

25827476

DHC

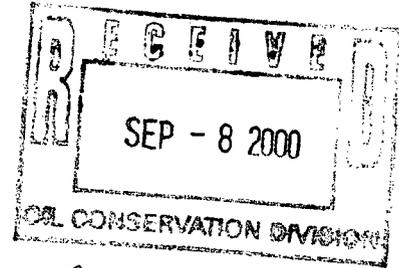
9/28/00

Sapient Energy Corp.

Western Operations
621 17th Street, Suite 1800
Denver, Colorado 8029 3-0621

Telephone 303 675-0007
Facsimile 303 675-0008

September 5, 2000



Oil Conservation Division
2040 South Pacheco St.
Santa Fe, New Mexico 87505

RE: Application for Downhole Commingling
Kyte #7
"A" Section 23, T20S-R38E
Lea County, New Mexico

2839

Gentlemen:

Please find enclosed an Application for Downhole Commingling. Percentage allocations are based on current and past production. All affected parties have been notified of this application by certified mail.

Please advise if you have any questions, or need additional information. We appreciate your prompt attention with this matter.

Sincerely,

April J. Carlson
Operations Technician

cc: Hobbs District Office

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

District II
811 South First Street, Artesia, NM 88210

OIL CONSERVATION DIVISION

APPLICATION TYPE
Single Well

District III
1000 Rio Brazos Road, Aztec, NM 87410

2040 South Pacheco
Santa Fe, New Mexico 87505

District IV
2040 South Pacheco, Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Establish Pre-Approved Pools
EXISTING WELLBORE
Yes No

Sapeint Energy Corporation

621 17th Street, Suite 1800 Denver Colorado 80293-0621

Operator	Address		
Kyte	7	A- Sec 23 20S-38E	Lea
Lease	Well No.	Unit Letter-Section-Township-Range	County
OGRID No. <u>169415</u> Property Code <u>23402</u> API No. <u>30-025-34107</u> Lease Type: <input type="checkbox"/> Federal <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee			

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Blinebry		<i>Under</i> Abo
Pool Code	06660		15200
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5,952' - 6,092'		7380'-87' 7416'-26'
Method of Production (Flowing or Artificial Lift)	Pumping		Pumping
Bottomhole Pressure <small>(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)</small>			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	41.1		41.1
Producing, Shut-In or New Zone	Producing Zone		New Zone
Date and Oil/Gas/Water Rates of Last Production. <small>(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)</small>	Date: 3-2000 Rates: 14.42 Oil, 269.30 Gas 10.45 Water	Date: Rates:	Date: 4-18-00 Thru 5-19-00 Rates: 6.45 Oil, 0 Gas 67.05 Water
Fixed Allocation Percentage <small>(Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)</small>	Oil 69% Gas 100% Water 13%	Oil % Gas %	Oil 31% Gas 0% Water 87%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
 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 *Gerald Lucero* TITLE Manager of Operations DATE September 5, 2000
 TYPE OR PRINT NAME Gerald Lucero TELEPHONE NO. (303) 675-0007

Sapient Energy Corporation
 Commingling Permit Allocations
 Kyte #7 Sec 23 20S-38E

Blinebry, U Abo

4/18/00	0	210	160
4/19/00	0	205	158
4/20/00	10	155	186
4/21/00	21	160	187
4/22/00	25	140	190
4/23/00	20	150	226
4/24/00	45	70	224
4/25/00	42	60	226
4/26/00	40	73	220
4/27/00	30	65	220
4/28/00	20	70	239
4/29/00	27	63	250
4/30/00	20	80	260
5/1/00	20	60	263
5/2/00	20	57	269
5/3/00	20	45	260
5/4/00	21	50	236
5/5/00	22	53	240
5/6/00	22	50	220
5/7/00	15	18	215
5/8/00	18	50	217
5/9/00	20	60	217
5/10/00	18	40	220
5/11/00	18	35	221
5/12/00	18	40	217
5/13/00	18	43	212
5/14/00	17	44	200
5/15/00	20	40	207
5/16/00	17	40	208
5/17/00	5	20	200
5/18/00	12	59	203
5/19/00	5	20	200
	626	2325	6971
Daily Avg.	20.87	77.50	232.37

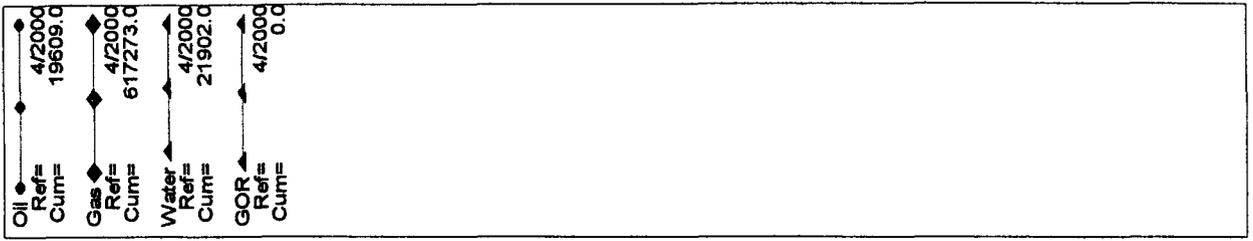
Commingling Allocations		
Blinebry		
Oil	Gas	Water
69%	100%	13%
Abo		
Oil	Gas	Water
31%	0%	87%

Average Blinebry Production Before Commingling

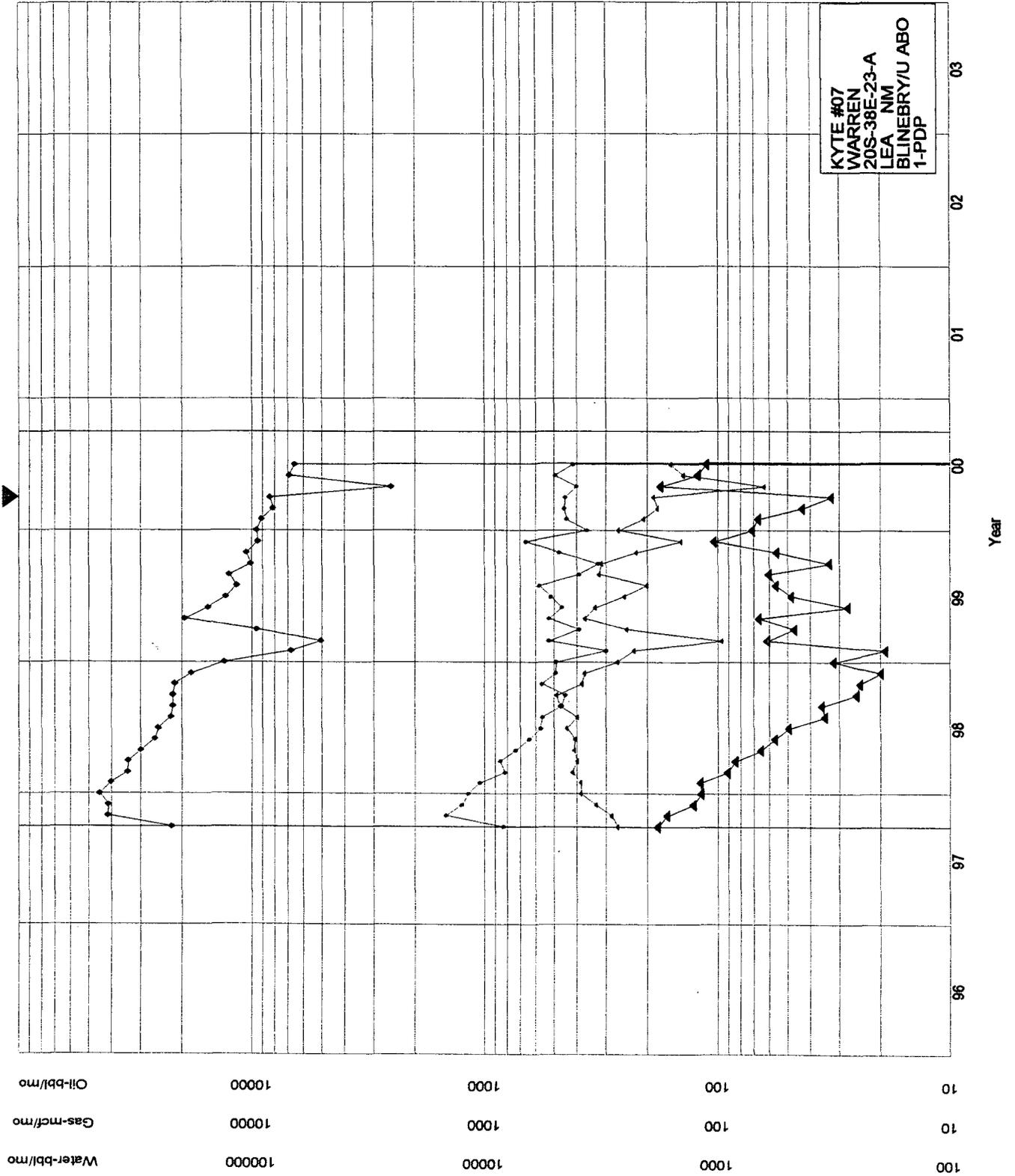
Oil	Gas	Water
14.42	269.30	10.45

Abo Production after Commingling - (Took Commingled Daily Avg. and Subtracted Previous Blinebry Productio

Oil	Gas	Water
6.45	0.00	67.05



GOR-scf/bbl 1e+06 100000 10000 1000



DISTRICT I
P.O. Box 1980, Hobbs, NM 88341-1980

DISTRICT II
P.O. Drawer 110, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Asteo, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
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 30-025-34107	Pool Code 15200	Pool Name Abo
Property Code 23402	Property Name KYTE	Well Number 7
OGRID No. 169415	Operator Name Sapient Energy Corporation	Elevation 3563

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	23	20 S	38 E		990	NORTH	330	EAST	LEA

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	Joint or Infill	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>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Gerald Lucero</u> Signature</p> <p><u>Gerald Lucero</u> Printed Name</p> <p><u>Manager of Operations</u> Title</p> <p><u>September 5, 2000</u> Date</p>
	<p>SURVEYOR CERTIFICATION</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>JULY 31, 1997</p> <p>Date Surveyed JLP</p>
	<p>Signature & Seal of Professional Surveyor</p> <p><u>Ronald G. Edson</u> 8-05-97</p> <p>W.O. Num. 97-11278</p>
	<p>Certificate No. RONALD G. EDSON, 3239</p> <p>GARY G. EDSON, 12841</p>

DISTRICT I
P.O. Box 1080, Hobbs, NM 88241-1080

DISTRICT II
P.O. Drawer 220, Artesia, NM 88211-0710

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
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 30-025-34107	Pool Code 06660	Pool Name Blinebry
Property Code 23402	Property Name KYTE	Well Number 7
OGRID No. 169415	Operator Name Sapient Energy Corporation	Elevation 3563

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	23	20 S	38 E		990	NORTH	330	EAST	LEA

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	Joint or Infill	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>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Gerald Lucero</u> Signature</p> <p><u>Gerald Lucero</u> Printed Name</p> <p><u>Manager of Operations</u> Title</p> <p><u>September 5, 2000</u> Date</p>
	<p>SURVEYOR CERTIFICATION</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>JULY 31, 1997</p> <p>Date Surveyed JLP</p>
	<p>Signature & Seal of Professional Surveyor</p> <p><u>Ronald O. Edson</u> Professional Surveyor</p> <p>NEW MEXICO P.O. Num. 97-115278</p>
	<p>Certificate No. RONALD O. EDSON, 3239 GARY E. EDSON, 12841</p>
	<p>Professional Surveyor</p>

Sapient Energy Corp.

**Western Operations
621 17th Street, Suite 1800
Denver, Colorado 8029 3-0621**

**Telephone 303 675-0007
Facsimile 303 675-0008**

Working Interest Owners (Notified by Certified Mail 9-5-00)

Patco Ltd.
.7977 Caruth Court
Dallas, TX 75225