

102249943 DHC 2/6/01

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

**District II**  
811 South First Street, Arteria, 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

JAN 17 RECD

2872

**APPLICATION FOR DOWNHOLE COMMINGLING**

VERNON E. FAULCONER, INC. P.O. BOX 7995 TYLER, TEXAS 75711  
Operator Address  
MCCORD "A" 1 P SEC 19, T21S, R27E EDDY  
Lease Well No. Unit Letter-Section-Township-Range County  
OGRID No. 148394 Property Code 26968 API No. 30-015-24941 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Und Bork Flat STRAWN		Burton Flat MORROW
Pool Code	73360		73280
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10710 - 10826		11460 - 11478
Method of Production (Flowing or Artificial Lift)	FLOW		FLOW
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)	N/A		N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1060		1060
Producing, Shut-In or New Zone	PRODUCING		PRODUCING
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: 12/2000 Rates: 13 MCFD	Date: Rates:	Date: 12/2000 Rates: 30 MCFD
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 % 30 %	Oil Gas % %	Oil Gas % 70 %

**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 Roy Sloan, Jr. TITLE ENGINEER DATE 1-8-01  
TYPE OR PRINT NAME ROY SLOAN, JR. TELEPHONE NO. (903) 581-4382

**PRODUCTION HISTORY**  
**McCord A #1C & #1T**  
**BURTON FLAT FIELD**  
**EDDY COUNTY, NEW MEXICO**

Vernon E. Faulconer, Inc. requests permission to commingle the Burton Flat (Morrow) with the Burton Flat(Strawn) so the economic life of the well can be extended, resulting in an increase in recoverable reserves.

The two reservoirs have been mechanically isolated by means of a packer. The Strawn zone flows up the casing . The Morrow flows up the tubing.

As the well stands now, both zones are poor producers. If both zones are commingled, the recoverable reserves will increase. This is due in large part to the fact that once the well is configured with a plunger lift it will be able to unload the liquid volumes more efficiently and prevent loading in both zones. The commingled configuration will allow the remaining reservoir energy to aid the plunger in keeping produced fluids from accumulating across both zones.

We believe that downhole commingling of these zones to increase the economically recoverable reserves is a prudent operation that is in the best interest of the royalty and working interest owners.

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

State of New Mexico  
 Geological, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**

P.O. Box 2088

Sanra Fe, New Mexico 87504-2088

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT V  
 P.O. Drawer DD, Artesia, NM 88210

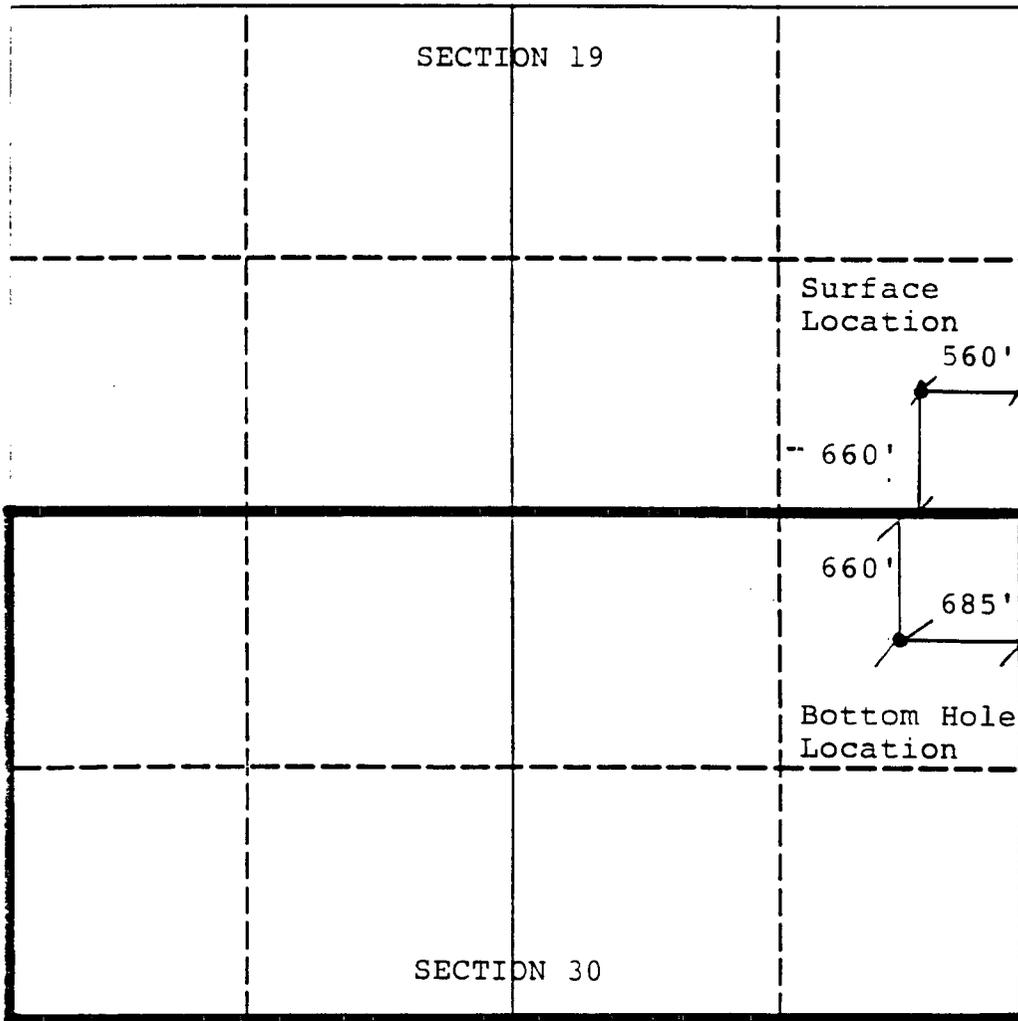
DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator Marathon Oil Company		Lease McCord "A"		Well No. 1
Unit Letter P	Section 19	Township 21-S	Range 27E	County Eddy
Actual Footage Location of Well: 660' feet from the South line and 560' feet from the East line				
Ground level Elev. 3161.8	Producing Formation Strawn	Pool Burton Flat	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 \_\_\_\_\_  
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)  
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

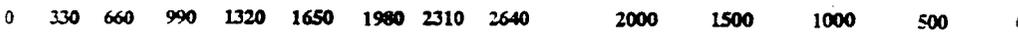
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

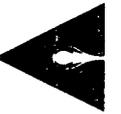
Signature \_\_\_\_\_  
 Printed Name  
 Thomas M. Price  
 Position  
 Adv. Engineering Tech.  
 Company  
 Marathon Oil Company  
 Date  
 05/21/93

**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 \_\_\_\_\_  
 Signature & Seal of Professional Surveyor \_\_\_\_\_  
 Certificate No. \_\_\_\_\_





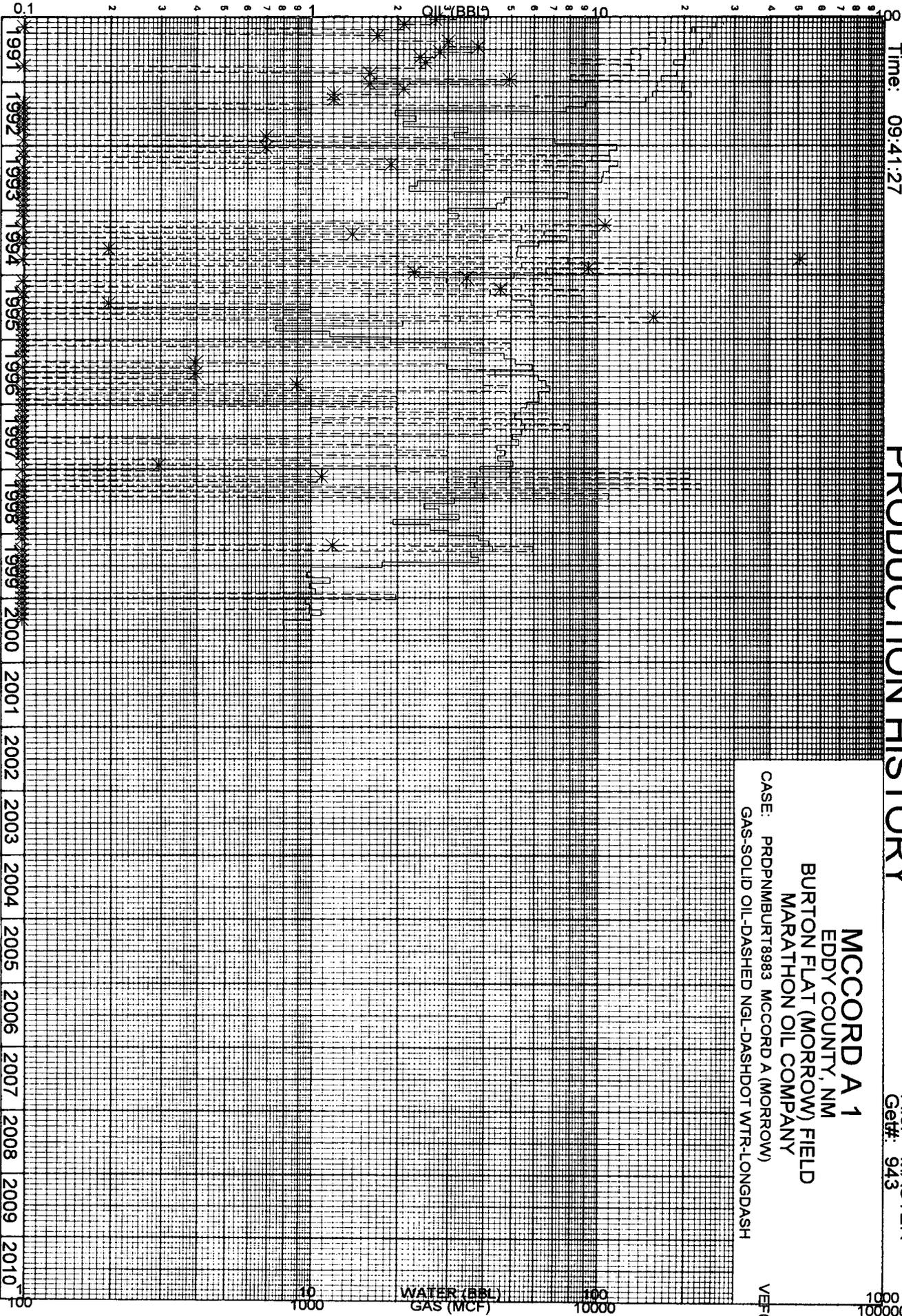
**VERNON E. FAULCONER**  
INCORPORATED

Date: 01/09/\*\*  
Time: 09:41:27

# PRODUCTION HISTORY

File: MASTER  
Get#: 943

**MCCORD A 1**  
EDDY COUNTY, NM  
BURTON FLAT (MORROW) FIELD  
MARATHON OIL COMPANY  
CASE: PRDPNMBURT8983 MCCORD A (MORROW)  
GAS-SOLID OIL-DASHED NGL-DASHDOT WTR-LONGDASH



YEARS

WATER (BBL)  
GAS (MCF)

VEF00  
1000  
10000



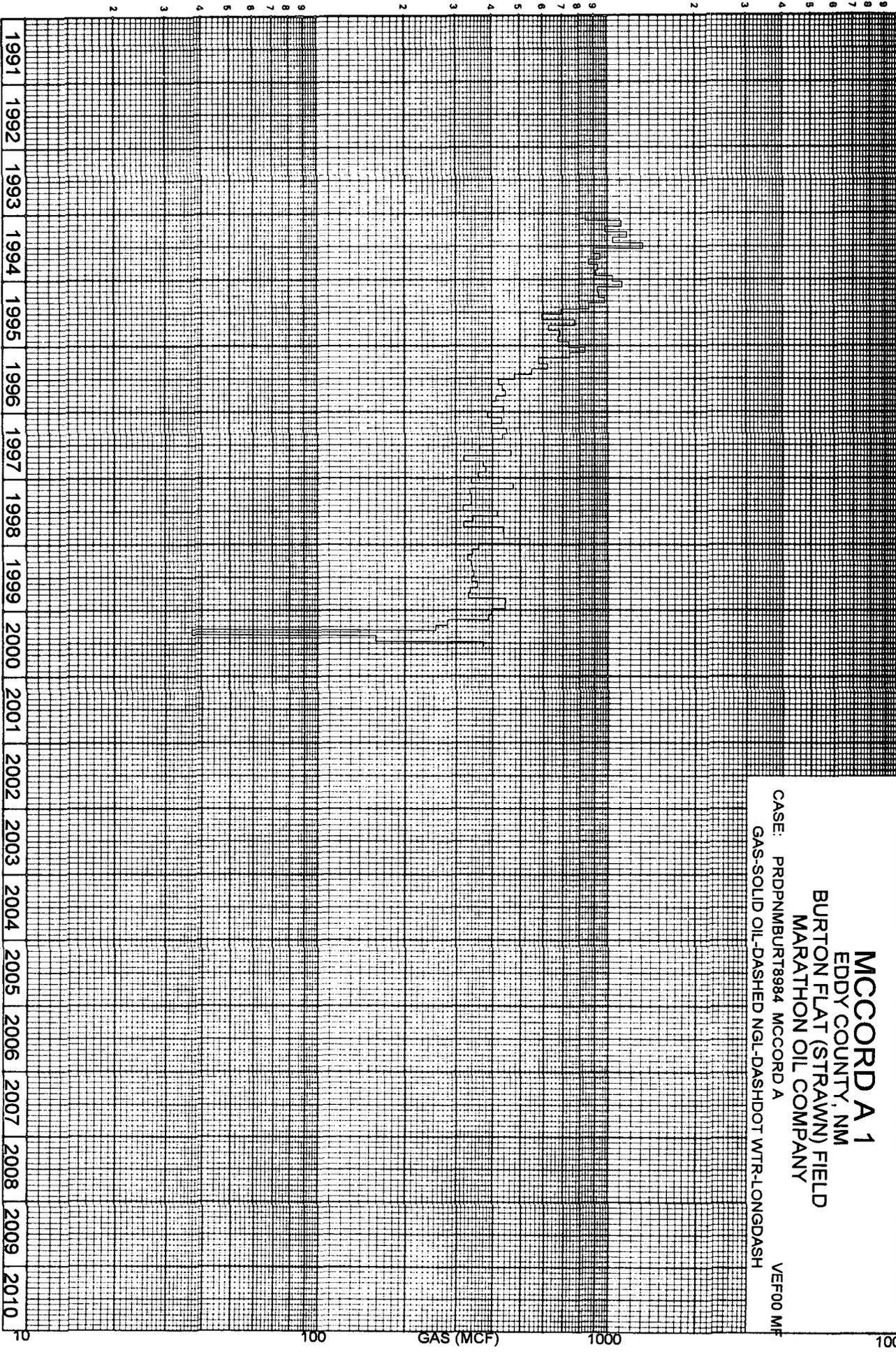
VERNON E. FALCONER  
INCORPORATED

Date: 01/09/\*\*  
Time: 09:41:27

# PRODUCTION HISTORY

File: MASTER  
Get#: 944

**MCCORD A 1**  
EDDY COUNTY, NM  
BURTON FLAT (STRAWN) FIELD  
MARATHON OIL COMPANY  
CASE: PRDPNMBURT8984 MCCORD A  
VEF00 MF  
GAS-SOLID OIL-DASHED NGL-DASHDOT WTR-LONGDASH



YEARS

GAS (MCF)