

25038364

DHC 9/25/00

# TEXAKOMA OIL & GAS CORPORATION

ONE LINCOLN CENTRE  
5400 LBJ Freeway, Suite 500  
Dallas, Texas 75240  
(972) 701-9106

## EXPLORATION AND PRODUCTION

SEP - 5

September 1, 2000

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

Mr. Duane Spencer  
Bureau of Land Management  
1235 La Plata Highway  
Farmington, New Mexico 87401

2834

RE: Application for Administrative Approval to Downhole Commingle  
Texakoma Oil & Gas Corporation  
Texakoma Federal 7 #1, G-7-30N-12W, API No. 30-045-30236  
Basin Fruitland Coal & Flora Vista Fruitland Sand Pools  
San Juan County, New Mexico

Dear Ms. Wrotenbery and Mr. Spencer:

Texakoma Oil & Gas Corporation requests approval to downhole commingle the production from the Flora Vista Fruitland Sand formation with that of the Basin Fruitland Coal formation in its Texakoma Federal 7 #1 well located 1785' FNL, 1675' FEL, G-7-30N-12W, San Juan County, New Mexico. These same two pools were commingled downhole in Texakoma's Federal 8 #2 well, which was recompleted August 2, 1999. (Please refer to Order DHC-2311 dated April 22, 1999.)

The ownership is common throughout the lease, NM-047, dedicated to the well.

Enclosed is NMOCD Form C-107-A with attachments.

We request that the allocation of production be assigned after the well is completed in accordance with the District Supervisor in Aztec. As was done in Texakoma's Federal 8 #2 well, we request using a third-party reserve determination as a basis for calculating the allocation formula.

The only offset drill tracts for either of the subject zones is Texakoma's Federal 8 #2 and Federal 8 #1 wells.

If you should have any questions concerning the enclosed, please call me at 972/701-9106.

Sincerely,

Rodney A. Kiel

Rodney A. Kiel  
Operations Engineer

Enclosures

cc: NMOCD, Aztec, NM

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

District II  
#11 South First Street, Artesia, NM 88210

District III  
1000 Rio Brazos Road, Aztec, NM 87410

District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised May 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, New Mexico 87505

APPLICATION TYPE

Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

Yes  No

APPLICATION FOR DOWNHOLE COMMINGLING

Operator TEXAKOMA OIL & GAS CORPORATION, 5400 LBJ FREEWAY, SUITE 500, DALLAS, TX 75240 Address

Lease TEXAKOMA FEDERAL 7 Well No. 1 Unit Letter-Section-Township-Range G-7-30N-12W County SAN JUAN

OGRID No. 22521 Property Code 26048 API No. 30-045-30236 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	FLORA VISTA FRUITLAND SAND		BASIN FRUITLAND COAL
Pool Code	76600		71629
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	1889'-1978'		2134'-2150'
Method of Production (Flowing or Artificial Lift)	FLOWING		FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	690 ESTIMATED		705 ESTIMATED
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1100		1004
Producing, Shut-In or New Zone	NEW ZONE		NEW ZONE
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: NOT YET ONLINE Rates:	Date:  Rates:	Date: NOT YET ONLINE Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil                  Gas %                      %	Oil                  Gas %                      %	Oil                  Gas %                      %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes  No

Are all produced fluids from all commingled zones compatible with each other? Yes  No

Will commingling decrease the value of production? Yes  No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands  
or the United States Bureau of Land Management been notified in writing of this application? Yes  No

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

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, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

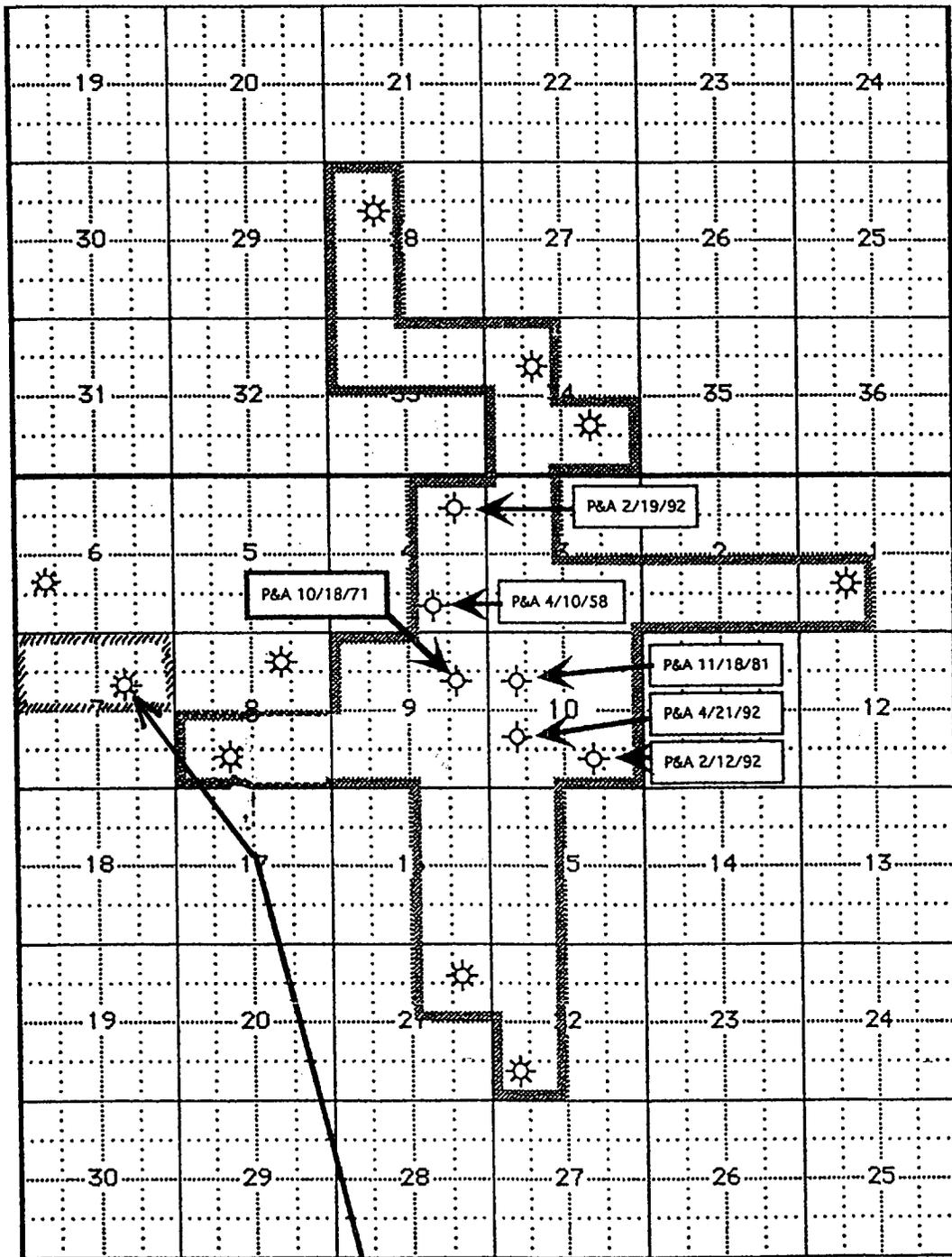
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Rodney A. Kiel TITLE Operations Engineer DATE 9-01-00

TYPE OR PRINT NAME Rodney A. Kiel TELEPHONE NO. (972) 701-9106

# Flora Vista Fruitland Sand (Gas) Pool

R 12 W



T  
31  
N

T  
30  
N

Texakoma Oil & Gas Corporation  
Texakoma Federal 7 #1  
Flora Vista Fruitland Sand (extension)  
Basin Fruitland Coal seam  
1785' FNL 1675' FEL, G-7-T30N-R12W

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-30236	Pool Code 76600	Pool Name FLORA VISTA FRUITLAND SAND (EXTENSION)
Property Code 26048	Property Name TEXAKOMA FEDERAL 7	Well Number 1
OGRID No. 22521	Operator Name TEXAKOMA OIL & GAS CORPORATION	Elevation 5990'

Surface Location

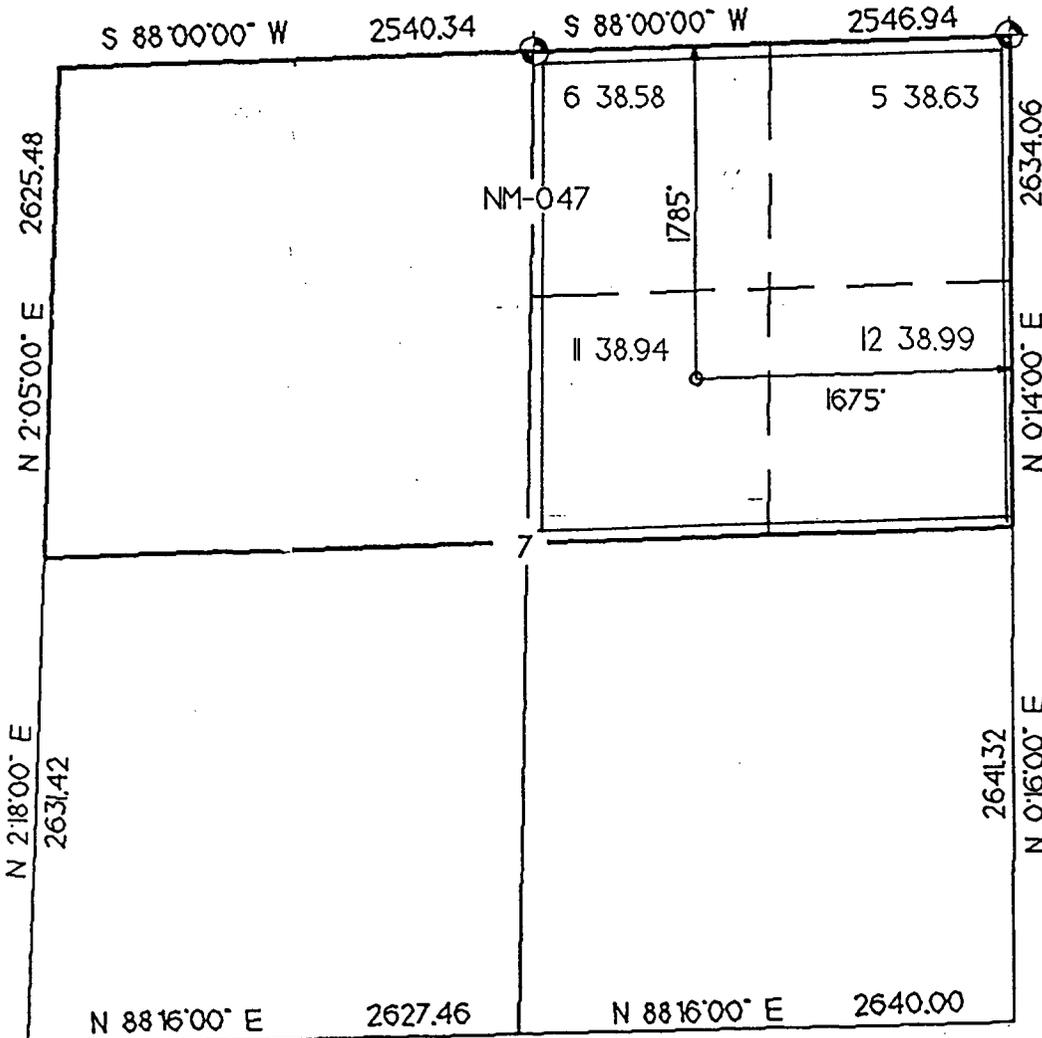
UL or Lot	Sec.	Top.	Rge.	Lot Lk.	Feet from >	North/South	Feet from >	East/West	County
G	7	30 N.	12 W.	11	1785	NORTH	1675	EAST	SAN JUAN

Bottom Hole Location if Different From Surface

UL or Lot	Sec.	Top.	Rge.	Lot Lk.	Feet from >	North/South	Feet from >	East/West	County

Dedication 155.14	Joint ? N	Consolidation	Order No.
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NO ALLOWABLE WELL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



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

Signature: *Rodney A. Kiel*  
Printed Name: RODNEY A. KIEL  
Title: Operations Engineer  
Date: 9/01/00

**SURVEYOR CERTIFICATION**  
I hereby certify that the well location 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 of Survey: 4 APRIL 2000

Signature: *G. Huddleston*  
Professional Seal: G. Huddleston, Registered Land Surveyor, No. 6844

State of New Mexico  
Energy, Minerals & Mining Resources Department

Form C - 102

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, NM 87505

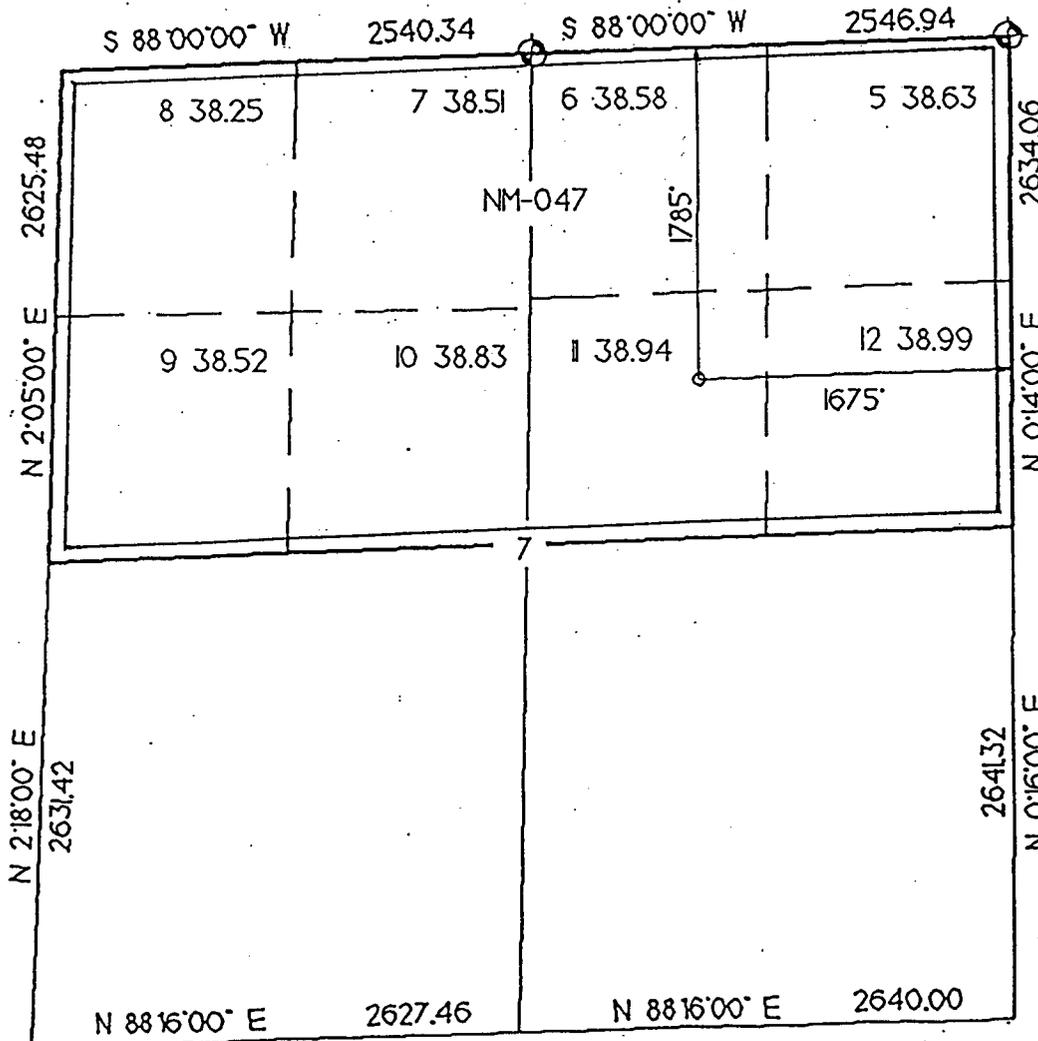
200 MAY -7 PM 2:37

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-		Pool Code 71629			Pool Name BASIN FRUITLAND COAL				
Property Code		Property Name TEXAKOMA FEDERAL 7						Well Number 1	
OGRID No. 22521		Operator Name TEXAKOMA OIL & GAS CORPORATION						Elevation 5990'	
Surface Location									
UL or Lot G	Sec. 7	Typ. 30 N.	Rge. 12 W.	Lot Lk. II	Feet from 1785	North/South NORTH	Feet from 1675	East/West EAST	County SAN JUAN
Bottom Hole Location if Different From Surface									
UL or Lot	Sec.	Typ.	Rge.	Lot Lk.	Feet from	North/South	Feet from	East/West	County
Dedication N-309.25		Joint ? N		Consolidation			Order No.		

NO ALLOWABLE WELL ASSIGNED TO THIS COMPLETION UNTL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



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

Signature: *A. R. Kendrick*  
Printed Name: A. R. KENDRICK  
Title: Agent  
Date: 5/9/00

**SURVEYOR CERTIFICATION**

I hereby certify that the well location 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 of Survey

4 APRIL 2000  
Signature of Professional Surveyor: *Gerard G. Huddleston*  
Professional Surveyor No. 6844  
REGISTERED LAND SURVEYOR