

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410
DISTRICT IV
2040 S. Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-A
Revised August 1999

OIL CONSERVATION DIVISION AUG 20 1999

APPROVAL PROCESS:

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

Administrative Hearing

EXISTING WELLBORE

APPLICATION FOR DOWNHOLE COMMINGLING

YES NO

Operator Enron Oil & Gas Address P.O. Box 2267, Midland, TX 79702

Lease Hallwood "1" Federal 1 Well No. C - Sec. 1-T25S -R33E Unit Ltr. - Sec - Twp - Rge Lea County 245

OGRID NO. 7377 Property Code 4056 API NO. 30-025-31649 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	Vaca Draw Wolfcamp <i>86790</i>		Pitchfork Ranch Morrow <i>82930</i>
2. Top and Bottom of Pay Section (Perforations)	13525' - 13680'		14775' - 15335'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 4300	a.	a. 2000
	b. (Original) 10200	b.	b. 10,800
6. Oil Gravity (°API) or Gas BTU Content	Oil - 55 Dry Gas - 1619 BTU/cu. ft.		Dry Gas - 1058 BTU/ cu. ft.
7. Producing or Shut-In?	Producing		Shut-in
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 * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	No		No
	Date: Rates:	Date: Rates:	Date: 03-19-99 Rates: 950 MCFD, 1 BOPD, 0 BWPD
	Date: 08-10-99 Rates: 1150 MCFD 60 BOPD 0 BWPD	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 98 % Gas: 55 %	Oil: % Gas: %	Oil: 2 % Gas: 45 %

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
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 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 *M. Lee Roark* TITLE Engineer Tech DATE 08-18-99

TYPE OR PRINT NAME M. Lee Roark TELEPHONE NO. (915) 686-3608

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

Form C-102
 Revised February 10, 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 AFI Number 25-31649		² Pool Code 86790		³ Pool Name Vaca Draw. (Wolfcamp)	
⁴ Property Code 4056		⁵ Property Name Hallwood "1" Federal Com			⁶ Well Number 1
⁷ OGRID No. 7377		⁸ Operator Name Enron Oil & Gas Company			⁹ Elevation 4056

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
C	1	25S	33E		660	North	1980	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 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

	<p>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></p> <p style="text-align: right;"><i>Mike Francis</i></p> <p>Signature Mike Francis</p> <p>Printed Name Agent</p> <p>Title 4/9/1999</p> <p>Date</p>
	<p>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></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

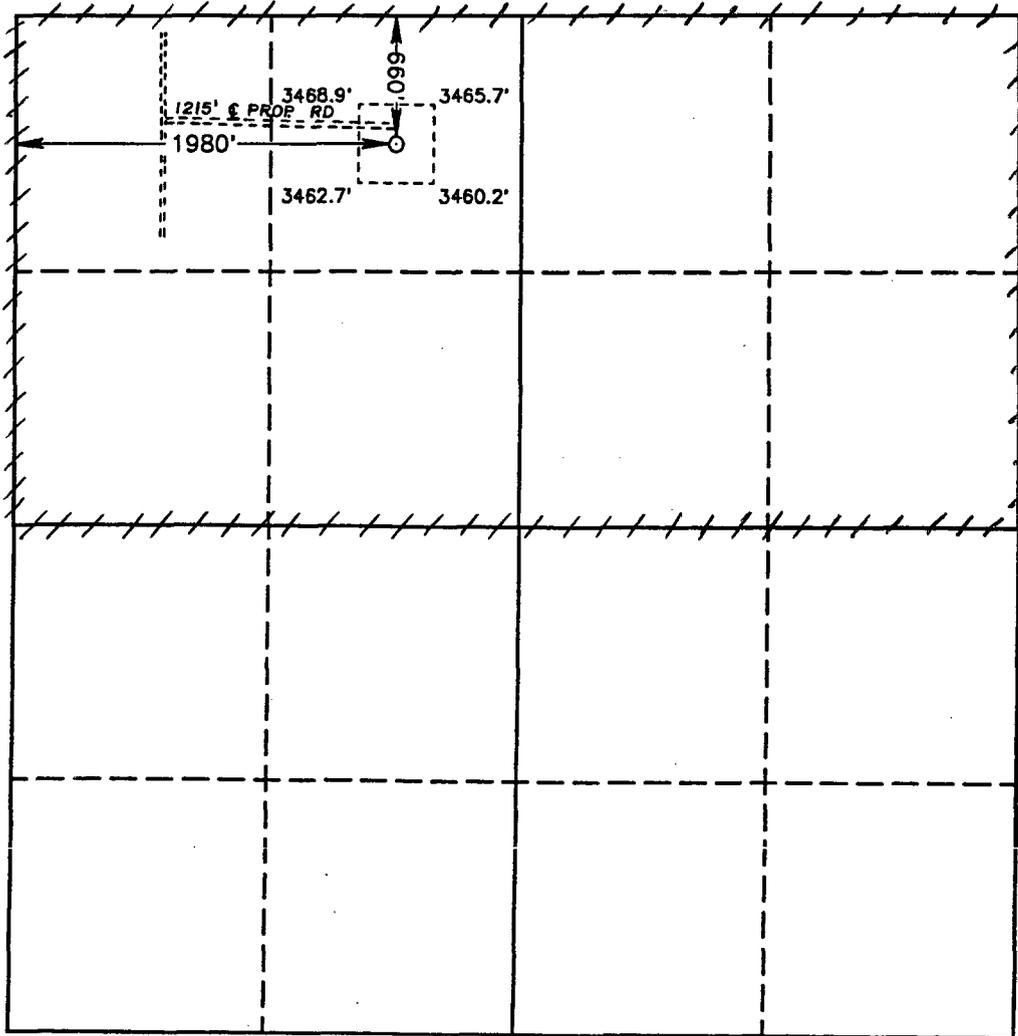
All Distances must be from the outer boundaries of the section

Operator ENRON OIL AND GAS CO.		Lease HALLWOOD "1" FEDERAL COM.		Well No. 1
Unit Letter C	Section 1	Township 25 SOUTH	Range 33 EAST NMPM	County LEA
Actual Footage Location of Well: 660 feet from the NORTH line and 1980 feet from the WEST line				
Ground Level Elev. 3464.7'	Producing Formation Morrow	Pool Pitchfork Ranch		Dedicated Acreage: N/2 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

Yes No If answer is "yes" type of consolidation Communitization

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)
 No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature: *Betty Gildon*

Printed Name: Betty Gildon

Position: Enron Oil & Gas Company

Company: Enron Oil & Gas Company

Date: 5/20/92

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 knowledge and belief.

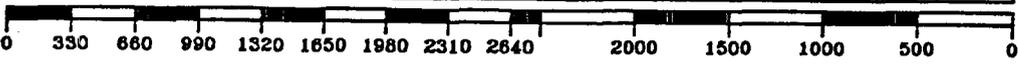
Date Surveyed: MAY 15, 1992

Signature & Seal of Professional Surveyor

REGISTERED LAND SURVEYOR

Ronald E. Jones

Certificate No. JOHN W. WEST 676
 RONALD E. JONES 3239
 MERRYL A. JONES 7977



DAILY PRODUCTION

HALLWOOD 1 FED COM : 1 (MOR) : PITCHFORK RANCH

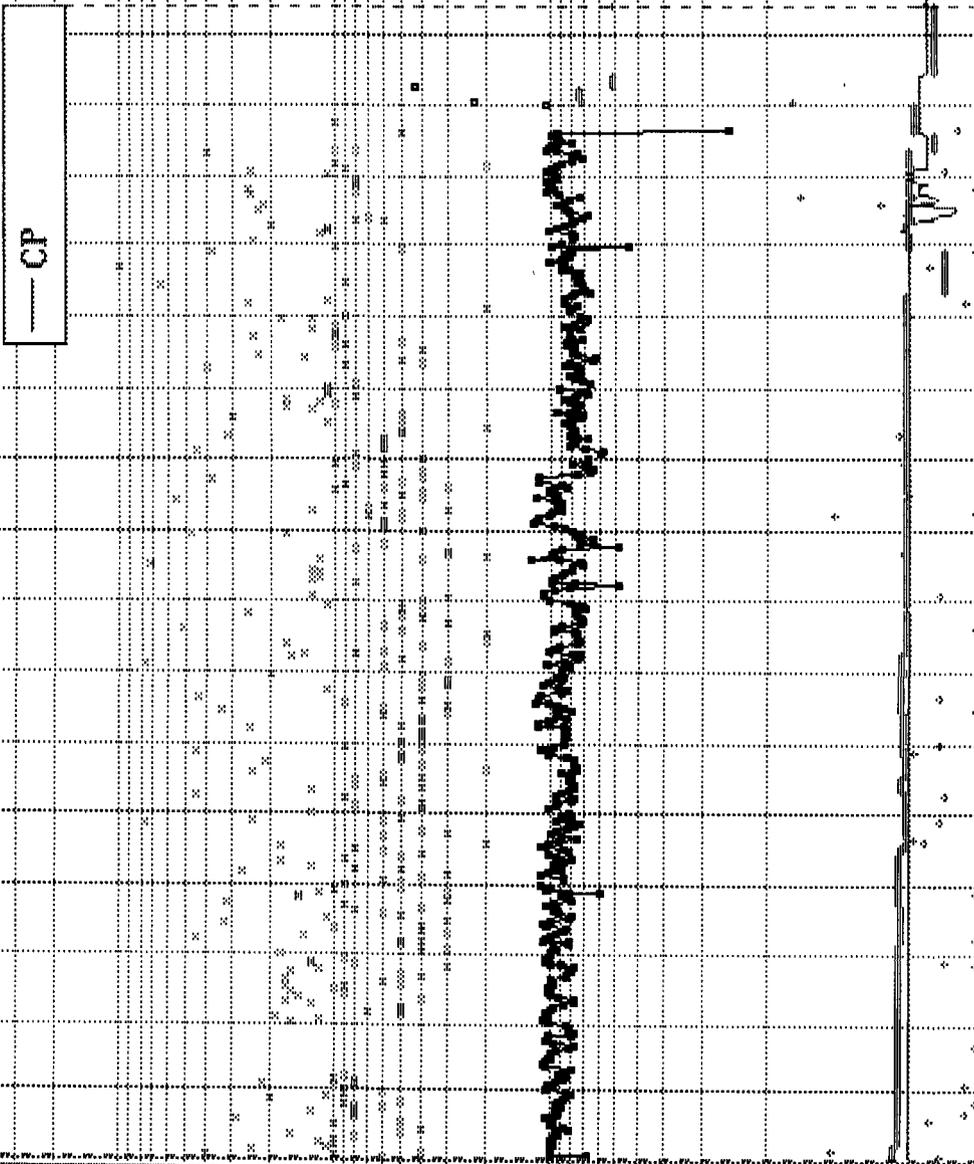
100000 • WATER
1e+06 • FTP
10000 • GAS
100 • OIL

Prop 205

- OIL /d
- GAS /d
- FTP /d
- WATER /d

Rate Time
Semi Log

MORROW



Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr
1998 1999

Major = GAS

DAILY PRODUCTION

HALLWOOD 1 FED COM 1 1 (RC) 1 PITCHFORK RANCH

• WATER
• FTP
• GAS
• OIL

Prop 1056

○ OIL /d
○ GAS /d
○ FTP /d
● WATER /d

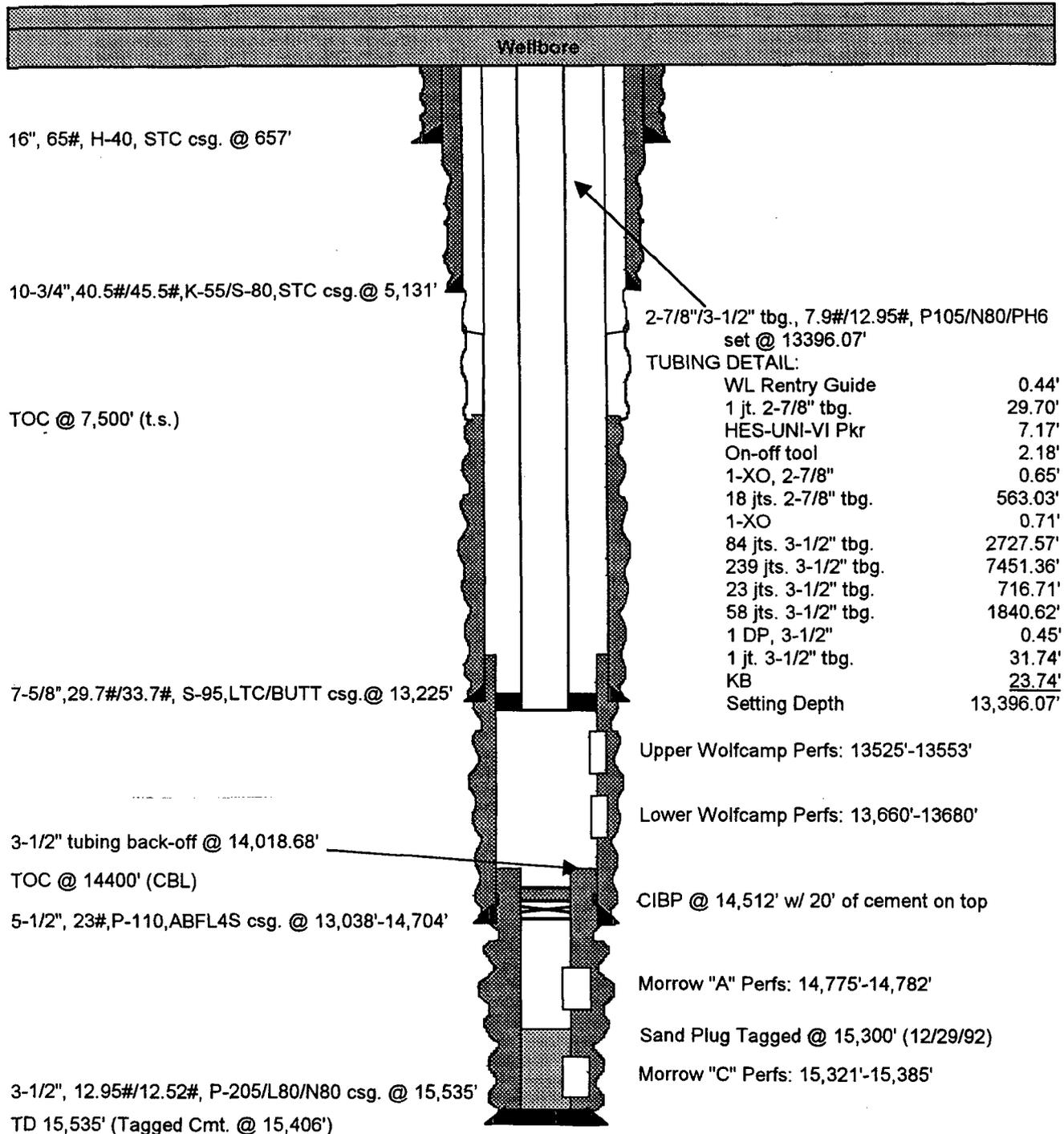
RateTime
Semi Log

Wolfcamp

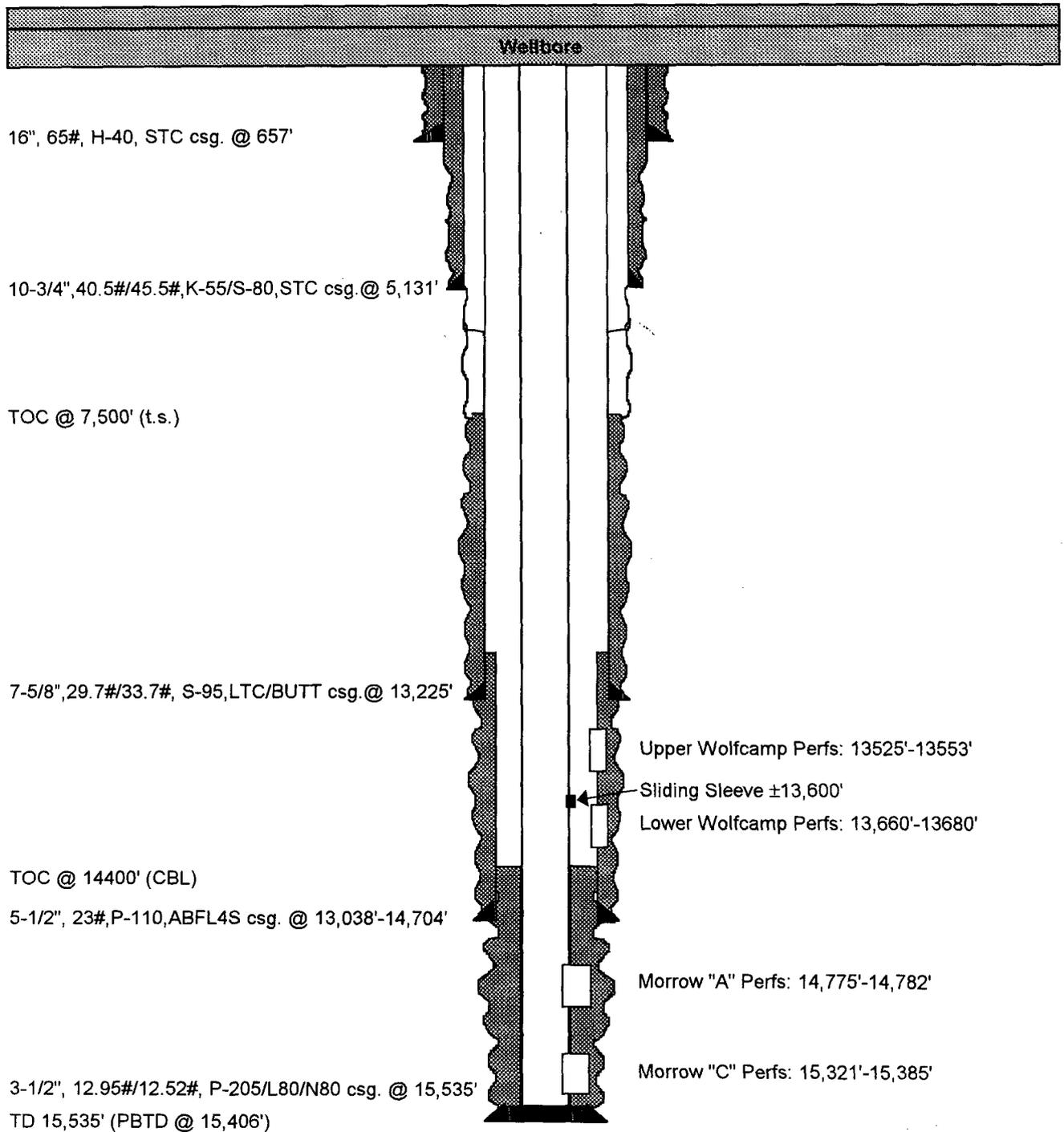


Major = GAS

CURRENT
WELL SCHEMATIC



PROPOSED
WELL SCHEMATIC





**Enron Oil & Gas
Company**

P.O. Box 2267
Midland, TX 79702
(915) 686-3600

August 18, 1999

United States Bureau of Land Management
2909 W. 2nd Street
Roswell, New Mexico 88201

REF: Hallwood "1" Federal No. 1
API:30-025-31649
Sec.1-T25S-R33E, Lea Co., NM

To Whom It May Concern:

Enron Oil & Gas Company is requesting the approval from the New Mexico Oil Conservation Division to commingle the Morrow and Wolfcamp zones in the above referenced well.

If you have any questions, please contact me at (915)686-3608.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Lee Roark".

M. Lee Roark
Engineer Tech

Attachments: OCD Form C-107-A

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

United States Bureau of Land
Management
2909 W. 2nd Street
Roswell, NM 88201

4a. Article Number

P 497 360 463

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Insured
- COD

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

X

6. Signature: (Addressee or Agent)

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 497 360 463

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided
Do not use for international mail (922 meters)
Postage

Postage	\$ 0.55
Certified Tax	1.40
Special Delivery Fee Reg	6.00
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 9.20

5885 5887 5888 5889 5890 5891 5892 5893 5894 5895

8-19-99



Enron Oil & Gas Co.
4000 N. Big Spring, Ste. 500
Midland, TX 79705

P 497 360 463



UNITED STATES BUREAU OF LAND MANAGEMENT
2909 W. 2ND STREET
ROSWELL, NM 88201