

app # 26326

DATE IN <u>7/3/00</u>	SUSPENSE <u>7/24/00</u>	ENGINEER <u>DC</u>	LOGGED <u>KV</u>	TYPE <u>DHC</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -

**ADMINISTRATIVE APPLICATION COVERSHEET**

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

OIL CONSERVATION DIV.  
00 JUL -3 PM 11:41

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

2789

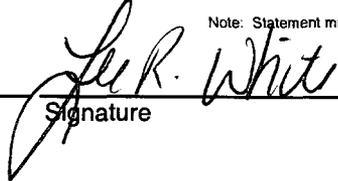
[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or  Does Not Apply**

- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application if 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.

<u>Lee R. White</u>		<u>Engineering Manager</u>	<u>6/29/00</u>
Print or Type Name	Signature	Title	Date



2000 POST OAK BOULEVARD / SUITE 100 / HOUSTON, TEXAS 77056-4400

WWW.APACHECORP.COM  
[713] 296-6000

June 29, 2000

Attn: David Catanach  
State of New Mexico - Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87505

OIL CONSERVATION DIV.  
00 JUL - 3 AM 11:41

**Re: Application to Downhole Commingle  
State CK No. 4  
Paddock Pool (49210) and Blinebry Oil & Gas Pool (06660)  
Sec. 19, T21S – R37E  
Lea County, New Mexico**

Apache Corporation is requesting administrative approval to downhole commingle production from the referenced pools in our State CK No. 4 well.

To support this request we submit the following:

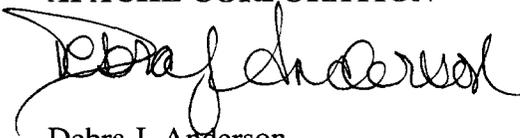
- 1) New Mexico – OCD Form C-107A
- 2) New Mexico – OCD Form C-102 for Paddock Pool
- 3) New Mexico – OCD Form C-102 for Blinebry Oil & Gas Pool
- 4) Production Curve for offset well State CK No. 3 in the Paddock Pool
- 5) Production Curve for State CK No. 4 in the Blinebry Oil & Gas Pool  
Note this well was drilled and completed 1/25/00, therefore production curve is for 5 months only

- 6) Copy of letter sent (by Certified Mail to Offset operators within one-half mile of the State CK No. 4
- 7) Plat of State CK lease showing all wells within a one-half mile radius
- 8) Wellbore Diagram of the current and proposed completion

If you have any questions or require additional information regarding this application, please contact me at 713-296-6338. Thank you.

Sincerely,

**APACHE CORPORATION**



Debra J. Anderson  
Sr. Engineering Technician

Attachments

cc: State of New Mexico  
Office of the Land Commissioner  
P O Box 1148  
Santa Fe, New Mexico 87504

New Mexico Oil Conservation Division  
District I  
1625 N. French Drive  
Hobbs, New Mexico 88240

DISTRICT I  
1625 N. French Drive, Hobbs, NM 88240  
DISTRICT II  
811 South First, 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  
**OIL CONSERVATION DIVISION**  
2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429

Form C-107A  
Revised August 1999  
APPROVAL PROCESS:  
 Administrative  
 Hearing  
EXISTING WELLBORE  
 Yes  No

APPLICATION FOR DOWNHOLE COMMINGLING

APACHE CORPORATION 2000 POST OAK BLVD., SUITE 100, HOUSTON, TEXAS 77056-4400  
Operator Address

STATE CK 4 K/19/21S/37E LEA  
Lease Well No. Unit Ltr.-Sec-Twp-Rgn County  
Spacing Unit Lease Types: (one or more)

OGRID NO. 000873 Property Code 23117 API No. 30-025-34776  Federal  State  Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Paddock 49210		Blinebry 06660
2. Top and Bottom of Pay Section (Perforations)	Proposed 5150 - 5170		5486 - 5788
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	a. (Current) 500 b. (Original)	a.  b.	a.  b. 1200
6. Oil Gravity (°API) or Gas BTU Content	37.8		36.6
7. Producing or 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)	Behind Pipe Yes Date: Rates: State CK # 3 (Offset Well) Date: 6/26/00 Rates: 10 x 73 x 244		Producing Yes/No Date: Rates: 6/26/00 40 x 590 x 22
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 20% Gas: 11%	Oil: % Gas: %	Oil: 80% Gas: 89%

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 be undamaged, will any cross-flow 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. NMOC Reference Cases for Rule 303(C) Exceptions: Order No.s DHC-641, DHC-845
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 Debra J. Anderson TITLE Sr. Engineering Technician DATE 6/29/00  
TYPE OR PRINT NAME Debra J. Anderson TELEPHONE NO. 713-296-6338

District I  
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 18, 1994

District II  
P O Drawer DD, Artesia, NM 88210

**OIL CONSERVATION DIVISION**

Instruction on Back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

2040 S. Pacheco  
Santa Fe, New Mexico 87505

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

AMENDED REPORT

District IV  
2040 South Pacheco, Santa Fe, NM 87505

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-34776		<sup>2</sup> Pool Code 49210		<sup>3</sup> Pool Name Paddock	
<sup>4</sup> Property Code 23117		<sup>5</sup> Property Name State CKI			<sup>6</sup> Well Number 4
<sup>7</sup> OGRID No. 000873		<sup>8</sup> Operator Name Apache Corporation			<sup>9</sup> Elevation 3510'

<sup>10</sup> Surface Location

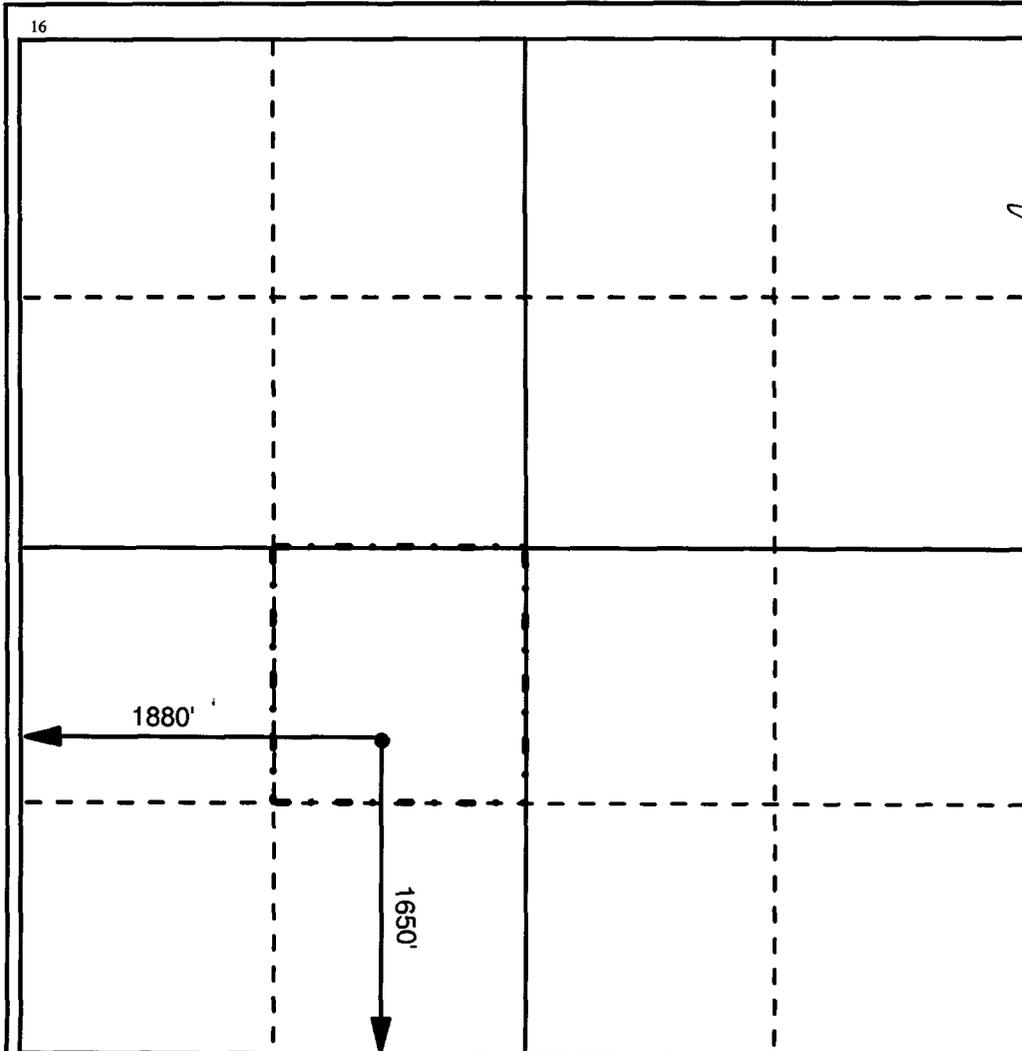
UL or Lot No. K	Section 19	Township 21S	Range 37E	Lot Idn	Feet from the 1650	North/South line South	Feet from the 1880	East/West line West	County Lea
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<sup>11</sup> Bottom Hole Location If Different From Surface

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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<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>14</sup> 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



<sup>17</sup> OPERATOR CERTIFICATION

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

Signature  
*Debra J. Anderson*

Printed Name  
Debra J. Anderson

Title  
Sr. Engineering Technician

Date  
6/29/00

<sup>18</sup> 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 Surveyed

Signature and Seal of Professional Surveyor

Certificate Number

District I  
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 18, 1994

District II  
P O Drawer DD, Artesia, NM 88210

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2040 S. Pacheco  
Santa Fe, New Mexico 87505

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

AMENDED REPORT

District IV  
2040 South Pacheco, Santa Fe, NM 87505

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-34776		<sup>2</sup> Pool Code 06660		<sup>3</sup> Pool Name Blinebry Oil & Gas	
<sup>4</sup> Property Code 23117		<sup>5</sup> Property Name State CKI			<sup>6</sup> Well Number 4
<sup>7</sup> OGRID No. 000873		<sup>8</sup> Operator Name Apache Corporation			<sup>9</sup> Elevation 3510'

<sup>10</sup> Surface Location

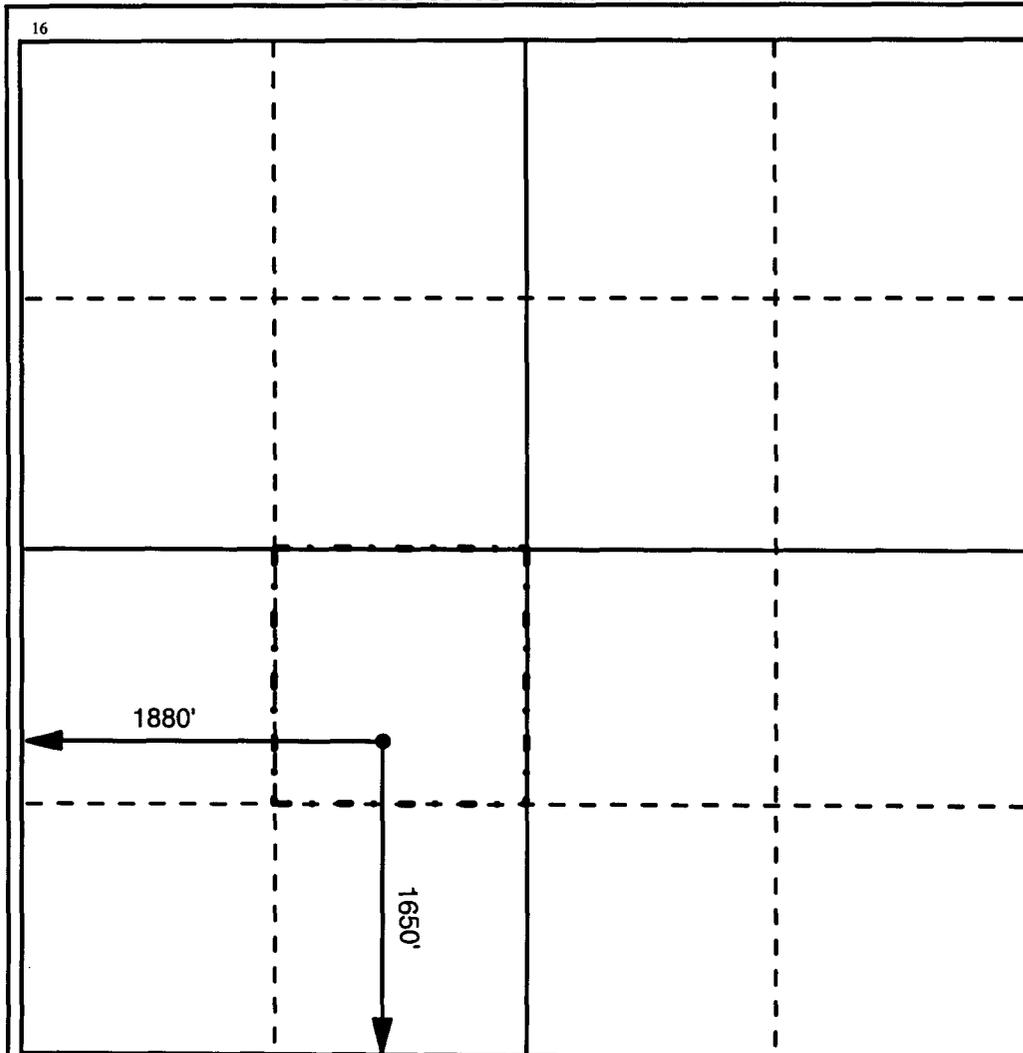
UL or Lot No. K	Section 19	Township 21S	Range 37E	Lot Idn	Feet from the 1650	North/South line South	Feet from the 1880	East/West line West	County Lea
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Signature

Printed Name

Debra J. Anderson

Title

Sr. Engineering Technician

Date

6/29/00

<sup>18</sup> SURVEYOR CERTIFICATION

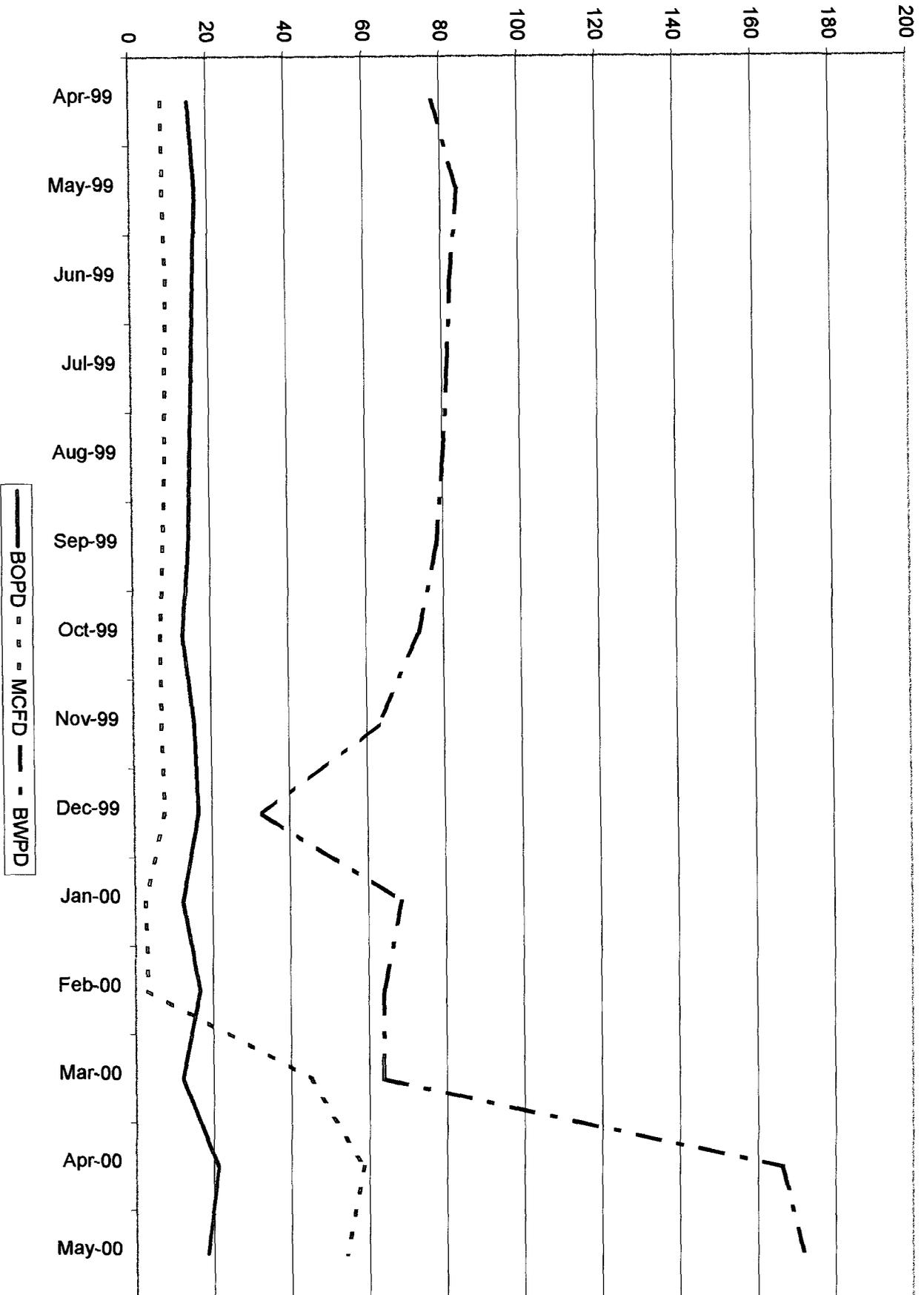
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Surveyed

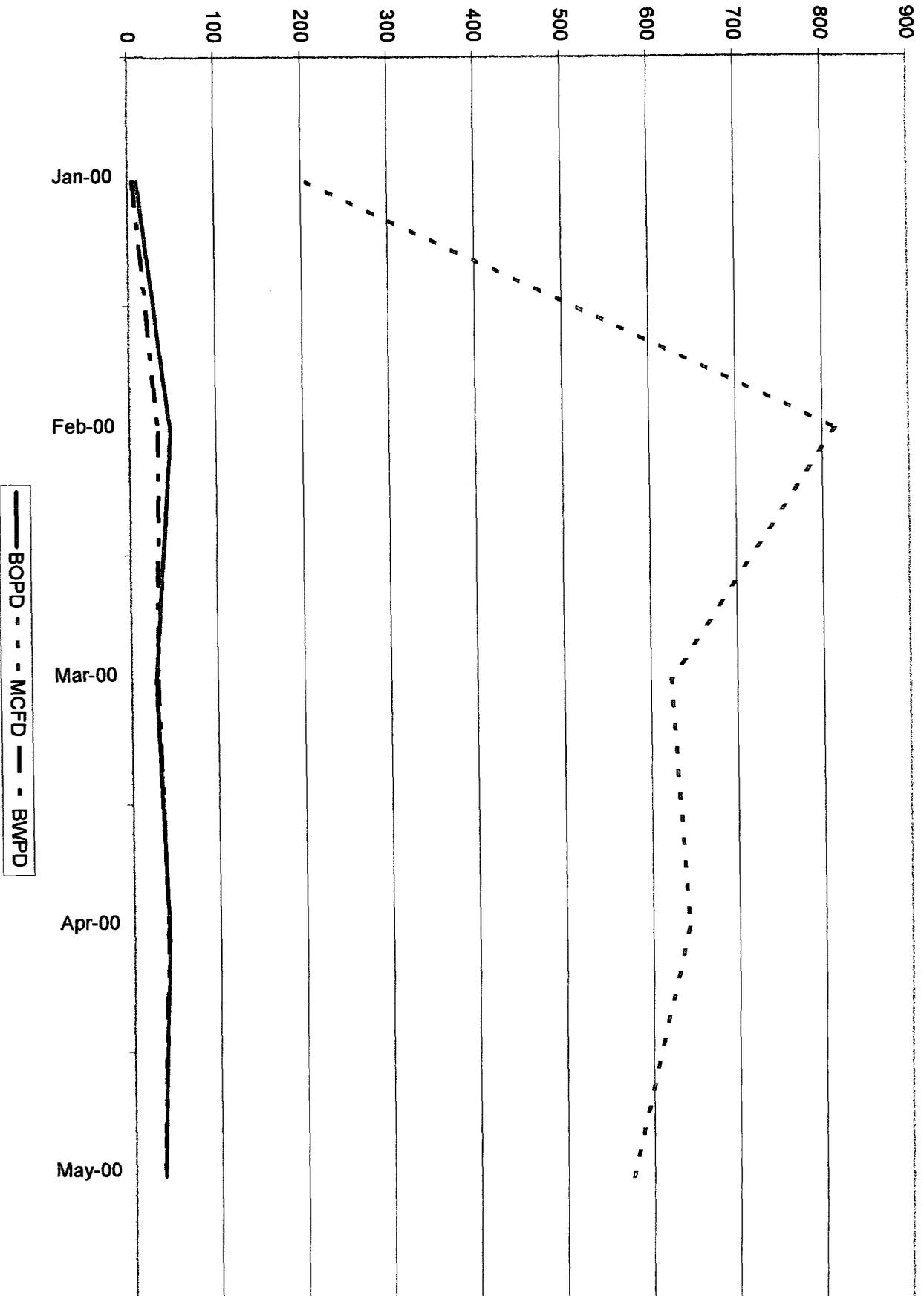
Signature and Seal of Professional Surveyor

Certificate Number

STATE CK NO. 3  
 PADDOCK



STATE CK NO. 4  
BLINEBRY



**OFFSET OPERATORS  
STATE CK No. 4**

B C Dev L P  
P O Box 50820  
Midland, Texas 79710  
Certified Receipt # Z-207-261-387

Texaco Expl. & Prod. Inc.  
205 E Bender Blvd.  
Hobbs, New Mexico 88240  
Certified Receipt # Z-207-261-390

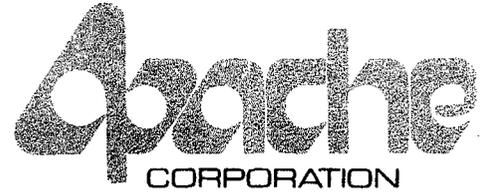
Campbell & Hedrick  
P O Box 401  
Midland, Texas 79702  
Certified Receipt # Z-207-261-388

Titan Resources I Inc.  
500 W. Texas, Suite 500  
Midland, Texas 79701  
Certified Receipt # Z-207-261-391

Chevron USA Inc.  
P O Box 1150  
Midland, Texas 79702  
Certified Rcpt. # Z -207-261-389

**Additional Notification**

State of New Mexico  
Office of Land Commissioner  
P O Box 1148  
Santa Fe, New Mexico 87504  
Certified Receipt # Z-207-261-392



June 29, 2000

WWW.APACHECORP.COM  
(713) 296-6000

Offset Operators

**Re: Application to Downhole Commingle  
State CK No. 4  
Paddock Pool (49210) and Blinebry Oil & Gas Pool (06660)  
Sec. 19, T21S - R37E  
Lea County, New Mexico**

Attached please find a copy of an Application to Downhole Commingle production from the referenced pools in the State CK No. 4 well that Apache Corporation has filed with the New Mexico Oil Conservation Division. If you have an objection to this application, you must notify the OCD in writing within 20 days from the date of this letter. Thank you.

Sincerely,

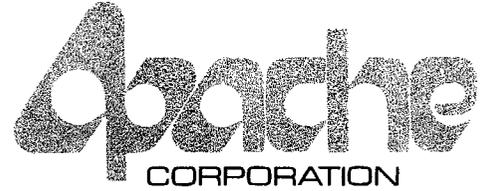
**APACHE CORPORATION**

A handwritten signature in black ink that reads "Debra J. Anderson". The signature is fluid and cursive, written over the printed name.

Debra J. Anderson  
Sr. Engineering Technician

Attachments

cc: New Mexico  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87505



2000 POST OAK BOULEVARD / SUITE 100 / HOUSTON, TEXAS 77056-4400

WWW.APACHECORP.COM  
(713) 296-6000

June 29, 2000

Attn: Pete Martinez  
State of New Mexico  
Office of Land Commissioner  
P O Box 1148  
Santa Fe, New Mexico 87504

**Re: Application to Downhole Commingle  
State CK No. 4  
Paddock Pool (49210) and Blinebry Oil & Gas Pool (06660)  
Sec. 19, T-21S, R-37E  
Lea County, New Mexico**

Apache Corporation is requesting administrative approval to downhole commingle production from the referenced pools in our State CK No. 4 well.

To support this request we submit the following:

- 1) New Mexico – OCD Form C-107A
- 2) New Mexico – OCD Form C-102 for Paddock Pool
- 3) New Mexico – OCD Form C-102 for Blinebry Oil & Gas Pool
- 4) Production Curve for offset well State CK No. 3 in the Paddock Pool
- 5) Production Curve for State CK No. 4 in the Blinebry Oil & Gas Pool  
Note this well was drilled and completed 1/25/00, therefore production curve is for 5 months only

- 6) Copy of letter sent (by Certified Mail) to Offset Operators within one-half mile of the State CK No. 4
- 7) Plat of State CK lease showing all wells within a one-half mile radius
- 8) Wellbore Diagram of the current and proposed completion
- 9) Filing Fee of \$30.00

If you have any questions or require additional information regarding this application, please contact me at 713-296-6338. Thank you.

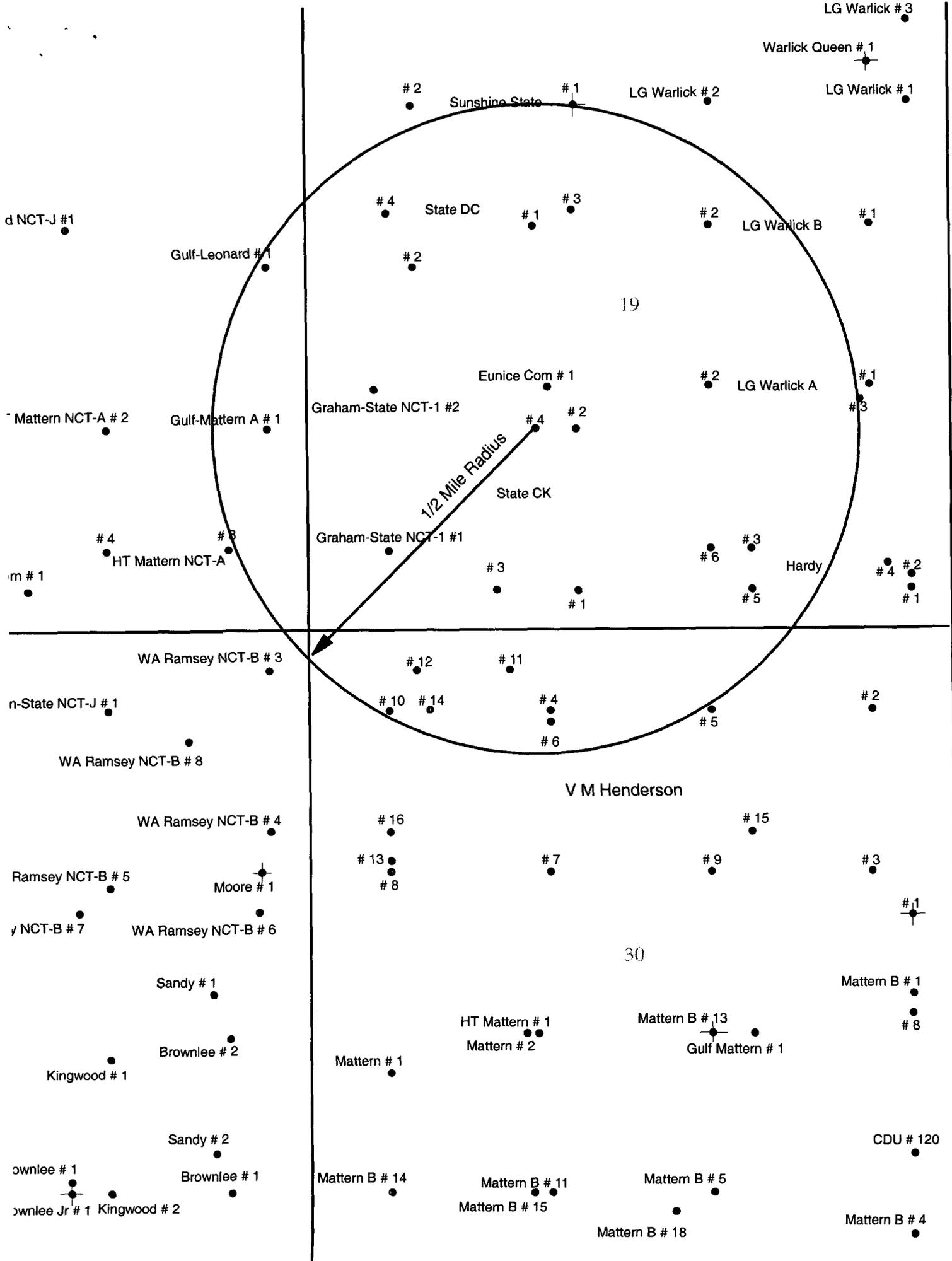
Sincerely,

**APACHE CORPORATION**

A handwritten signature in black ink, appearing to read "Debra J. Anderson", written over a horizontal line.

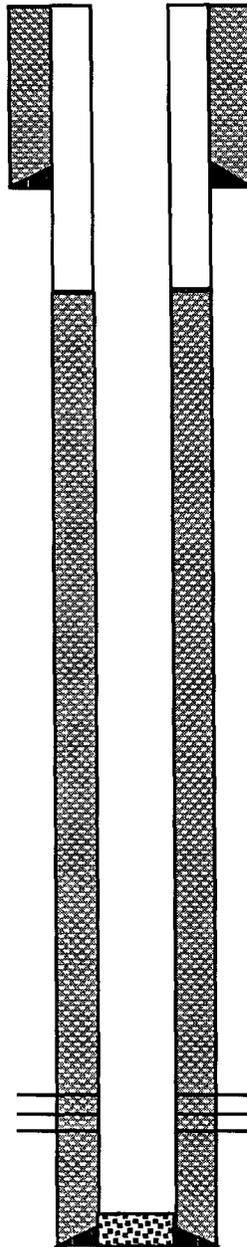
Debra J. Anderson  
Sr. Engineering Technician

Attachments



Well: State CK No. 4  
Pool: Blinebry Oil & Gas  
Location: 1650' FSL & 1880' FWL  
Unit K, Section 19, Township 21S, Range 37E  
API#: 30-025-34776

Current Status: **Active Oil**  
Blinebry Oil & Gas Pool



**Surface Casing:** 12-1/4" Hole  
8-5/8" 24# CSA 1175'  
Cement w / 460 sx  
Circulated to Surface

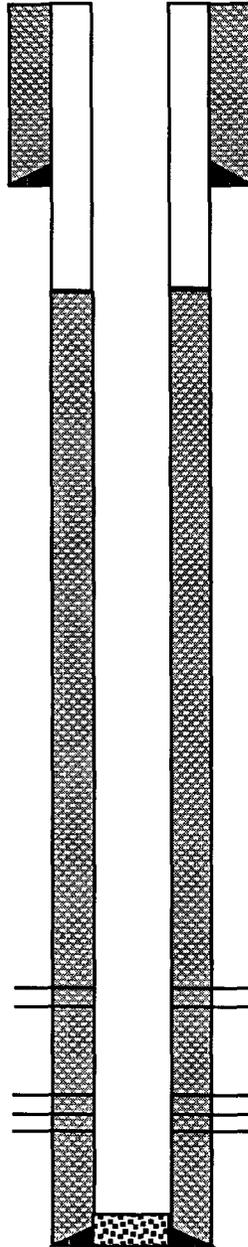
**Blinebry Perfs:**  
5486-5520, 30-44, 48-56, 72-5604,  
14-37, 44-70, 76-90, 98-5704, 40-50,  
78-88 - 4" - 364 Holes

**Production Casing:** 7-7/8" Hole  
5-1/2" 17# CSA 6130'  
Cement w / 1875 sx  
TOC @ 2000' (CBL)

TD @ 6130'  
PBTD @ 6046'

Well: State CK No. 4  
Pool: Paddock  
Blinebry Oil & Gas  
**Downhole Commingled**  
Location: 1650' FSL & 1880' FWL  
Unit K, Section 19, Township 21S, Range 37E  
API#: 30-025-34776

Proposed Status: **Active Oil**  
Paddock Pool  
Blinebry Oil & Gas Pool



**Surface Casing:** 12-1/4" Hole  
8-5/8" 24# CSA 1175'  
Cement w / 460 sx  
Circulated to Surface

**Paddock Perfs: (Proposed)**  
5150 - 5170

**Blinebry Perfs:**  
5486-5520, 30-44, 48-56, 72-5604,  
14-37, 44-70, 76-90, 98-5704, 40-50,  
78-88 - 4" - 364 Holes

**Production Casing:** 7-7/8" Hole  
5-1/2" 17# CSA 6130'  
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