



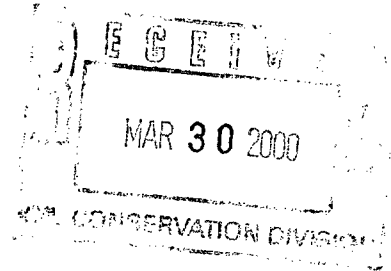
## FALCON CREEK RESOURCES, INC.

621 17th Street, Suite 1800  
Denver, Colorado 80293-0621

Telephone 303-675-0007  
Facsimile 303-675-0008

March 27, 2000

Oil Conservation Division  
2040 South Pacheco St.  
Santa Fe, New Mexico 87505



RE: Application for Downhole Commingling  
Federal 24-6  
"I" Section 24, T20S-R38E  
Lea County, New Mexico

Attention: David Catnack

Please find enclosed a corrected C-107 with a detail sheet attached. I sent you a revised C-107 early last week to include the new formations, but I was using the production numbers for this well. I have corrected the allocations and attached a detail sheet to the C-107 to show how we got our new allocation percentages. Thank you for your prompt attention to this matter and please contact me at the number above if you have any questions or comments.

Sincerely,

April J. Carlson  
Operations Technician

## DISTRICT I

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

## DISTRICT II

811 South First St., Artesia, NM 88210-2835

## DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

State of New Mexico  
Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429Form C-107-A  
New 3-12-96

APPROVAL PROCESS:

☐ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☐ NO

## APPLICATION FOR DOWNHOLE COMMINGLING

Falcon Creek Resources, Inc.

621 17<sup>th</sup> St., Suite 1800, Denver, CO 80293-0621

Operator

Address

Federal 24

6

I, Sec 24, T20S, R38E

Lea

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 169415 Property Code 23401 API NO. 30-025-34200 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	Blinebry	Tubb	Und Dr-Drinkard
2. Top and Bottom of Pay Section (Perforations)	6458'-6106'	6584'-6736'	7000'-7086'
3. Type of production (Oil or Gas)	Oil	Oil	Oil
4. Method of Production (Flowing or Artificial Lift)	Pumping	Pumping	Pumping
5. Bottomhole Pressure	a. (Current)	a. psi	a.
Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	b. (Original) Unknown	b.	b. Unknown
6. Oil Gravity (°API) or Gas BTU Content			
7. Producing or Shut-In?	New	Shut-In	Producing
Production Marginal? (yes or no)			
* If Shut-In, give date and oil/gas/water rates of last production	Date: 02-2000 Rates: 27 BOPD, 46 MCFD, 39 BWPD See Attached	Date: 12-1998 Rates: 10 BOPD, 14 MCF, 6 BWPD	Date: Rates:
Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data			
* If Producing, give date and oil/gas/ water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: 1-2000 Rates: 33 BOPD, 56 MCFD, 36 BWPD
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 34% Gas: 35% Water: 43%	Oil: 12% Gas: 11% Water: 11%	Oil: 41% Gas: 43% Water: 40%

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 ☐ 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 each 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 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 Gerald Lucero TITLE Mgr of Operations DATE March 23, 2000TYPE OR PRINT NAME Gerald Lucero TELEPHONE NO. ( 303 ) 675-0007

Please see attached sheets for an additional zone. We need the commingling permit to include four zones.

Falcon Creek Resources, Inc.  
Federal 24-6 Downhole Commingling Allocations

Drinkard Test Period 1-15-00 thru 1-25-00

	BOPD	BWPD	MCFD
1/15/00	15	50	20
1/16/00	40	60	50
1/17/00	40	44	55
1/18/00	36	35	60
1/19/00	30	33	61
1/20/00	36	30	60
1/21/00	30	23	50
1/22/00	27	20	50
1/23/00	28	24	55
1/24/00	25	20	44
1/25/00	25	18	58
Total	332	357	563
Total/ 10days	33.2	35.7	56.3

Total of Well Test		
BOPD	BWPD	MCFD
80	90	132

Blinebry Test Period 2-19-00 thru 2-29-00

	BOPD	BWPD	MCFD
2/19/00	60	60	50
2/20/00	32	70	85
2/21/00	30	70	70
2/22/00	43	60	70
2/23/00	38	40	80
2/24/00	26	40	30
2/25/00	30	30	40
2/26/00	10	15	30
2/27/00	0	0	0
2/28/00	0	0	0
2/29/00	0	0	0
Total	269	385	455
Total/ 10days	26.9	38.5	45.5

Abo Before Shut-In 10-1998

BOPD	BWPD	MCFD
10	10	15

Tubb Before Shut-In 12-1998

BOPD	BWPD	MCFD
10	6	15

Allocations		
↓2		
Drinkard		
BOPD	BWPD	MCFD
41%	40%	43%
Blinebry		
BOPD	BWPD	MCFD
34%	43%	35%
Abo		
BOPD	BWPD	MCFD
12%	11%	11%
Tubb		
BOPD	BWPD	MCFD
12%	7%	11%



## FALCON CREEK RESOURCES, INC.

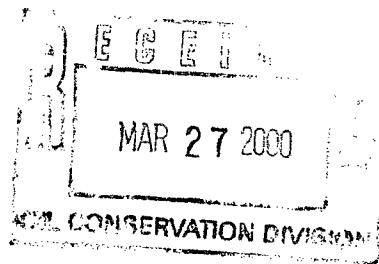
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Federal 24-6  
"I" Section 24, T20S-R38E  
Lea County, New Mexico



Attention: David Catnack

Please find enclosed a corrected C-107 with a detail sheet attached. This well was originally commingled in the Tubb and Abo we have now added the Drinkard and Blinebry. The approved commingling permit is DHC-2166 (approved January 4, 99). The corrected production allocations are attached to the new C-107.

Please contact me at the number above if you have any questions or comments regarding the application or the corrections. Thank you in you prompt attention to this matter.

Sincerely,

April J. Carlson  
Operations Technician

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Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	b. (Original) Unknown	b.	b. Unknown
6. Oil Gravity ( <sup>o</sup> API) or Gas BTU Content			
7. Producing or Shut-In?	New	Shut-In	Producing
Production Marginal? (yes or no)			
* 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: 03-2000 Rates: 1 BOPD, 2 MCFD, 29 BWPD See Attached	Date: 12-1998 Rates: 10 BOPD, 14 MCF, 6 BWPD	Date: Rates:
* If Producing, give date and oil/gas/ water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: 1-2000 Rates: 19 BOPD, 70 MCFD, 34 BWPD
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 7% Gas: 10% Water: 2%	Oil: 30% Gas: 1% Water: 44%	Oil: 63% Gas: 89% Water: 54%

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SIGNATURE Gerald Lucero TITLE Mgr of Operations DATE March 23, 2000TYPE OR PRINT NAME Gerald Lucero TELEPHONE NO. ( 303 ) 675-0007

Please see attached sheets for an additional zone. We need the commingling permit to include four zones.

Falcon Creek Resources, Inc.

Federal 24-6

Commingled Daily Averages

Test period 3-11-00 thru 3-20-00

Oil	Gas	Water
<b>40</b>	<b>100</b>	<b>79</b>

	Abo	
Oil	Gas	Water
10	14	10

	Tubb	
Oil	Gas	Water
10	14	6

	Drinkard	
Oil	Gas	Water
19	70	34

Total of Actual Daily Estimates

Oil	Gas	Water
<b>39</b>	<b>98</b>	<b>50</b>

Blinebry

Oil	Gas	Water
1	2	29

Blinebry is figured by subtracting the actual daily estimates from the commingled daily estimates

Commingled Allocations		
<b>Abo</b>		
Oil	Gas	Water
25%	14%	13%
<b>Blinebry</b>		
Oil	Gas	Water
3%	2%	37%
<b>Drinkard</b>		
Oil	Gas	Water
49%	71%	68%
<b>Tubb</b>		
Oil	Gas	Water
25%	14%	8%

# Falcon Creek Resources, Inc.

Federal 24 #6  
Warren Field  
"J" Section 24, T20S, 38E  
1980' FSL, 1980' FEL  
Lea County, New Mexico  
GR: 3577'

## Initial Completion

Spud well: 8-8-98  
Perf Lower Abo Formation: 7,510'-7,530'  
Acidize w/ 9000 gal Xlink gel acid  
Set CIBP @ 7,500'  
Perf Upper Abo Formation: 7346'-50, 7360'-62',  
7364'-66', 7368'-70', 7378'-80', 7382'-84', 7386'-  
88', 7401'-14', 7418'-24', 7435'-39', 7464'-66',  
7472'-76' w/ 2jspf  
Acidize w/ 3000 gal 15% NeFe acid @ 3.9bpm  
Pump 10-10-98 (after 12 days) 10 BO + 15 MCF +  
10 BW.

Set CIBP @ 7010'

10/13/98

Perf Tubb Formation: 6584'-6588', 6676'-6684',  
6728'-6736' w/ 2 jsfp Total 43 holes  
Acidize w/ 3500 gal 15% NeFe @ 6 bpm  
Frac w/ 72,877 gal Borate gel & 22,500# 100  
mesh sd, 156,000# 16/30 Ottawa sd.  
12-4-98 Pump 10 BO + 15 MCF + 6 BW.

1/7/00

Drillout CIBP at 7010'

Perf Abo (Skaggs) 7245-7255 2 spf  
Formation broke at 4200 psi switch to 20% acid  
pump 825 gallons then pump 700 gallons 28% SXE  
when well locked down. Re-acidize, formation broke  
at 5000 psi. pump 1750 gallons of 20% breakdown at  
5 bpm, 6100 psi. switch 28% SXE, pump 1000 gallons  
at 6.5 bpm at 5300 psi, flush with 45 bbls 2% KCl.  
ISIP 2307 psi, 15 min 2000 psi. Swab well next day.  
5th and final hour FL 6400' rec. 8 bbls light gas with  
40% oil cut.

1/12/00 Perf Drinkard 7000-12, 7020-28, 7036-42,  
7080-86. Breakdown at 2500 psi., pump 1500 gals.  
15% NEFE at 2900 psi., pump 1000 gals. 28% SXE  
at 7 bpm at 3800 psi., pump 3000 gals. 28% SXE  
with 108 balls at 8 bpm at 4100 psi., pump 1760 gals.  
28% SXE at 4000 psi. flush with 44 bbls. 2% KCl  
ISIP 2330 psi., 15 min. 2179 psi. Swab well next day  
rec. 199 bbls water (total load was 250 bbls) plus 104  
bbls oil. Put well on pump.

2/7/00 Perf Blinebry B-5 6458-6464, B-4 6311-6322  
6326-6330, B1L 6070-6087, 6096-6106.

Isolate B-5 perfs, formation broke at 3700 psi. pump 175  
gals. 15% acid then pump 1050 gals. 28% SXE with 21 balls  
ave. rate 6 bpm at 3500 psi. ISIP 2138 psi, 15 min. 1831 psi.  
Isolate B-4 perfs, formation broke at 2680 psi., pump 425 gals.  
15% then pump 2550 gals. 28% SXE with 51 balls. Ave rate  
8 bpm at 3500 psi. ISIP 2300 psi. 15 min 2092 psi.  
Isolate B-1L perfs, formation broke at 2700 psi pump 725 gals.  
15% then pump 4350 gals. 28% SXE with 87 balls. Ave rate  
8 bpm at 3800 psi. ISIP 2200 psi., 15 min. 1630 psi. Isolated  
B-4 and B-1L for swab test. 2/18/00 put Blinebry on pump.

**Blinebry Perfs**  
B-5 6458-6464  
B-4 6311-6330  
B-1L 6070-6106

**Tubb Perfs:**  
6,584'-6,736'  
Total 43 holes

**Drinkard Perfs**  
7000-7086

**Abo Perfs**  
7245-7455

**Upper Abo Perfs:**  
7,346'-7,476'  
2 jsfp

**Lower Abo Perfs:**  
7,510'-7,530'  
4 jsfp

12-1/4" Hole  
1,640' - 9-5/8" Casing,  
cmt to surface w/ 650 sx  
to surface  
amount pulled 135 sx

CIBP: 7,500'

PB: 7,500'  
TD: 7,950'

8-3/4" Hole  
7,950' - 7" Casing, cmt 2040' sx to surface  
Amount pulled 218 sx

Updated 3/1/00