DISTRICT P.O. box 1880, Nobbs, NA 88240 State of New Mexico
Energy, Minerals and Natural Resources Department

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

DISTRICT II

OIL CONSERVATION DIVISION 2040 S. Pacheco Santa Fa. New Movico 87805.8426

APPROVAL PROCESS:

811 Bouth First St., Artests, NM 88216

__ Administrative __Hearing

DISTRICT III IDDO Rio Brasso Rd. Aztes. NM 87410	APPLICATION FOR DOWNHOLE COMMINGLING EXISTING WELLBORE YESNO			
Cross Timbers Operating	Company, 3000 N. Garf	ield, Suite 175, Midla	nd, Texas 79705	
Dutch	#1 H~5	-20S-39E	Lea	
DGRID NO. 005380 Property Code 18307 API NO. 30-025-27714 Federal , State , (analysis Fee X				
The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone	
Pool Name and Pool Code	Nadine Paddock Bline- bry, West (47400)		Nadine Drinkard, West (47505)	
2. Yap and Battom of Pay Section (Perforations)	5,978'-6,090'		6.887'-7.067'	
3. Type of production (Oil or Gaz)	011		011	
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift			
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current	a. (Gurrenti) 1100	8.	a. 1800	
Ges & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	b, (Original)	b.	b.	
6. Oil Gravity (*API) or Ges BTU Content	36.0°		34.5°	
7. Producing or Shut-In?	Producing		New Zone	
Production Marginal? (yes or ne)	Yes		Yes	
 If Shut-in, give date and pil/gas/ water rates of last production 	Dete: Rates:	Dete: Nates:	Core: Rétes:	
Note: For new zones with no production history, applicant shall be required to attach			,	
 If Producing, give date andolf/gas/ water rates of recent test (within 80 days) 	Date: 6-26-97 Rates: 3/1/10	Date: Autes:	Oste: Rates:	
8. Fixed Percentage Allocation Formula -% for each zone	Oit: 27 % Gas: 20%	Gilt: Gas: %	Oli: 73 % Gest 80 %	
. If allocation formula is based submit attachments with sur	upon something other than cur oporting data and/or explaining	rrent or past production, or is method and providing rate pro	based upon some other metho	
10. Are all working, overriding, and royalty interests identical in all commingled zones? If not, have all working, overriding, and royalty interests been notified by certified mail? Have all offset operators been given written notice of the proposed downhole commingling? Yes No				
			not be damaged, will any cros No (If No, attach explanation	
2. Are all produced fluids from a			Yes No	
 Will the value of production b If this well is on, or community 			es, attach explanation)	
I. If this wall is on, or communit United States Bureau of Land			Yes No	
S. NMOCD Reference Cases for	Rule 303(C) Exceptions:	ORDER NO(S).		
For zones with no provided to support all the	or each zone for at least one year one year one year of the production history, estimated pocation method or formula. Bit offset operators, working, and royalt working, overriding, and royalt	its spacing unit and acreage di ear. (If not available, attach e production rates and supportin y interests for uncommon inte equired to support commingling	xplaination.) g data.	
neraby certify that the information	on above is true and complete	to the best of my knowledge	and belief.	
GNATURE Flany Huke	me ye	TITLE SE RESERVOIR E	NG DATE 9.5.97	
YPE OR PRINT NAME F.TE	RRY PERKING LE	TELEPHONE NO. (817 1 877.731.1)	

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

District II 811 South First, Artesia, NM 86210

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV 2040 South Pacheco, Sents Fe, NM 57508

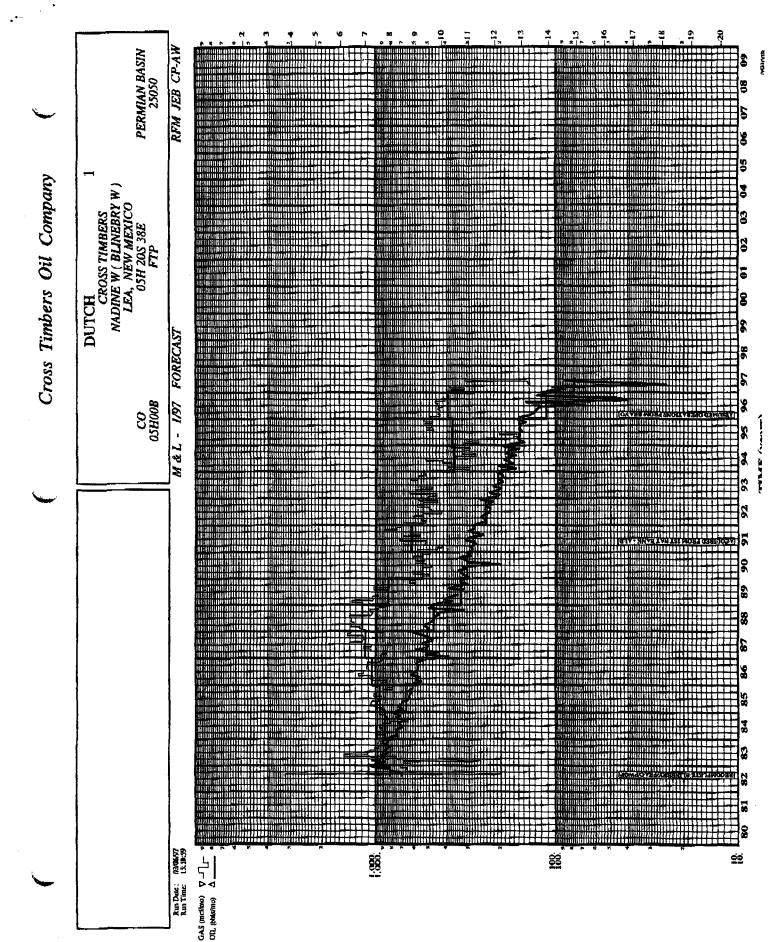
State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Form C-102
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Coples
Fee Lease - 3 Coples

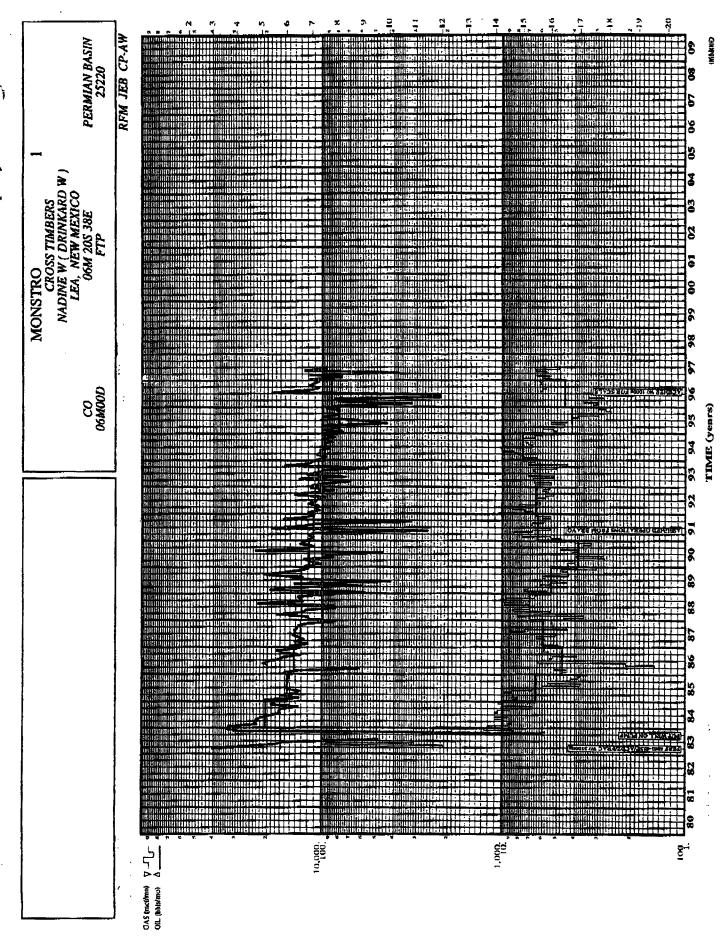
AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT ₌Pool Code API Number 47400 Nadlne Paddock Blinebry, West 30-025-27714 Property Code «Property Name «Well Number 1 Dutch 18307 «Operator Name Elevation -OGBID No. 005380 Cross Timbers Operating Company 3589 "Surface Location Township Lot Idn Feel from the North/South line Feet from the East/West Line County UL or lot no. Section Range North Fast 38E 2310 990 205 Lea Н "Bottom Hole Location If Different From Surface Feet from the North/South line Lot Idn East/West Line UL or lot no. Section Township Feet from the County 12Dedicated Acre -Consolidation Code 16Order No. usioint or Infill 40.00 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 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Q Ā 990 "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. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

Cross Timbers Operating Company Attachment to Form C-107-A Application for Downhole Commingling Dutch #1

- 16. (I) No production history exists for the Nadine Drinkard, West Pool. Therefore, there is not a one year production curve available.
 - (II) The estimated production rates from this zone are based on the Cross Timbers Operating Company Monstro #1 production. The production curves for Monstro #1 are attached. This well produces from the Nadine Drinkard, West Pool and is located approximately one and a quarter mile southwest of the Dutch #1. Initial oil rate is estimated at 8 BOPD with a 7% decline. Initial gas rate is estimated at 40 MCFD with a 7% decline.
 - (III) The percentage production allocation listed on No. 8 of the Form C-107-A, is based on the current production from the Nadine Paddock Blinebry, West Pool and the estimated production rates for the Nadine Drinkard, West Pool.



Cross Timbers Oil Company





STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

GOVERNOR

/ed

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501 RE: Proposed: MCDHC_X	_					
NSL NSP SWD WFX PMX	- - - -					
Gentlemen:						
I have examined the applic	ation for the:					
CROSSTIMBERS	Datch #1	Н	5-2038			
Operator	Lease & Well No.	Unit	S-T-R			
and my recommendations are as follows:						
Ecommend approval						
70						
Yours very truly,						
Chio Welliams						
Chris Williams						
Supervisor, District 1						



Cross Timbers Operating Company

PLEASE DELIVER THE FOLLOWING PAGES TO:

COVER LETTER

who were any Dopped is another election

NAME:	David Catanach	
NUMBER:_		
FROM:	Ray Martin	
MESSAGE:		
_	Here is info on	mailings to offset operators
	you asked about reques	→
DATE:	10/1197	
IF YOU DO	O NOT RECEIVE 9 PA PLEASE CALL BACK AT 915/682	GES INCLUDING THE COVER -8873 AND ASK FOR

15:34

OFFSET OPERATORS DUTCH #1 H-5-T20S-R38E Lea County, New Mexico

Cross Timbers Operating Company is the only offset operator to the Dutch #1 lease.