

DATE IN <u>2/19/98</u>	SUSPENSE <u>3/11/98</u>	ENGINEER <u>DC</u>	LOGGED BY <u>RW</u>	TYPE <u>DHC</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

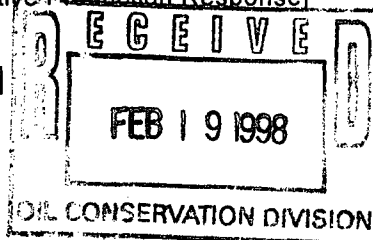
1850

ADMINISTRATIVE APPLICATION COVERSHEET

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

Application Acronyms:

[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.

Kay Maddox
 Print or Type Name

Kay Maddox
 Signature

Regulatory Agent
 Title

2/17/98
 Date

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241 1980

State of New Mexico
Energy, Minerals and Natural Resources Department

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

DISTRICT II
811 South First St. Artesia NM 88210 2835

OIL CONSERVATION DIVISION

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

DISTRICT III
1000 Rio Brazos Rd. Aztec, NM 87410 1693

APPLICATION FOR DOWNHOLE COMMINGLING

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

Operator Conoco Inc. Address 10 Desta Dr. Ste 100W, Midland, Tx. 79705-4500

Lease SEMU Skaggs B Well No #97 Unit Ltr Sec Twp Rge Section 23, T-20-S, R-37-E, K County Lea

OGRID NO. 005073 Property Code 018722 API NO. 30-025-25419 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	Monument Tubb 47090		Weir Drinkard 63840
2. TOP and Bottom of Pay Section (Perforations)	6304-6575'		6619-6836'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure	a (Current)	a.	a.
Oil Zones - Artificial Lift: Estimated Current	210		178
Gas & Oil - Flowing: Measured Current	b(Original)	b.	b.
All Gas Zones: Estimated Or Measured Original	2200		2440
6. Oil Gravity (°API) or Gas BT Content	32.6		39.6
7. Producing or Shut-In?	Shut-in		Shut-in
Production Marginal? (yes or no)	Yes		Yes
• If Shut-In give date and oil/gas/ water rates of last production	Date Est 9/10/97 Rates 2.2 MCFD, 2.2 BOPD, 6.8 BWPD	Date	Date Est 9/1/90 Rates 9.4 MCFD, 1.4 BOPD, 12.8 BWPD
Note For new zones with no production history applicant shall be required to attach production estimates and supporting data			
• If Producing, date and oil/gas/ water rates of recent test (within 60 days)	Date	Date	Date
	Rates	Rates	Rates
8. Fixed Percentage Allocation Formula - % for each zone	oil: 61 % Gas 19 %	oil: % Gas %	oil: 39 % Gas 81

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 others ☒ 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 Kay Maddox TITLE Regulatory Agent DATE February 17, 1998

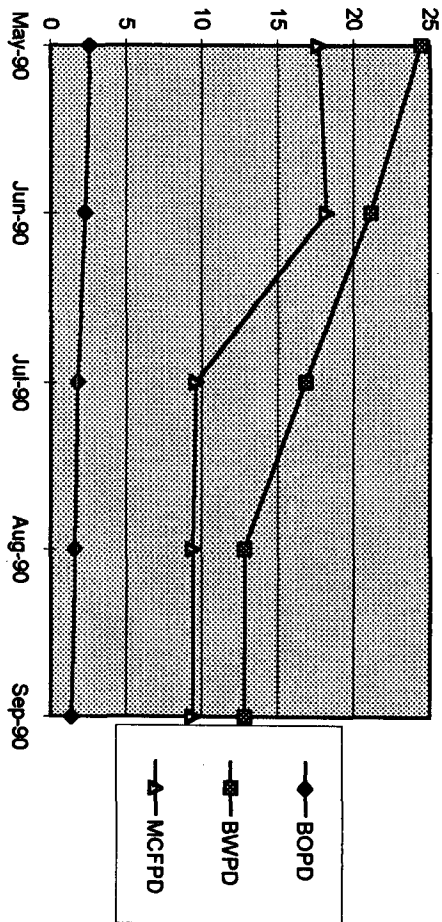
TYPE OR PRINT NAME Kay Maddox TELEPHONE NO. (915) 686-5798

SEMU DRINKARD/TUBB #97 PRODUCTION VOLUMES

DAILY PRODUCTION VOLUMES FOR SEMU DRINKARD WEIR #97

FROM MAY 1990 thru SEPT 1990

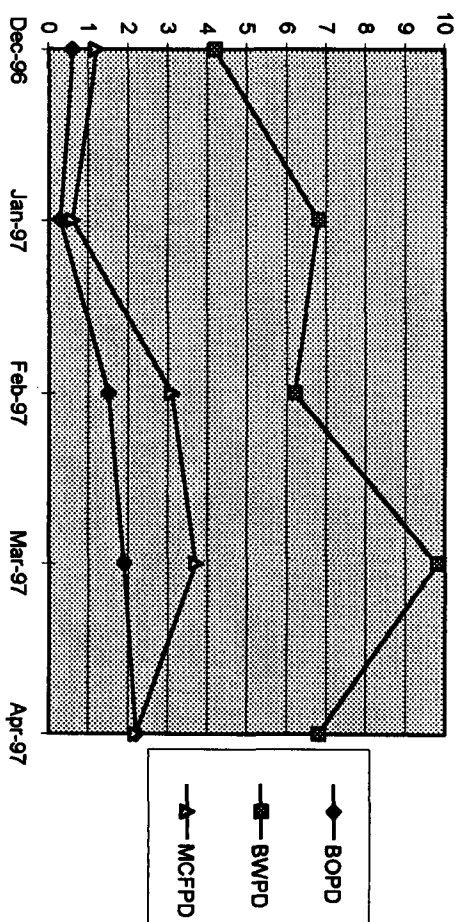
	BOPD	BWPD	MCFPD
May-90	2.6	24.4	17.7
Jun-90	2.3	21.1	18.2
Jul-90	1.8	16.8	9.6
Aug-90	1.6	12.8	9.4
Sep-90	1.4	12.8	9.4



DAILY PRODUCTION VOLUMES FOR SEMU TUBB #97

FROM DEC 1996 thru APRIL 1997

	BOPD	BWPD	MCFPD
Dec-96	0.6	4.2	1.2
Jan-97	0.3	6.8	0.6
Feb-97	1.5	6.2	3.1
Mar-97	1.9	9.8	3.7
Apr-97	2.2	6.8	2.2

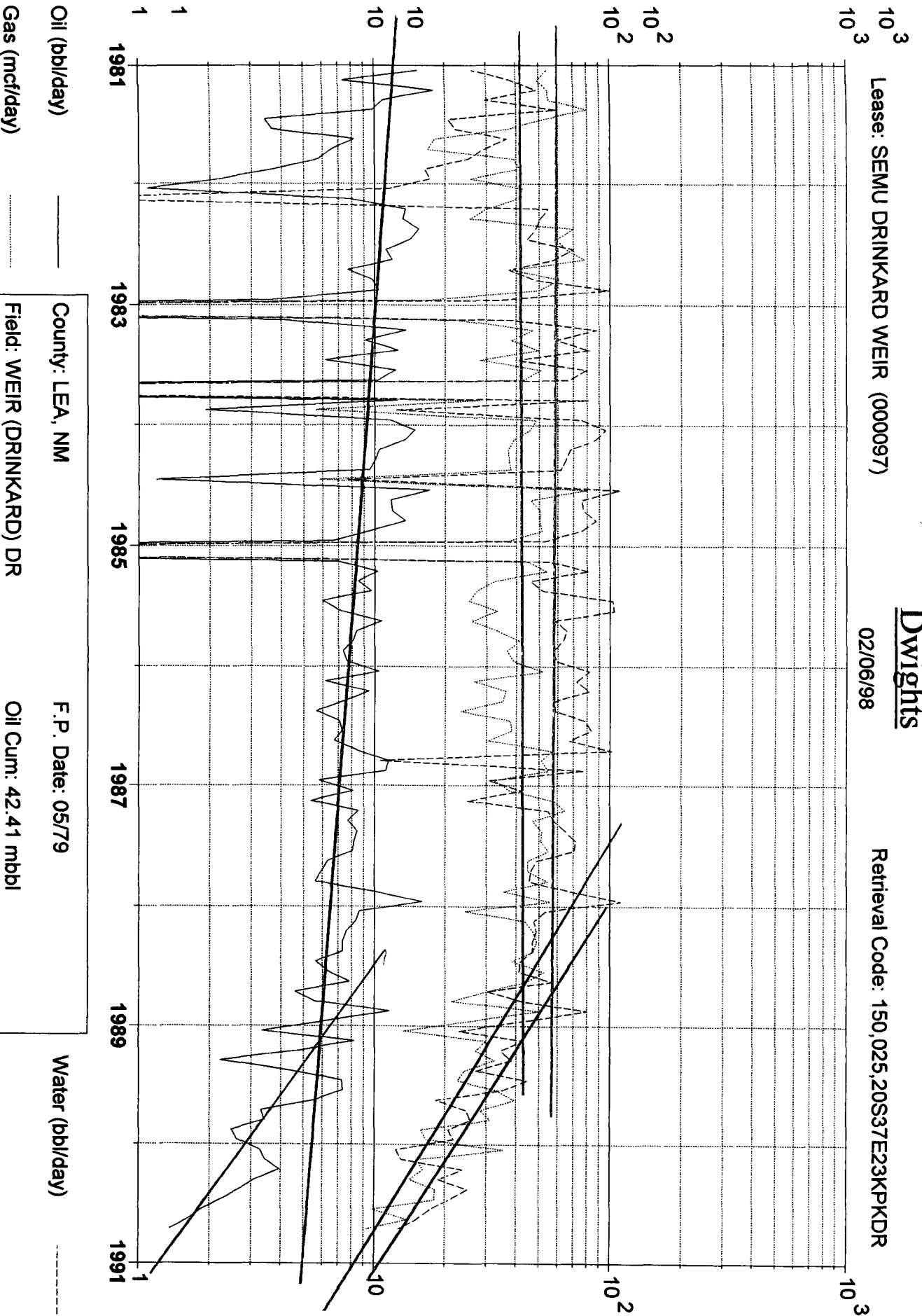


Lease: SEMU DRINKARD WEIR (000097)

Dwights

02/06/98

Retrieval Code: 150,025,20S37E23KPCKDR



Oil (bbl/day)

Gas (mcf/day)

Water (bbl/day)

County: LEA, NM

Field: WEIR (DRINKARD) DR

Reservoir: DRINKARD

Operator: CONOCO INC

F.P. Date: 05/79

Oil Cum: 42.41 mbbl

Gas Cum: 184.4 mmcf

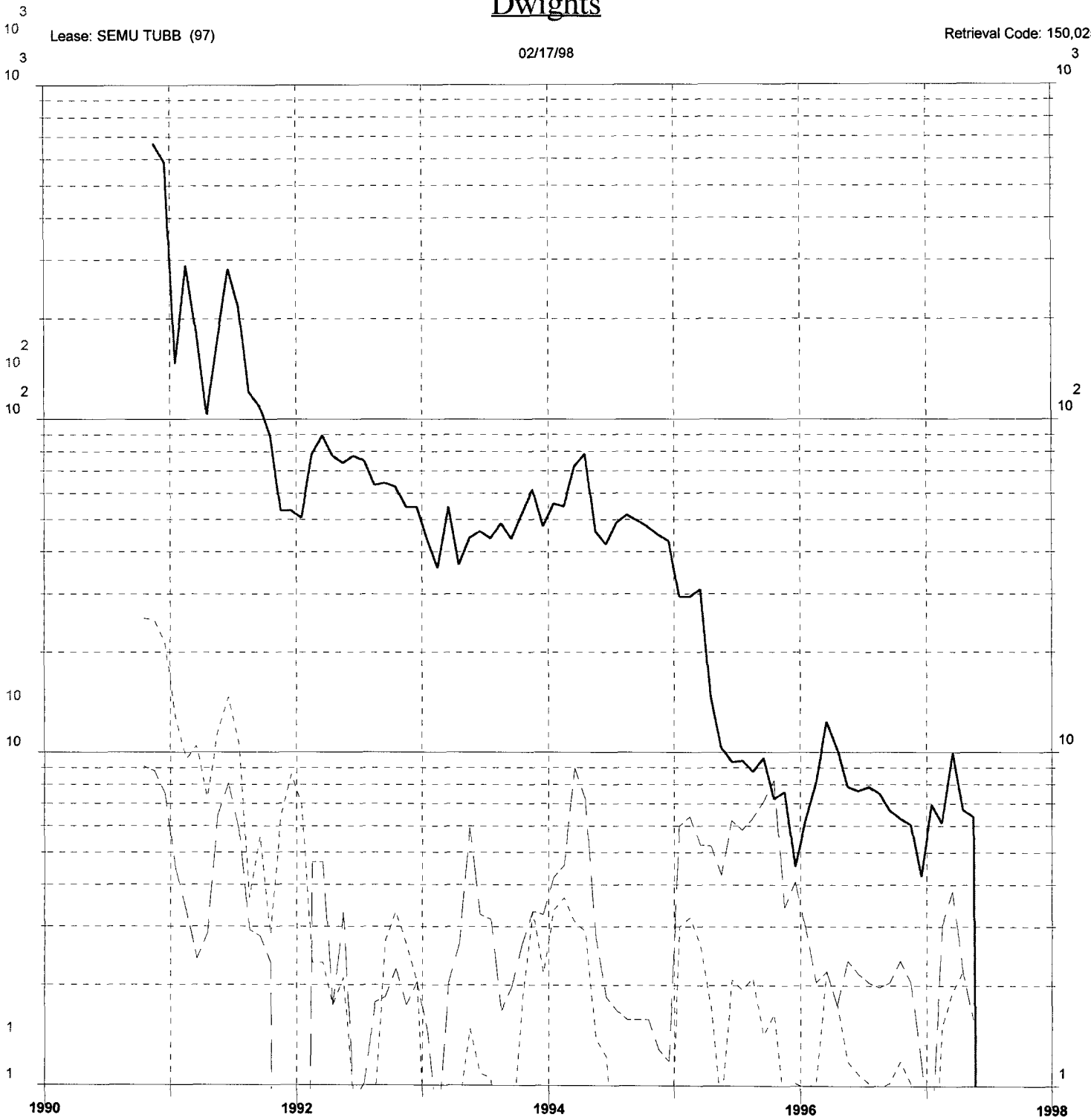
Location: 23K 20S 37E

Dwights

Lease: SEMU TUBB (97)

02/17/98

Retrieval Code: 150,025,20



Gas (mcf/day)

County: LEA, NM

F.P. Date: 10/90

Water (bbl/day)

Oil (bbl/day)

Field: MONUMENT (TUBB) TB

Oil Cum: 8514 bbl

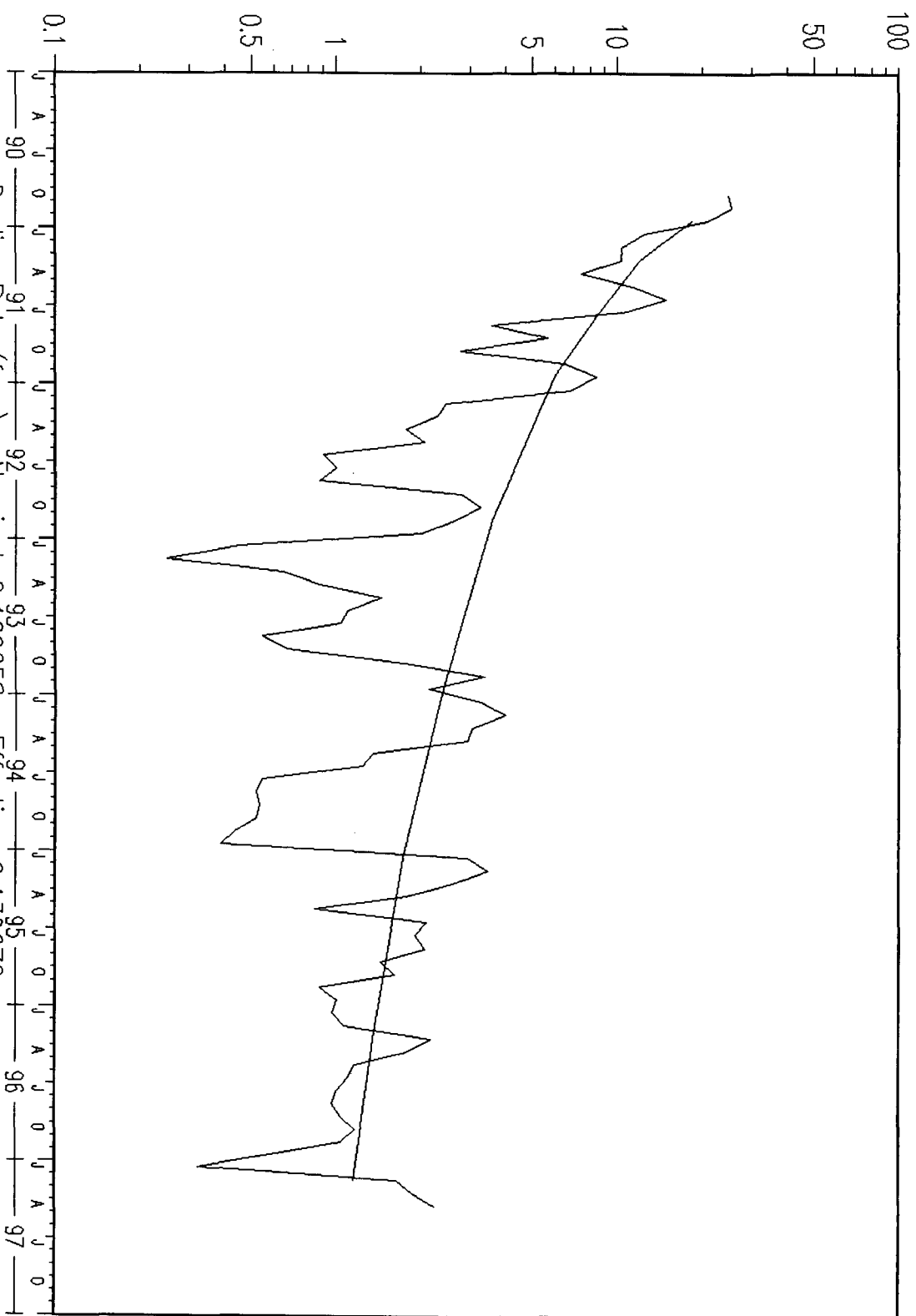
Reservoir: TUBB

Gas Cum: 163.5 mmcf

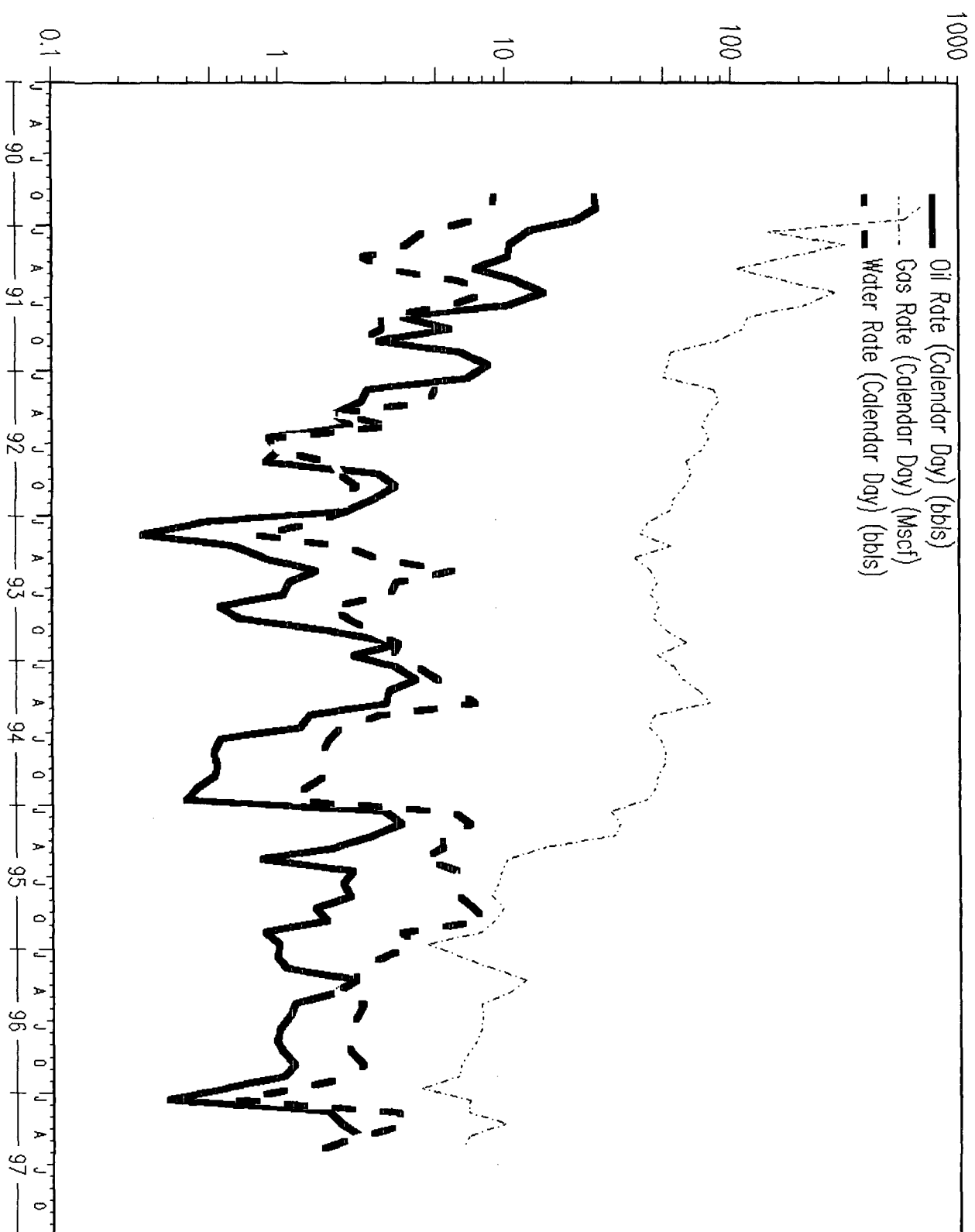
Operator: CONOCO INC

Location: 23K 20S 37E

WELL: SEMU SKAGGS B 97:TB



WELL: SEMU SKAGGS B 97:TB



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
PO Box 2088
Santa Fe, NM 87504-2088

Revised February 21, 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

API Number 30-025-25419	2 Pool Code 47090	3 Pool Name Monument Tubb
4 Property Code 018722	5 Property Name SEMU Skaggs B	6 Well Number 97
7 OGRID No. 005073	8 Operator Name Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500	9 Elevation 3525'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	23	20S	37E		1780	South	1780	West	Lea

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	13 Joint or Infill	14 Consolidation Code		15 Order No.					
80									

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

1780'

1780'

17 OPERATOR CERTIFICATION

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

Kay Maddox
Signature Kay Maddox

Printed Name _____
Regulatory Agent _____

Title February 17, 1998

Date _____

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 Surveyor: _____

Certificate Number

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

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☐ AMENDED REPORT

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UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16

A hand-drawn diagram on a grid. A square with a dashed border is centered at the origin of a coordinate system. The horizontal axis is labeled $1780'$ and the vertical axis is labeled $1780'$. The origin is marked with a small circle and the letter O .

17 OPERATOR CERTIFICATION

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

Kay Maddox

Signature _____

Kay Maddox

Printed Name _____

Regulatory Agent

Title

February 17, 1998

Date _____

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Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number

Conoco, Inc
10 Desta Dr Suite 100W
Midland, TX 79705

RE: Downhole Commingle Application C-107A
SEMUS Skaggs Well #97
Section 23, T-20-S, R-37-E,K
API # 30-025-25419
Lea County, New Mexico

Offset Operator:

Conoco, Inc. Is the only offset operator