

9/7/99	9/27/99	DC	KN	DHC
--------	---------	----	----	-----

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -

2468

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] or [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 further verify that all applicable API Numbers are included. 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.

David Stewart  
Print or Type Name

*David Stewart*  
Signature

Regulatory Analyst  
Title

9/6/99  
Date

## DISTRICT I

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

## DISTRICT II

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

## DISTRICT III

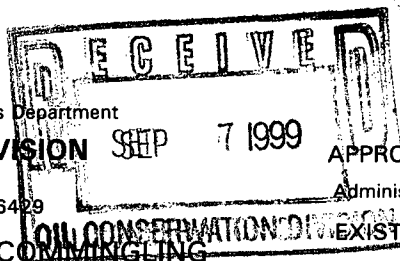
1000 Rio Brazos Rd, Aztec, NM 87410-1693

State of New Mexico  
Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

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

## APPLICATION FOR DOWNHOLE COMMINGLING

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

## APPROVAL PROCESS:

Administrative ☐ Hearing ☐

EXISTING WELLBORE

☒ YES ☐ NOOperator OXY USA Inc. P.O. Box 50250 Midland, TX 79710-0250  
AddressLease OXY Sparkplug State 1 N 9 19S 29E Eddy  
Well No. Unit Ltr. - Sec - Twp - Rge County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 16696 Property Code 20667 API NO. 30-015-29465 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	und. Turkey Track Atoka 86445		Turkey Track Morrow 86480
2. Top and Bottom of Pay Section (Perforations)	10692-10704'		11368-11482'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure	a. (Current) 400	a.	a. 450
Oil Zones - Artificial Lift:			
Gas & Oil - Flowing: Estimated	b. (Original) 4100	b.	b. 3184
Current Measured			
All Gas Zones: Estimated Or Measured Original			
6. Oil Gravity (.API) or Gas BTU Content			.658
7. Producing or Shut-In?	Producing		Shut-In
Production Marginal? (yes or no)	Yes		Yes
* If Shut-In, give date and oil/gas/water rates of last production	Date: Rates:	Date: Rates:	Date: 4/22/99 Rates: 0-BO 0-BW 122 MCFD
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: 8/21/99 Rates: 0-BO 0-BW 95 MCFD	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: % Gas: 48 %	Oil: % Gas: %	Oil: % Gas: 52%

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 David Stewart TITLE Regulatory Analyst DATE 9/1/99TYPE OR PRINT NAME David Stewart TELEPHONE NO. ( 915 ) 685-5717

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Instruction on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29465	Pool Code 86445	Pool Name Undesignated Turkey Track Atoka
Property Code 20667	Property Name Oxy Spark Plug State	Well Number 1
OGRID No. 16696	Operator Name Oxy USA Inc.	Elevation 3379'

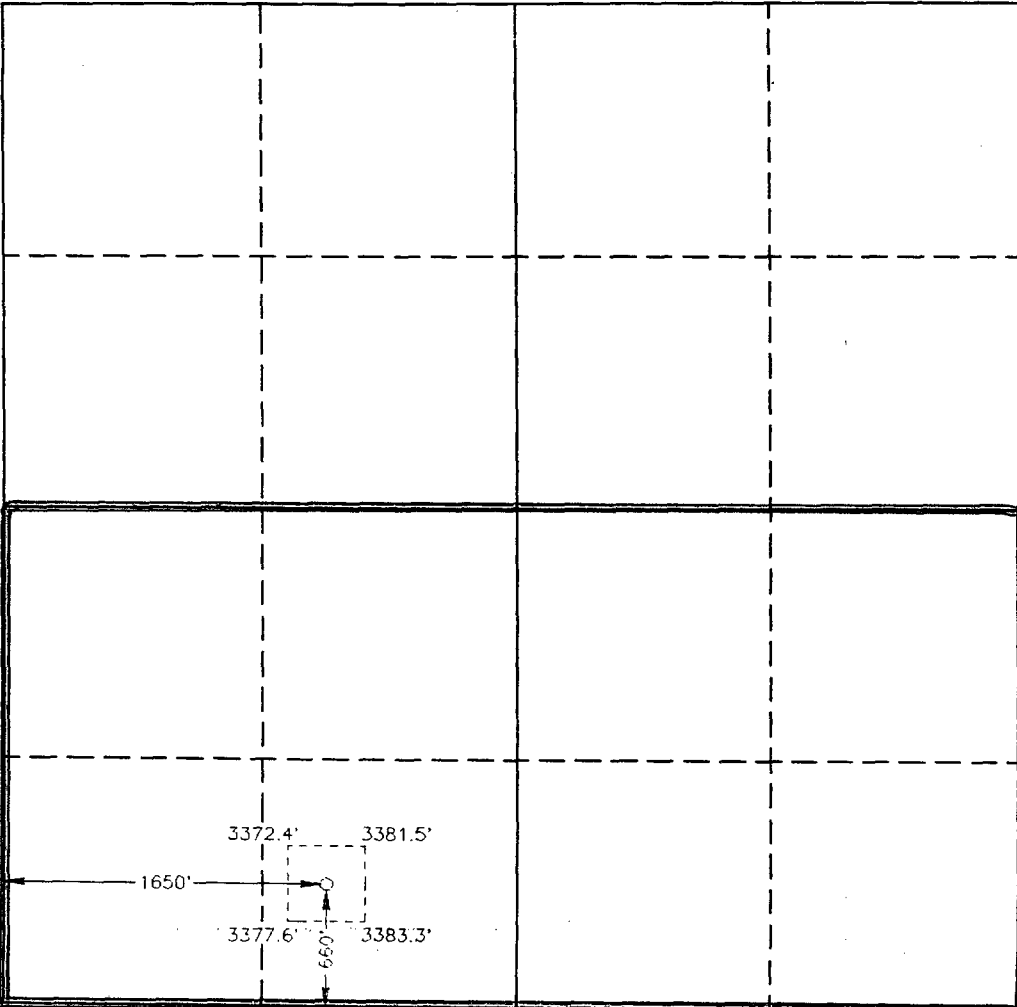

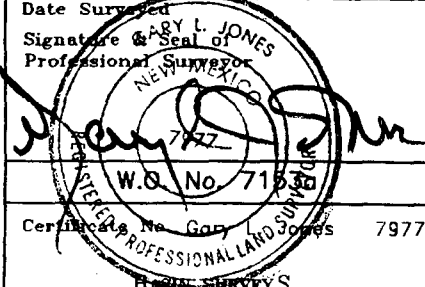
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	9	19 S	29 E		660	South	1650	West	Eddy

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
Dedicated Acres 320	Joint or Infill N	Consolidation Code	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

	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> Signature</p> <p>David Stewart Printed Name</p> <p>Regulatory Analyst Title</p> <p>2/1/99 Date</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>March 17, 1997 Date Surveyed</p> <p> Signature &amp; Seal of Professional Surveyor</p> <p>Certificate No. Gary Jones 7977 Professional Land Surveyor</p>
---	---

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Instruction on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29465	Pool Code 86480	Pool Name Turkey Track Morrow
Property Code 20667	Property Name Oxy Spark Plug State	Well Number 1
OGRID No. 16696	Operator Name Oxy USA Inc.	Elevation 3379'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	9	19 S	29 E		660	South	1650	West	Eddy

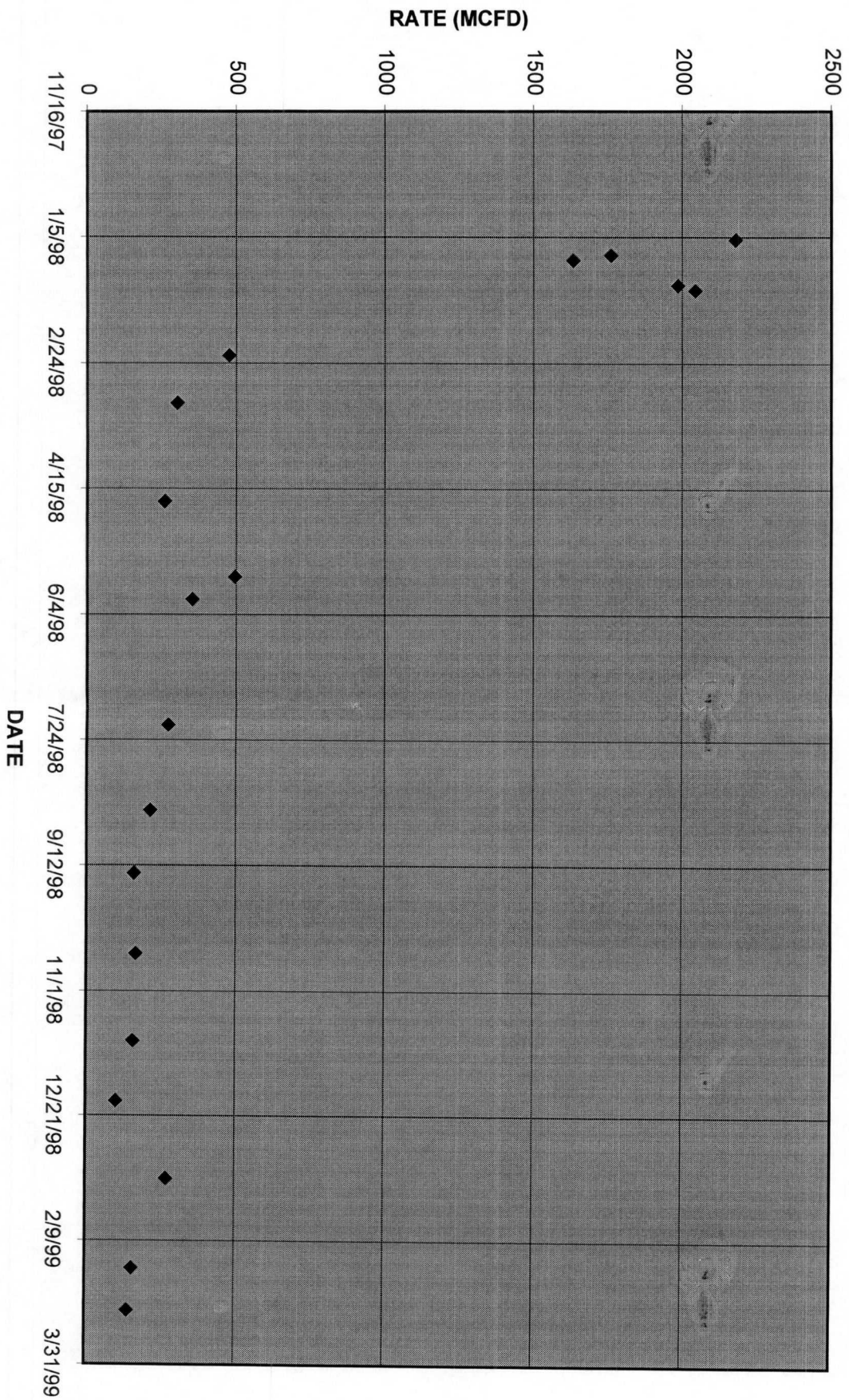
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill N	Consolidation Code	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

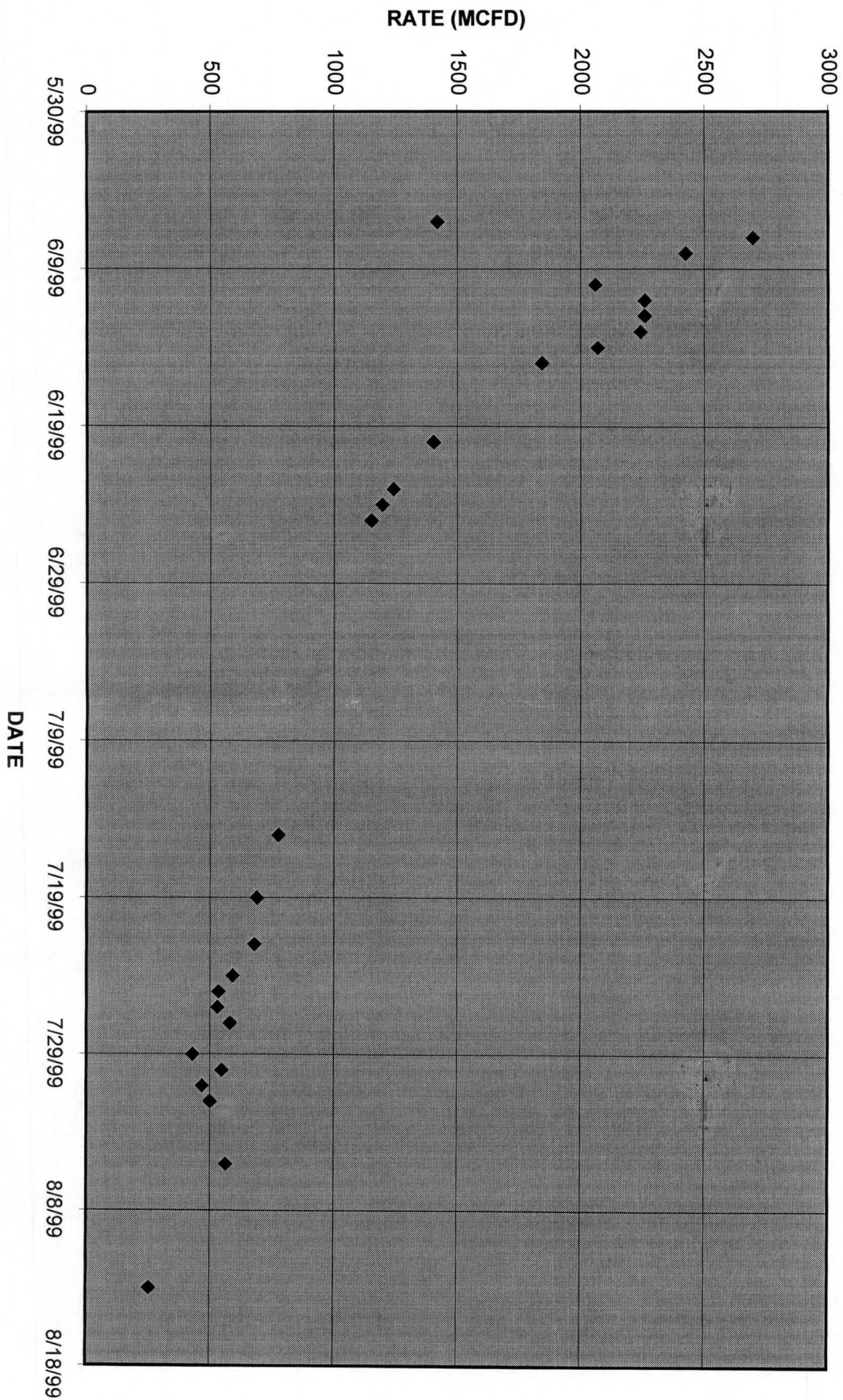
	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>David Stewart</i> Signature David Stewart Printed Name Regulatory Analyst Title 9/1/99 Date</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>I 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.</p> <p>March 17, 1997 Date Surveyed Signature &amp; Seal of Professional Surveyor W.O. No. 71530 Certificate No. 7977 PROFESSIONAL LAND SURVEYOR BASIS SURVEYS</p>
--	---

# SPARKPLUG MORROW

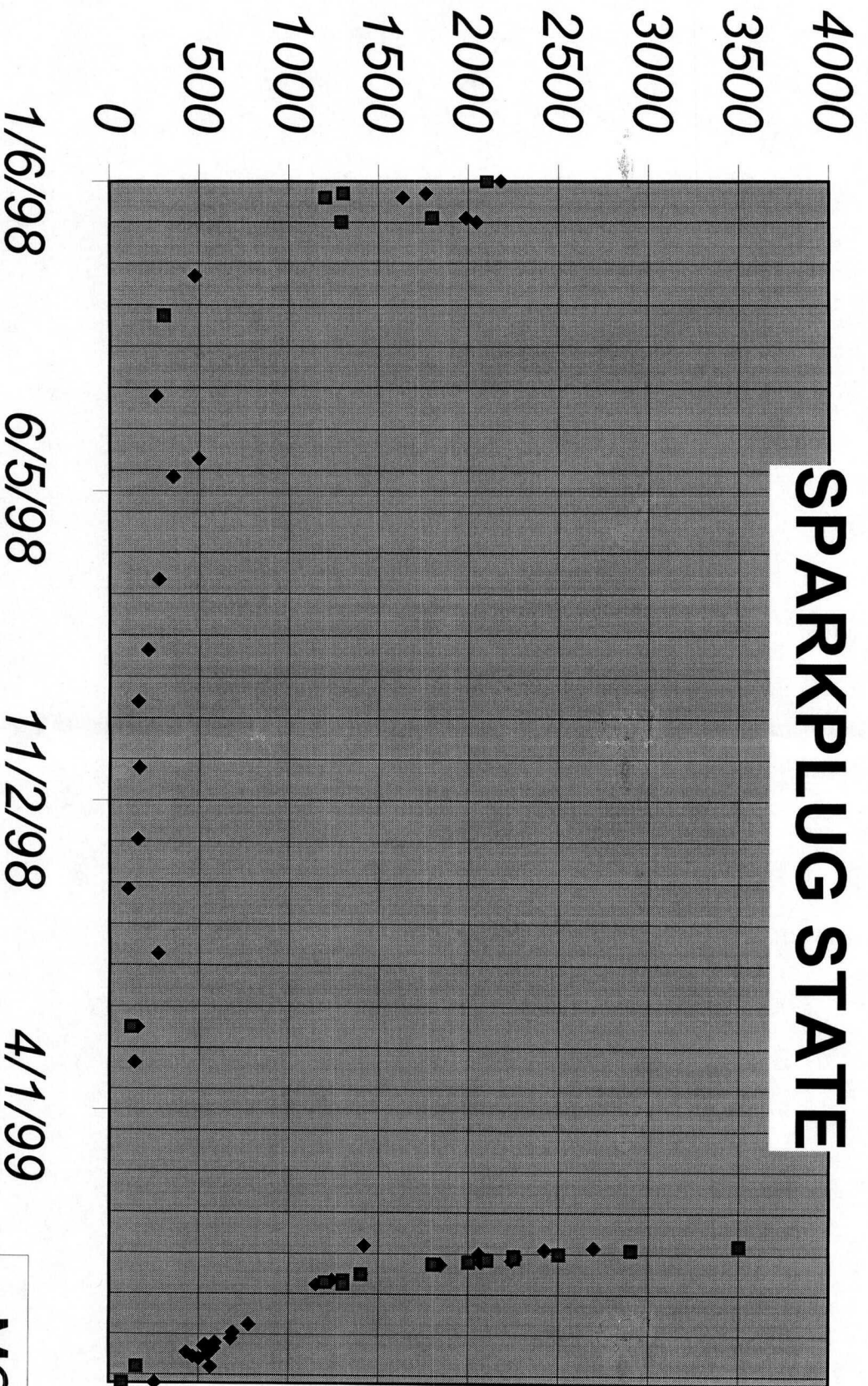




# SPARKPLUG ATOKA



# SPARKPLUG STATE



◆ MCFD  
■ FTP

Motor Completion 1/98  
Atoka Completion 6/99

**ATTACHMENT C-107A  
SERVICE LIST  
OXY SPARKPLUG STATE #1  
SEC 9 T19S R29E  
EDDY COUNTY, NM**

STATE OF NEW MEXICO  
ENERGY & MINERALS DIVISION  
OIL CONSERVATION DIVISION  
2040 SOUTH PACHECO  
SANTA FE, NM 87505

STATE OF NEW MEXICO  
ENERGY & MINERALS DIVISION  
OIL CONSERVATION DIVISION  
811 S. 1<sup>ST</sup> STREET  
ARTESIA, NM 88210-2834

COMMISSIONER OF PUBLIC LANDS  
P.O. BOX 1148  
SANTA FE, NM 87504-1148

GRUY PETROLEUM MANAGEMENT CO.  
P.O. BOX 140907  
IRVING, TX 75014

THRESHOLD DEVELOPMENT CORP.  
777 TAYLOR ST. PENTHOUSE II-D  
FORT WORTH, TX 76102

OXY USA INC.  
P.O. BOX 50250  
MIDLAND, TX 79710-0250



ATTACHMENT C-107A  
 OFFSET OPERATORS  
 OXY SPARKPLUG STATE #1  
 SEC 9 T19S R29E  
 EDDY COUNTY, NM

