



Cross Timbers Operating Company

DHC 8/2/99
2406
July 6, 1999

Ms. Lori Wrotenbery
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Administrative Approval to Downhole Commingle
Cross Timbers Operating Co.
Dawson Federal #1M
1,520 FWL, 790' FSL Sec. 26, T27N, R08W
San Juan County, New Mexico

Dear Ms. Wrotenbery,

Cross Timbers Operating Company hereby request administrative approval to downhole commingle the Blanco Mesaverde and Basin Dakota pools in the above mentioned well. The well is a dual completion with the Dakota being produced up the tubing and the Mesaverde being produced up the annulus. Cross Timbers feels that a significant increase in production can be obtained (from both zones) by using a single string of tubing, by eliminating the packer and by using some method of artificial lift and or wellhead compression.

To comply with New Mexico Oil Conservation Rules, Cross Timbers Operating Co is submitting the following data for your approval of the proposed commingling:

1. C-107A Application for Downhole Commingle
2. C-102 Well Location & Acreage Dedication Plat
3. Production curves for both the Mesaverde & Dakota Formation
4. Offset Operators Plat
5. Well Location Plat

In accordance to New Mexico Oil Conservation Division Rule 303C, all offset operators are being notified of this application by certified mail. As an offset operator, if you do not have any objections to this application, you do not have to respond to this notification.

If additional information is needed, please feel free to contact Cross Timbers Operating Co.

Sincerely,

Jeffery W. Patton
Production Engineer

CC: NMOCD -Aztec, Offset Operators, BLM, wellfile

DISTRICT I

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

DISTRICT II

811 S. 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 875054-6429Form C-107-A
New 3-12-96

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Cross Timbers Operating Company

2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401

Operator

Address

Dawson Federal

#1M

N

26

27N

08W

San Juan

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

OGRID NO. 167067

Property Code

API NO. 30-045-24791

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	Blanco Mesaverde 72319		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	5,117' - 5,180' (perf'd)		7,214' - 7,352' (perf'd)
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure	a. (Current)	a.	a.
Oil Zones - Artificial Lift: Estimated Current	542 psig (calc)		2,070 psig (calc)
Gas & Oil - Flowing: Measured Current	b. (Original)	b.	b.
All Gas Zones: Estimated Or Measured Original	980 psig (calc)		236 psig (calc)
6. Oil Gravity (^o API) or Gas BTU Content)	1,310 BTU		1,320 BTU
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	yes		yed
* If Shut-In, give date and oil/gas/ water rates of last production	Date:	Date:	Date:
	Rates:	Rates:	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: 7/2/99	Date:	Date: 7/2/99
	Rates:	Rates:	Rates:
	0 bopd, 171 MCFPD, 0 bwpd		0.16 bopd, 40 MCFPD, 0 bw
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 48% Gas: 82%	Oil: % Gas: %	Oil: 52% Gas: 18%

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(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

TITLE Production Engineer

DATE 7/7/99

TYPE OR PRINT NAME Jeffery W. Patton

TELEPHONE NO(505) 324-1090

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street, Artesia, NM 88210-2834
District III
1000 Rio Brazos Rd., Aztec, NM 87410
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, 199
Instructions on bac
Submit to Appropriate District O
State Lease - 4 Copie
Fee Lease - 3 Copie

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-24791	² Pool Code 72319/71599	³ Pool Name Blanco Mesacerde / Basin Dakota
⁴ Property Code	⁵ Property Name Dawson Federal	⁶ Well Number #1M
⁷ OGRID No. 167067	⁸ Operator Name Cross Timbers Operating Company	⁹ Elevation 6,712' GL

¹⁰ Surface Location

UL or lot no. N	Section 26	Township 27N	Range 08W	Lot. Idn	Feet from the 790'	North/South Line South	Feet from the 1,520	East/West line West	County San Juan
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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
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¹² Dedicated Acres 320 / 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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 Jeffery W Patton
	Printed Name Production Engineer
	Title 7/7/99 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.
	10/13/80 Date of Survey
	Signature and Seal of Professional Surveyer: ORIGINAL SIGNED BY FRED B KERB JR.
	#3950 Certificate Number



Cross Timbers Operating Company

Mr. David Catanach
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Administrative Approval to Downhole Commingle
Cross Timbers Operating Co.
Dawson Federal #1M
1,520' FWL, 790' FSL Sec. 26, T27N, R08W
San Juan County, New Mexico

Dear Offset Operator,

As an offset operator to the above mentioned well, you are hereby notified that Cross Timbers Operating Co is filing for downhole commingle approval.

If you do not have any objections to the above well being commingled, you can either sign this letter waiving your rights to an objection or let the twenty days, upon receipt of this letter, expire.

Please return this letter or a letter of objection to Mr. David Catanach at the above address.

Cross Timbers Oil Co sincerely appreciate your prompt response concerning this approval.

M & G Drilling Company Inc.	Signature:
Bledsoe Petro Corporation	Signature:
Western Oil & Minerals Limited	Signature:
Conoco Incorporated	Signature:
Greystone Energy Inc.	Signature:



Cross Timbers Operating Company

Dawson Federal #1M
Offset Operator / Ownership Plat
Blanco Mesaverde / Basin Dakota
Downhole Commingle

Township 27 N, Range 08 W

1. M & G Drilling Company Inc.
c/o KM Production
PO Box 2406
Farmington, NM 87499
2. Bledsoe Petro Corporation
1717 Main
Suite #5850
Dallas, TX. 75201
3. Western Oil & Minerals Limited
3001 Northridge
Farmington, NM 87401
4. Conoco Incorporated
10 Desta Dr.
Suite 100W
Midland, TX. 79705
5. Greystone Energy Inc.
5802 Hwy 64
Farmington, NM 87401
6. Cross Timbers Operating Co.
6001 E. Hwy 64
Farmington, NM 87401

LARGO FED 6
BLED SOE PET
0 301
0 6
1273-1087
CHCR
☀
SAN JUAN 27 8 5
BURLINGTON RES
020 ☀ 468/16
020 28/7

LARGO PED 1
BLEDSGE PBT
2/2 302172
00 2008

MARRON WH FEO 8
COINCO
001 191488
00 1 00
0306-02900064-0062
PCDPMYRO

24

MARRON I
BURLINGTON RES
0 7 2678
0008-1187
PCGP

MARRON WH FEO 842A
CHA-TRAU OAC
002 760724
00 7242
0478-11870478-1187

1075-1197
MVRD

FEDERAL E 4
BLDSGCR PST
00 151127
00 017
0-0170097-1097
PCGFCRCH

HAMMOND WN FED 8
CONOCO
0 946
0 28
1288-1197
PCGP

HAMMOND 41H
M & G DRUG
0 804
0 100
DGR-1197
MVRD

HAMMOND 8
M & G DRUG
0 804
0 006

HAMMOND 8
WESTERN OIL
0 772
0 18
0483-1087
PCGP

0664-0877/1277-1197
MVRDCHCR

25

HAMMOND WN FED 8
FEDERAL E 4
0 0
0 0
0 0
0027-0864
WALDC

HAMMOND WN FED 1
CONOCO
0 1883
0 37
0170-1197
PCGP

FEDERAL E 1
BLDSGCR PST
70 818043
00 011
0673-1286/0772-0797
MVRDCHCR

HAMMOND 41A
M & G DRUG
0 1057
0 130
0378-1197
MVRD

HAMMOND 8
WESTERN OIL
0 384
0 03
1080-1087
PCGP

HAMMOND 4
GAS
7222
GREAT LAKES OIL
5/22/1952

HAMMOND 8
WESTERN OIL
0 1517
0
0188-0878

[illegible]

Cross Timbers Oil Company

DAWSON FEDERAL

CROSS TIMBERS

BLANCO (MESAVERDE)

SAN JUAN, NEW MEXICO

26N 27N 08W

BGV

CO

452479

1M

SAN JUAN

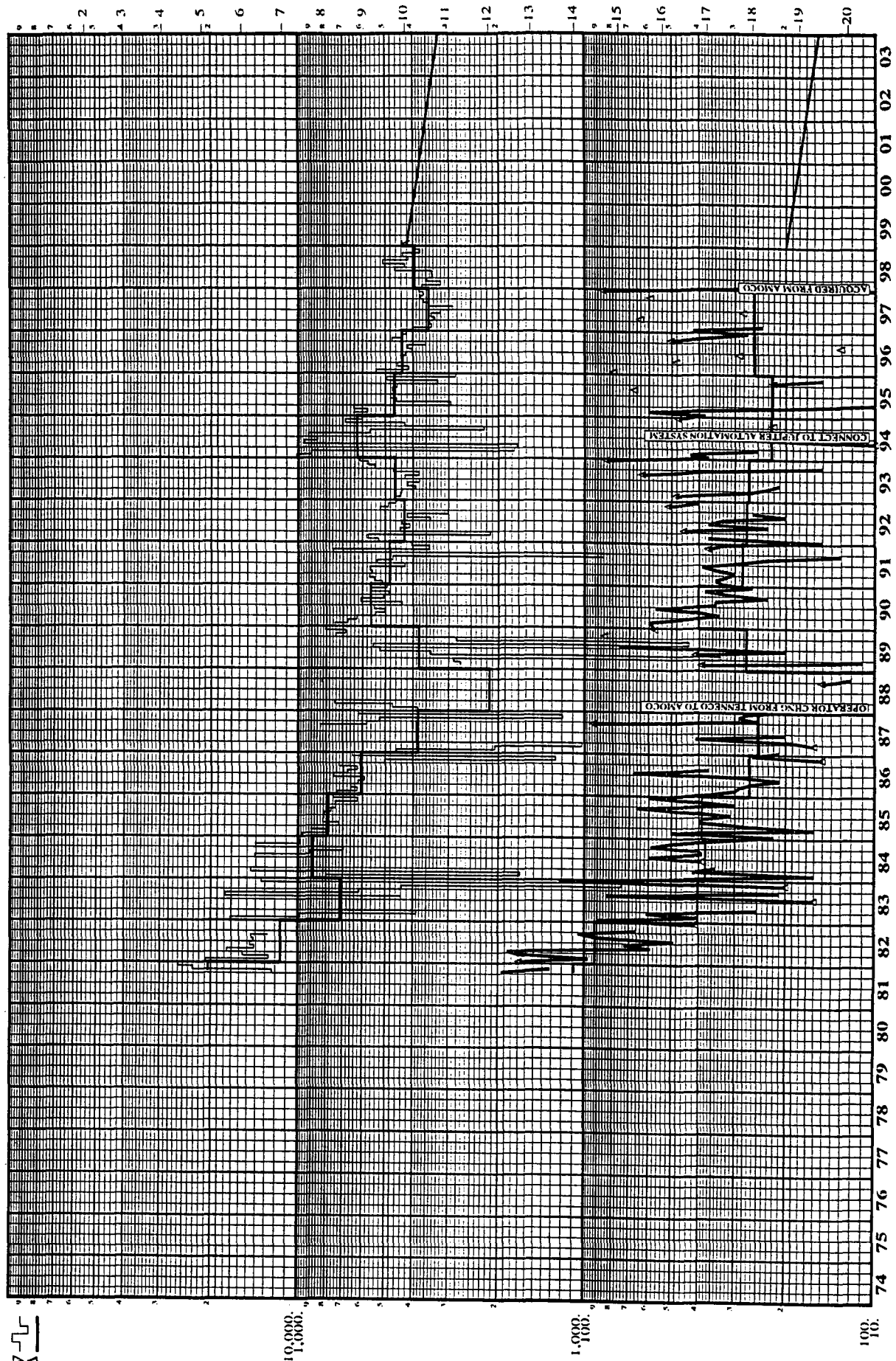
70199

Run Date: 04/11/99
Run Time: 11:38:31

GAS (mcf/mo) ∇
OIL (bbls/mo) Δ

M & L - 1/99 FORECAST

JWP DLM CP-K-WSS



Cross Timbers Oil Company

DAWSON FEDERAL

CROSS TIMBERS

BASIN (DAKOTA)

SAN JUAN, NEW MEXICO

26N 27N 08W

CO

524791

SAN JUAN
70198

JWP DLM CP-K-WSS

M & L - 1/99 FORECAST

Run Date: 04/1/99
Run Time: 11:38:29

GAS (mc/MMBtu) ∇
OIL (bbl/MMBtu) Δ

