

DHC 10/27/96

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OCT - 6 1997

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

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

APPROVAL PROCESS:

Administrative Hearing

EXISTING WELLBORE

YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Cross Timbers Operating Company, 3000 N. Garfield, Suite 175, Midland, TX 79705

McCallister #1 M-5-20S-38E Lea
Lease Well No. Unit Ltr. Sec. Twp. Rge. County

OGRID NO. 005380 Property Code 003353 API NO. 30-025-07731 Federal State (land/ri) Fee X

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Nadine Paddock Blin-bry, West (47400)		Nadine Tubb, West (47530)
2. Top and Bottom of Pay Section (Perforations)	5,878'-6,276'		6,452'-6,601'
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: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 1,300 psig b. (Original)	a. b.	a. 2,000 b.
6. Oil Gravity (° API) or Gas BTU Content	36.0°		35.5°
7. Producing or Shut-In?	Producing		New Zone
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	Date: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 8/23/97 Rates: 11/224/5	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 62 % Gas: 50 %	Oil: % Gas: %	Oil: 38 % Gas: 50 %

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). DHC-392
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 F. Terry Perkins Jr. TITLE Sr. Reservoir Eng. DATE 10.3.97

TYPE OR PRINT NAME F. TERRY PERKINS JR TELEPHONE NO. (817) 877-2360

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

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District IV
2040 South Pacheco, Santa Fe, NM 87505

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 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-07731	² Pool Code 47400	³ Pool Name Nadine Paddock Blinebry, West
⁴ Property Code 003353	⁵ Property Name McCallister	⁶ Well Number 1
⁷ OGRID No. 005380	⁸ Operator Name Cross Timbers Operating Company	⁹ Elevation 3669

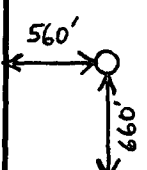

¹⁰Surface Location

UL or lot no. M	Section 5	Township 20S	Range 38E	Lot Idn	Feet from the 660	North/South line South	Feet from the 560	East/West Line West	County Lea
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¹¹Bottom 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 40.00	¹³ Joint or Infill N	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

¹⁶ 					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 F. TERRY PERKINS JR. Printed Name SR. RESERVOIR ENG. Title 10.3.97 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 Surveyer:
					Certificate Number

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Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised October 18, 1994
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Submit to Appropriate District Office
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-07731	2 Pool Code 47530	3 Pool Name Nadine Tubb, West
4 Property Code 003353	5 Property Name McCallister	6 Well Number 1
7 OGRID No. 005380	8 Operator Name Cross Timbers Operating Company	9 Elevation 3669

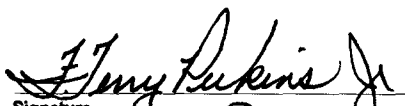
10 Surface Location

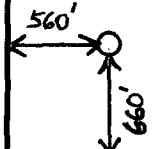
UL or lot no. M	Section 5	Township 20S	Range 38E	Lot Idn	Feet from the 660	North/South line South	Feet from the 560	East/West Line West	County Lea
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11 Bottom Hole Location If Different From Surface

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 40.00	13 Joint or Infill N	14 Consolidation Code	15 Order No.						

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					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 belief. Date of Survey Signature and Seal of Professional Surveyer: Certificate Number



Cross Timbers Oil Company

MCCALLISTER 1

CROSS TIMBERS
NADINE W (BLINEBRY)
LEA, NEW MEXICO

PERMIAN BASIN
10710

05M 20S 38E
FTP

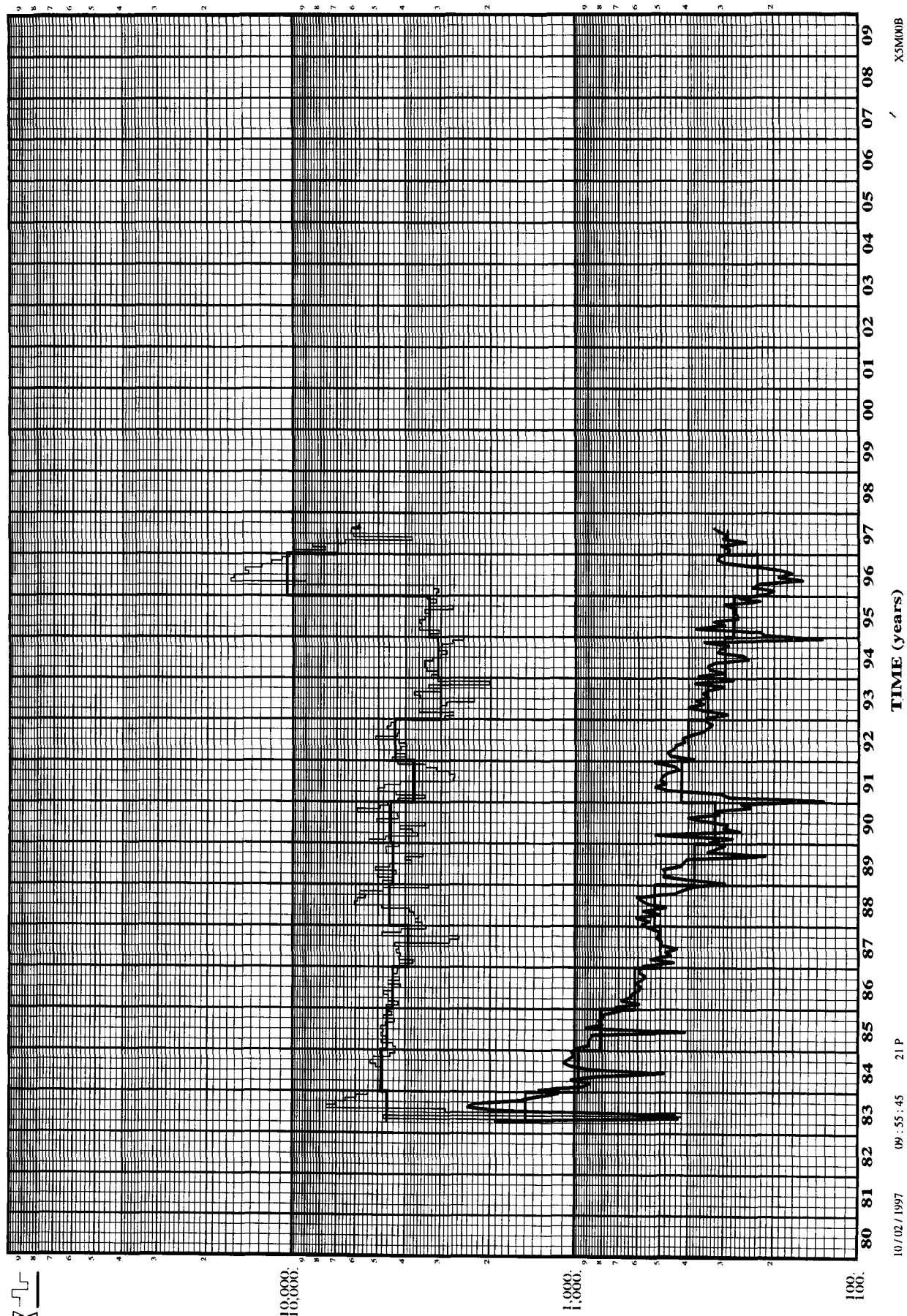
CO
X5M00B

RPM JEB CP-AW

M & L - FORECAST

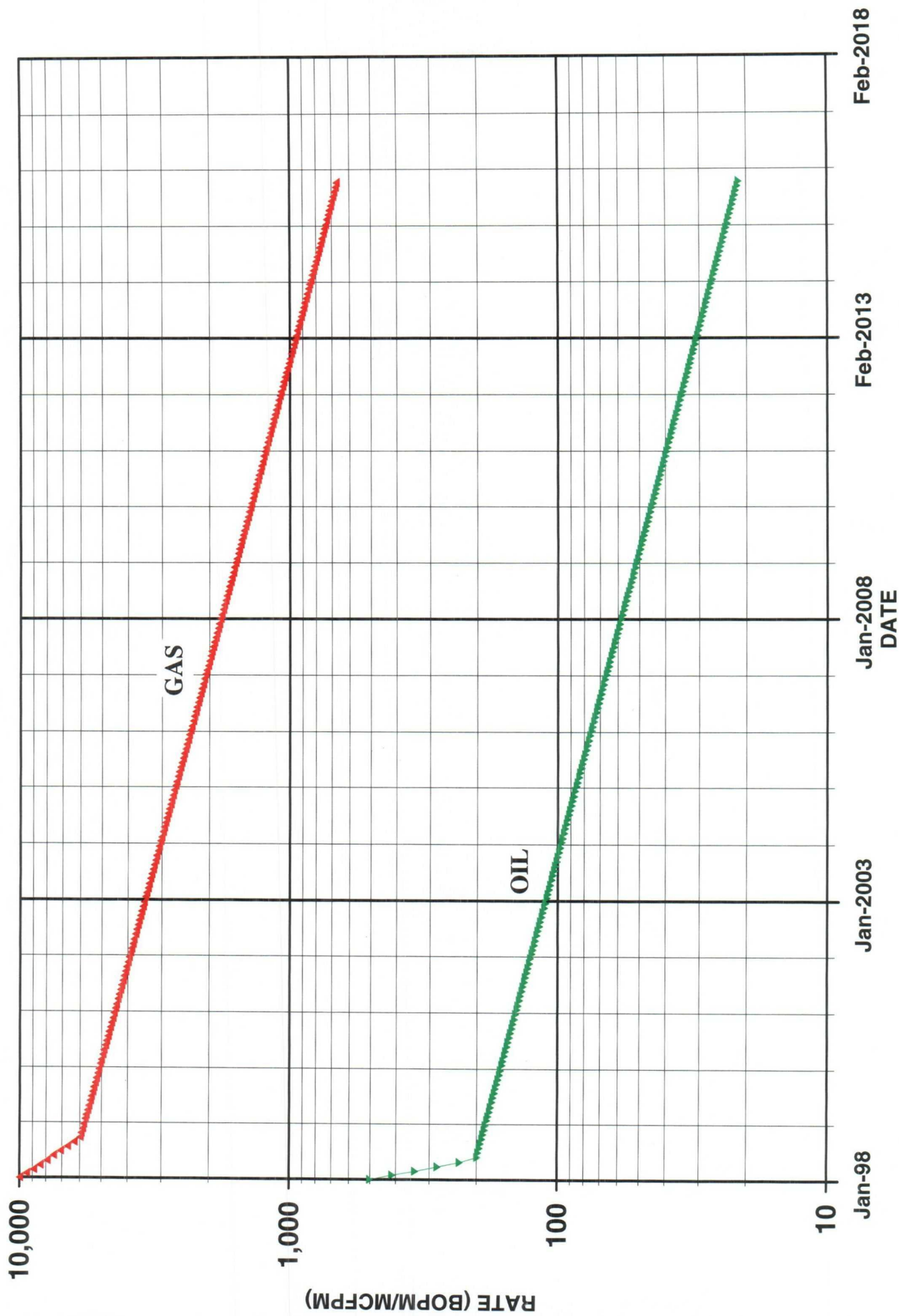
Run Date :
Run Time :

GAS (mcf/mo) ▽
OIL (bbls/mo) Δ



PROJECTED TUBB PRODUCTION

MCCALLISTER #1



**CROSS TIMBERS OPERATING COMPANY
ATTACHMENT TO FORM C-107-A
APPLICATION FOR DOWNHOLE COMMINGLING
MCCALLISTER #1**

- 16. (I) No production history exists for the Nadine Tubb, West Pool.**
- (II) The estimated production rates are based on offsetting Tubb production in the Nadine Tubb West Pool and the Monument Tubb Pool in the offsetting sections. Some of these offsetting wells include the Cross Timbers operated Turner #1, Moby #1 & Shamu #1, and the Byers B #5 operated by Oxy Petroleum.**
- (III) The percentage production allocation is based on the current production rates for the Nadine Paddock Blinebry, West Pool and the stabilized estimated production rates for the Nadine Tubb, West Pool.**

OFFSET OPERATORS
MCCALLISTER #1
M-5-T20S-R38E
Lea County, New Mexico

Cross Timbers Operating Company is the only offset operator to the McCallister #1 proration unit.



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

DHC-1711

GOVERNOR

10/14/97

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:

MC	_____
DHC	_____ <i>X</i> _____
NSL	_____
NSP	_____
SWD	_____
WFX	_____
PMX	_____

Gentlemen:

I have examined the application for the:

Cross Timbers Oper Co McCallister #1-m-5-2Ds-38e
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

*Need production graphs from offsets - Moby #1, Laramie #1,
Sham #1 to support projected tubular production decline curves.*

Yours very truly,

Chris Williams

Chris Williams
Supervisor, District 1

/ed