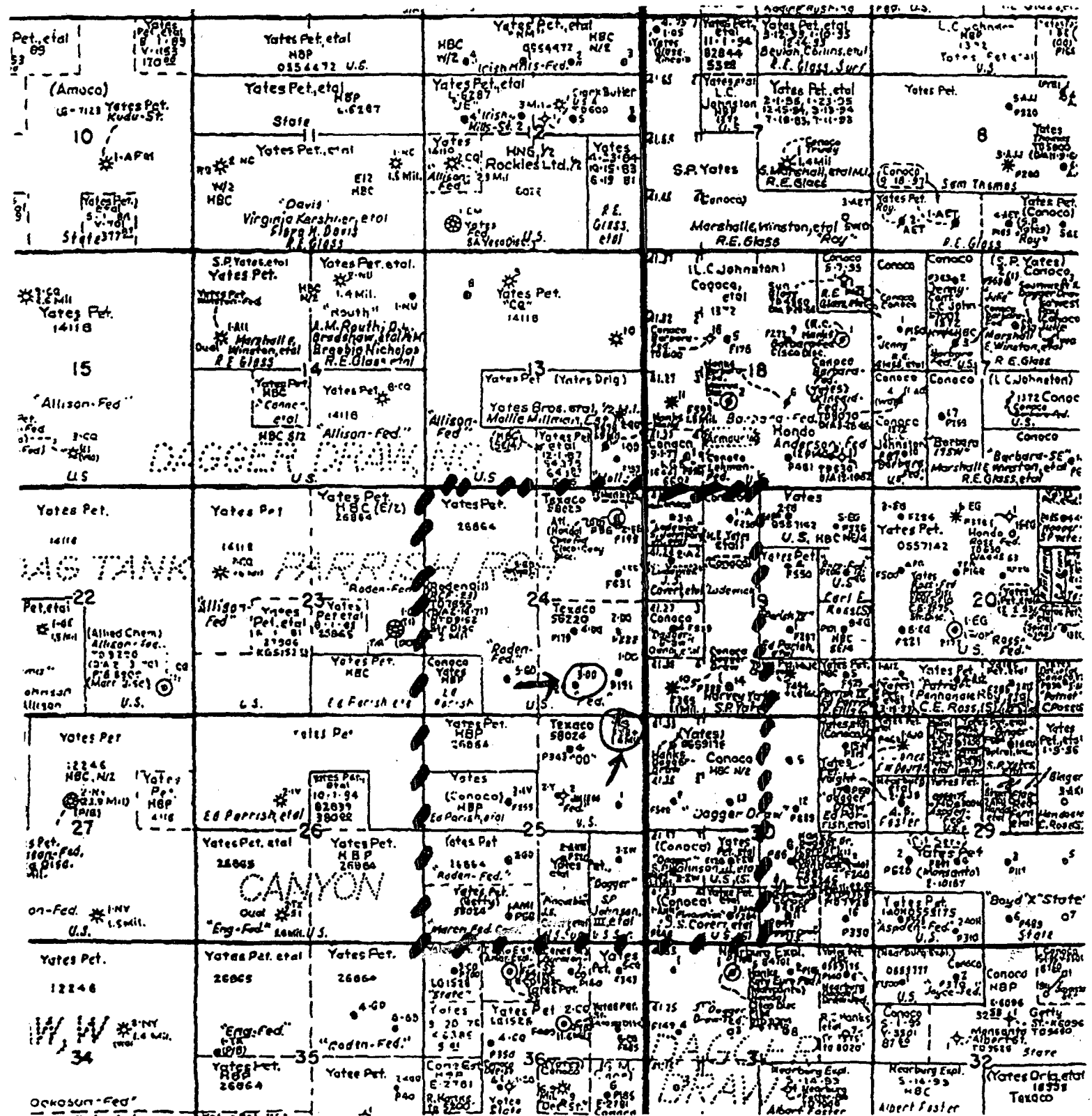
Certificate No.

7254 John S. Piper

Sheet 8 of 8

⊙ = Fd 2 or 3" I. Pipe w/ GLO BC ○ = Fd 1" I. Pipe w/GLO BC.

Offset Operators and all Lessees of Record
Dagger Draw "24" Federal #3 Well
SW/4 SE/4 of Section 24, T-19-S, R-24-E
Daggard Draw Upper Penn North & Canyon Wolfcamp North Formations
Eddy County, New Mexico
August 6, 1997



Offset Operators and all Lessees of Record
Dagger Draw "24" Federal #3 Well
SW/4 SE/4 of Section 24, T-19-S, R-24-E
Daggard Draw Upper Penn North & Canyon Wolfcamp North Formations
Eddy County, New Mexico
August 6, 1997



Offset Operators and all Lessees of Record
Dagger Draw "24 " Federal #3 Well
SW/4 SE/4 of Section 24, T-19-S, R-24-E
Daggard Draw Upper Penn North & Canyon Wolfcamp North Formations
Eddy County, New Mexico
August 6, 1997

Number 1

Yates Petroleum Corporation
Yates Drilling Company
Abo Petroleum Corporation
Myco Industries, Inc.
105 South 4th St.
Artesia, New Mexico 88210

Number 2

Texaco Exploration and Production Inc.
P.O. Box 2100
Denver, Colorado 80201

CERTIFIED

P 622 712 554

MAIL

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:

Yates Drilling Company
105 South 4th St.
Artesia, New Mexico 88210

4a. Article Number

P 622 712 554

4b. Service Type

- ☐ Registered ☒ Certified
- ☐ Express Mail ☐ Insured
- ☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
 - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

Thank you for using Return Receipt Service.

PS Form 3811, December 1994

102595-97-B-0179

Domestic Return Receipt

CERTIFIED

P 622 712 553

MAIL

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- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:

Yates Petroleum
105 South 4th St.
Artesia, New Mexico 88210

4a. Article Number

P 622 712 553

4b. Service Type

- ☐ Registered
- ☐ Express Mail
- ☐ Return Receipt for Merchandise
- ☐ COD
- ☒ Certified
- ☐ Insured

7. Date of Delivery

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

8. Addressee's Address (Only if requested and fee is paid)

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
- 2. ☐ Restricted Delivery

Consult postmaster for fee.

Thank you for using Return Receipt Service.

PS Form 3811, December 1994

102595-97-8-0179

Domestic Return Receipt

P 622 712 556

MAIL

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- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:

Myco Industries, Inc.
105 South 4th St.
Artesia, New Mexico 88210

4a. Article Number

P 622 712 556

4b. Service Type

- ☐ Registered
- ☐ Express Mail
- ☐ Return Receipt for Merchandise
- ☐ COD
- ☒ Certified
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102555-97-8-0179

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 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Abo Petroleum Corporation
105 South 4th St.
Artesia, New Mexico 88210

4a. Article Number

P 622 712 555

4b. Service Type

- ☐ Registered ☒ Certified
- ☐ Express Mail ☐ Insured
- ☐ Return Receipt for Merchandise ☐ COD

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