

116549740 DHC

6/27/01

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

District II
811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

JUN 7 2001

APPLICATION FOR DOWNHOLE COMMINGLING

Phillips Petroleum Company 4001 Penbrook Street, Odessa, Texas 79762
Operator Address
West Maljamar -7- 1 UL "J", Sec. 7, T-17-S, R-33-E Lea
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 017643 Property Code 26695 API No. 30-025-35189 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Wolfcamp		Atoka
Pool Code			
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10,003' - 10,603'		12,914' - 12,924'
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	37.4		54.1 (API)
Producing, Shut-In or New Zone	Shut-In Awaiting Order		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: 03/12/01 Rates: 125BO/155MCF/78BW	Date: Rates:	Date: 05/27/01 Rates: 52BO/348MCF/20BW
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 71 % 31 %	Oil Gas % %	Oil Gas 29 % 69 %

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 C. L. Sanders TITLE Supv., Regulation/ DATE 06/05/01
915/368-1667 Proration
TYPE OR PRINT NAME L. M. Sanders TELEPHONE NO. (915) 368-1488

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

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

DISTRICT IV
P.O. BOX 2086, SANTA FE, N.M. 87504-2086

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-35189	Pool Code	Pool Name Wildcat (Wolfcamp)
Property Code 26695	Property Name WEST MALJAMAR "7"	Well Number 1
OGRID No. 017643	Operator Name PHILLIPS PETROLEUM COMPANY	Elevation 4217

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	7	17 S	33 E		1669	SOUTH	1422	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 320	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

Found Old Stone Mound with 1/2 Iron Rod N 89°29'38" E - 2682.8' W - 2641.8'	Found 2" Brass Cap marked 1/4, 6-7 N 89°25'40" E - 2640.1' Found 2" Brass Cap marked 6-5-7-8 E - 2639.9'	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>L. M. Sanders</i> Signature L. M. Sanders Printed Name Supv., Regulation/ Title 06/05/01 Date
N 0°20'49"	Found 2" Brass Cap marked 1/4, 7-8 S 0°28'38" E - 2640.6'	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. August 31, 2000 Date Surveyed Signature & Seal of Professional Surveyor <i>M. MacDonald</i> W.O. Num. 2000-0638 Certificate No. MACDONALD 12185
Found 2" Brass Cap marked 1/4, 12-13 W - 2638.8'	Plane Coordinate X = 695,099.2 Y = 672,179.8 4218.7' 4217.1' 4217.7' 4215.8' 1669' S 89°27'53" W - 2694.4' S 89°27'26" W - 2640.9'	
Found 3" Brass Cap marked 12-13-14 N 0°20'46"	Found 2" Brass Cap marked 1-8-18-17 S 0°28'59" E - 2640.6'	

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-35189	Pool Code	Pool Name Wildcat (Atoka)
Property Code 26695	Property Name WEST MALJAMAR "7"	Well Number 1
OGRD No. 017643	Operator Name PHILLIPS PETROLEUM COMPANY	Elevation 4217

Surface Location

UL or lot No. J	Section 7	Township 17 S	Range 33 E	Lot Idn	Feet from the 1669	North/South line SOUTH	Feet from the 1422	East/West line EAST	County LEA
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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	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>N 89°29'38" E - 2682.8'</p> <p>Found Old Stone Mound with 1/2" Iron Rod</p> <p>N 0°20'49" W - 2641.8'</p>		<p>N 89°25'40" E - 2640.1'</p> <p>Found 2" Brass Cop marked -1/4, 6-7"</p> <p>Found 2" Brass Cop marked -6-5-7-8"</p> <p>S 0°28'38" E - 2639.9'</p>		<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><i>L. M. Sanders</i> Signature L. M. Sanders Printed Name Supv., Regulation/ Proration Title 06/05/01 Date</p>	
<p>N 0°20'46" W - 2636.8'</p> <p>Found 2" Brass Cop marked -1/4, 12-7"</p> <p>Found 3" Brass Cop marked -12-7-13-16"</p> <p>S 89°27'53" W - 2694.4'</p>		<p>4218.7' 4217.1' 1422' 4217.7' 4215.8'</p> <p>Plane Coordinate X = 695,099.2 Y = 672,179.8</p> <p>1669'</p> <p>S 89°27'26" W - 2640.9'</p> <p>Found 2" Brass Cop marked -7-8, 1/4"</p> <p>Found 2" Brass Cop marked -7-8-16-17"</p> <p>Found 2" Brass Cop marked -7-8-16-17"</p> <p>S 0°28'59" E - 2640.6'</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>August 31, 2000 Date Surveyed Signature & Seal of Professional Surveyor <i>W. O. Num.</i> W.O. Num. 2000-0638 Certificate No. 12185</p>	

**PHILLIPS PETROLEUM COMPANY
LISTING OF ATTACHMENTS TO FORM C-107A
WEST MALJAMAR 7 #1 - DOWNHOLE COMMINGLING APPLICATION
S-7-TWP-17S-RGE-33E
LEA COUNTY, NEW MEXICO**

LIST OF ATTACHMENTS

Form C-102 for Each Zone to be Commingled

W. Maljamar 7 – Rate vs. Time - Atoka Production History

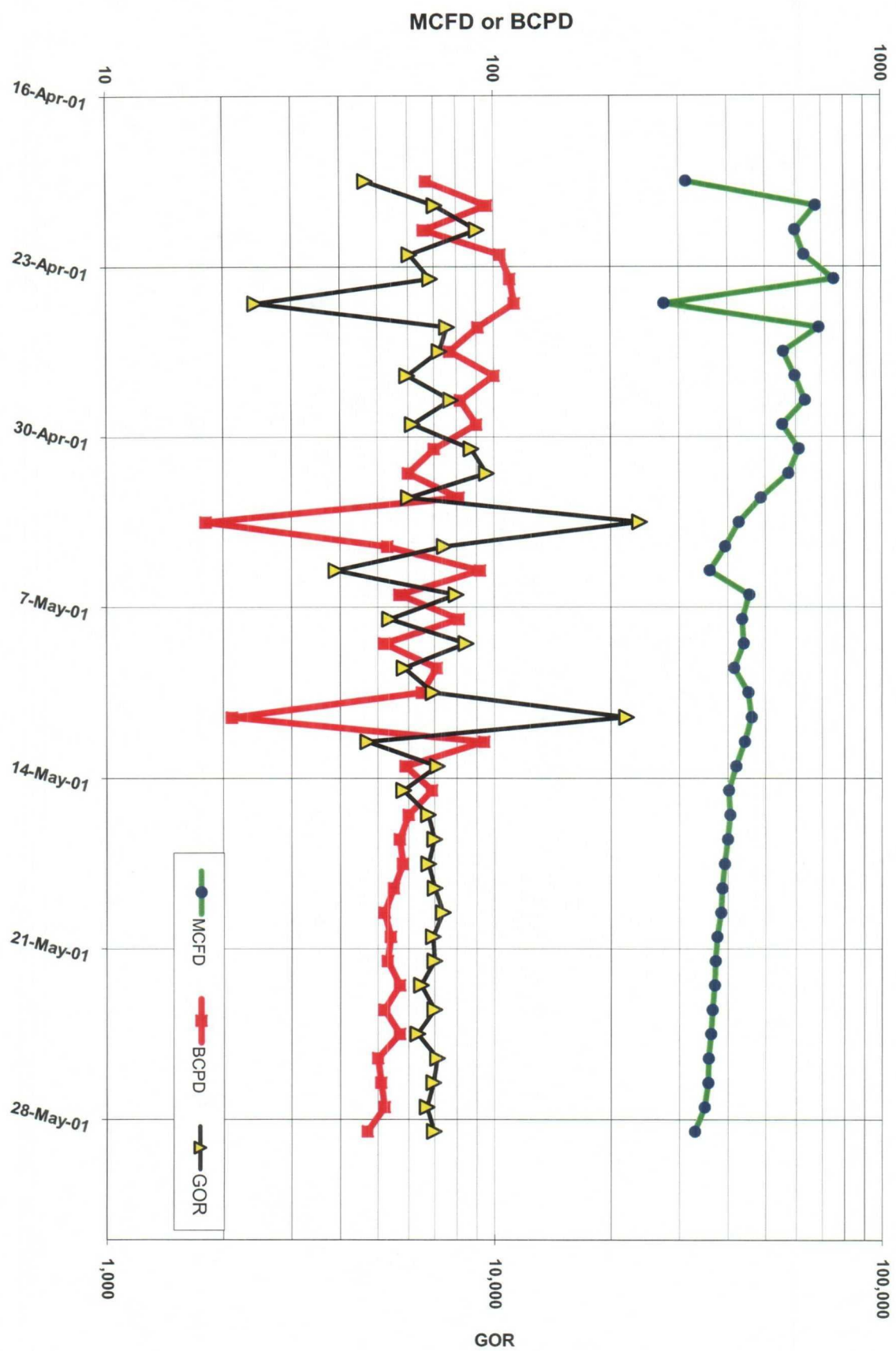
W. Maljamar 7 – Tabulation of Atoka Production History

W. Maljamar 7 #1 Well Schematic

W. Maljamar 7 #1 Swab Rate Table

Additional Comments

W. Majamar 7 #1 - Atoka Production



Phillips Petroleum Company

W. Maljamar 7 #1

Attachment to C-107A - Application for Downhole Commingling

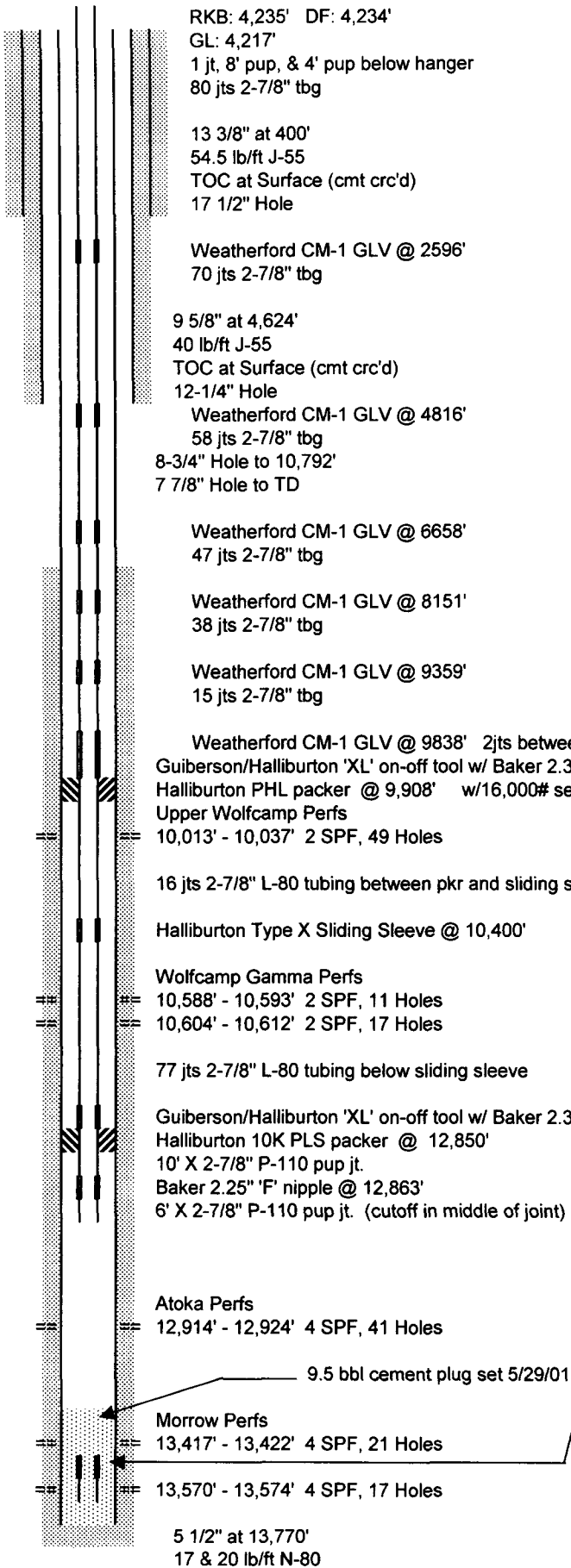
June 1, 2001

Atoka Production Data

Date	Gas (Mscfd) 713893	BCPD	FTP (PSIG)	Cum Gas	Cum Oil	Daily GOR	Cum Gor
4/18/01	turn in						
4/19/01	313	67		313	67	4,672	4,672
4/20/01	677	96		990	163	7,052	6,074
4/21/01	598	66		1,588	229	9,061	6,934
4/22/01	631	104		2,219	333	6,067	6,664
4/23/01	754	110	1,075	2,973	443	6,855	6,711
4/24/01	274	113	900	3,247	556	2,425	5,840
4/25/01	689	91	900	3,936	647	7,571	6,083
4/26/01	557	77	900	4,493	724	7,234	6,206
4/27/01	597	100	800	5,090	824	5,970	6,177
4/28/01	635	82	1,500	5,725	906	7,744	6,319
4/29/01	554	90	700	6,279	996	6,156	6,304
4/30/01	611	70	700	6,890	1,066	8,729	6,463
5/1/01	574	60	700	7,464	1,126	9,567	6,629
5/2/01	487	81	700	7,951	1,207	6,012	6,587
5/3/01	427	18	700	8,378	1,225	23,722	6,839
5/4/01	394	53	700	8,772	1,278	7,434	6,864
5/5/01	359	92	500	9,131	1,370	3,902	6,665
5/6/01	454	57	470	9,585	1,427	7,965	6,717
5/7/01	435	81	450	10,020	1,508	5,370	6,645
5/8/01	439	52	425	10,459	1,560	8,442	6,704
5/9/01	415	71	425	10,874	1,631	5,845	6,667
5/10/01	451	65	425	11,325	1,696	6,938	6,677
5/11/01	460	21	290	11,785	1,717	21,905	6,864
5/12/01	442	94	270	12,227	1,811	4,702	6,752
5/13/01	420	59	270	12,647	1,870	7,119	6,763
5/14/01	402	69	270	13,049	1,939	5,826	6,730
5/15/01	405	60	250	13,454	1,999	6,750	6,730
5/16/01	399	57	250	13,853	2,056	7,000	6,738
5/17/01	392	58	300	14,245	2,114	6,759	6,738
5/18/01	386	55	250	14,631	2,169	7,018	6,746
5/19/01	383	52	250	15,014	2,221	7,365	6,760
5/20/01	375	54	250	15,389	2,275	6,944	6,764
5/21/01	371	53	250	15,760	2,328	7,000	6,770
5/22/01	369	57	260	16,129	2,385	6,474	6,763
5/23/01	364	52	260	16,493	2,437	7,000	6,768
5/24/01	361	57	260	16,854	2,494	6,333	6,758
5/25/01	356	50	240	17,210	2,544	7,120	6,765
5/26/01	355	51	240	17,565	2,595	6,961	6,769
5/27/01	348	52	250	17,913	2,647	6,692	6,767
5/28/01	328	47	250	18,241	2,694	6,979	6,771
5/29/01	97	0		18,338	2,694		6,807
5/30/01							
5/31/01							
6/1/01							

Phillips Petroleum Company - Permian Basin Region

COMPLETION SCHEMATIC (updated 5/30/01 by RLB)



RKB: 4,235' DF: 4,234'
 GL: 4,217'
 1 jt, 8' pup, & 4' pup below hanger
 80 jts 2-7/8" tbg
 13 3/8" at 400'
 54.5 lb/ft J-55
 TOC at Surface (cmt crc'd)
 17 1/2" Hole

Weatherford CM-1 GLV @ 2596'
 70 jts 2-7/8" tbg

9 5/8" at 4,624'
 40 lb/ft J-55
 TOC at Surface (cmt crc'd)
 12-1/4" Hole
 Weatherford CM-1 GLV @ 4816'
 58 jts 2-7/8" tbg
 8-3/4" Hole to 10,792'
 7 7/8" Hole to TD

Weatherford CM-1 GLV @ 6658'
 47 jts 2-7/8" tbg

Weatherford CM-1 GLV @ 8151'
 38 jts 2-7/8" tbg

Weatherford CM-1 GLV @ 9359'
 15 jts 2-7/8" tbg

Weatherford CM-1 GLV @ 9838' 2jts between GLV and O/O tool.
 Guiberson/Halliburton 'XL' on-off tool w/ Baker 2.313" 'F' profile at 9904'
 Halliburton PHL packer @ 9,908' w/16,000# set down
 Upper Wolfcamp Perfs
 10,013' - 10,037' 2 SPF, 49 Holes

16 jts 2-7/8" L-80 tubing between pkr and sliding sleeve

Halliburton Type X Sliding Sleeve @ 10,400'

Wolfcamp Gamma Perfs
 10,588' - 10,593' 2 SPF, 11 Holes
 10,604' - 10,612' 2 SPF, 17 Holes

77 jts 2-7/8" L-80 tubing below sliding sleeve

Guiberson/Halliburton 'XL' on-off tool w/ Baker 2.31" 'F' profile (Note: J-slot has been cut out.)
 Halliburton 10K PLS packer @ 12,850'
 10' X 2-7/8" P-110 pup jt.
 Baker 2.25" 'F' nipple @ 12,863'
 6' X 2-7/8" P-110 pup jt. (cutoff in middle of joint)

Atoka Perfs
 12,914' - 12,924' 4 SPF, 41 Holes

9.5 bbl cement plug set 5/29/01 TOC @ 13,275'

Morrow Perfs
 13,417' - 13,422' 4 SPF, 21 Holes

13,570' - 13,574' 4 SPF, 17 Holes

5 1/2" at 13,770'
 17 & 20 lb/ft N-80

PBTD: 13,726'
 TD: 13,770'

Lease & Well No.: **West Majamar 7 #1**

Well Category: **Two**
 Area: **New Mexico**
 Subarea: **Caprock**

Legal Description:
1669' FSL, 1422' FEL, Sec 7, T-17-S, R-33-E
Lea County, New Mexico

Spudded: **12/04/00**
 Completed:

Producing Formation:

Morrow Sandstone	Producing
Atoka Sandstone	Producing
Wolfcamp Carbonates	SI behing tbg.

Below items cutoff during completion work
 Baker 2.25" 'R' nipple @ 12,870'
 W/L reentry guide @ 12,871'

Production Casing Design (top to btm)
 2010' of 20# N-80
 8240' of 17# N-80
 3520' of 20# N-80

PHILLIPS PETROLEUM COMPANY

W. Majamar 7 #1

Attachment to C-107A - Application for Downhole Commingling

1-Jun-01

SWAB TESTS AFTER RECOVERY OF STIMULATION LOAD

Upper Wolfcamp

Date	Swab	Daily	Daily	Daily	Daily Oil	Est 24 hr	Est 24 Hr	Comments
	Hours	Oil (bbls)	Water (bbls)	Cut	Oil	Water		
6-Apr	8	10	25	0.29	30	75 FL @ 6500', swab down to 9000'		

Wolfcamp Gamma

Date	Swab	Daily	Daily	Daily	Daily Oil	Est 24 hr	Est 24 Hr	Comments
	Hours	Oil (bbls)	Water (bbls)	Cut	Oil	Water		
11-Apr	12	62	146	0.30	124	292 FL @ 3,500', swab / flow		
12-Apr	8	73	27	0.73	219	81 FL @ 3,500', swab / Flow		

Predicted Combined Wolfcamp

Date	Swab	Daily	Daily	Daily	Daily Oil	Est 24 hr	Est 24 Hr	Comments
	Hours	Oil (bbls)	Water (bbls)	Cut	Oil	Water		

249 156 Combined rate based on swab tests

125 **78** Est. Production rate @ 50% of swab rate

PHILLIPS PETROLEUM COMPANY
Attachment to C-107A – Downhole Commingling Application
W. Maljamar 7 #1
June 1, 2001

Additional Comments

- The proposed production allocation percentages are based on current Atoka production rates and Wolfcamp formation swab tests (see attached spreadsheet). Based on experience, the Wolfcamp swab rates have been cut in half to estimate the probable production rate. Phillips plans to periodically test the Atoka or Wolfcamp separately since we have the option to isolate the zones by closing a sliding sleeve or setting a plug in one of the nipples above the Atoka. Modifications to the fixed allocation percentage may then be recommended.
- Production curves for one year do not exist for this well since Atoka production was commenced on 4/18/01 (see attached spreadsheet and graph). No production curves exist for the Wolfcamp since this zone has only been swab tested.
- A copy of a current well schematic has been enclosed.
- The Wolfcamp zone in the W. Maljamar 7 #1 has insufficient solution gas to flow oil and water to surface on a continual basis. Phillips therefore plans on utilizing gas produced from the Atoka to help lift the liquid hydrocarbons from the Wolfcamp. The well is constructed to accommodate gas lift which will allow for the efficient recovery of reserves.

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

WELL API NO. 30-025-34271
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		7. Lease Name or Unit Agreement Name: WEST MALJAMAR -7-
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		
2. Name of Operator Phillips Petroleum Company	8. Well No. 1	
3. Address of Operator 4001 Penbrook Street Odessa, TX 79762	9. Pool name or Wildcat WILDCAT (WOLFCAMP) / WILDCAT (ATOKA)	
4. Well Location Unit Letter J : 1669 feet from the SOUTH line and 1422 feet from the EAST line Section 7 Township 17-S Range 33-E NMPM County LEA		
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 4217' GR		

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: Downhole Commingling <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Phillips intends to downhole commingling the Wildcat (Wolfcamp) and Wildcat (Atoka) intervals.

The perforated intervals for each pool are as follows:

Wildcat (Wolfcamp) 10,003' - 10,603'
Wildcat (Atoka) 12,914' - 12,924'

The ownership percentages between the two intervals are identical.

The New Mexico State Land Office has been forwarded a copy of the commingling application package.

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

SIGNATURE *L.M. Sanders* TITLE SUPV. REGULATION/PRORATION DATE 06/05/01
Type or print name **L.M. SANDERS** Telephone No. **915/368-1488**

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____
Conditions of approval, if any:



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

6/13/01

Lori Wrotenbery

Director

Oil Conservation Division

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC _____ *X* _____
NSL _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Phillips Petroleum Co West Majamar 7 # *1-J, 7-17s-33e*
Operator Lease & Well No. Unit S-T-R *30-025-35189*

and my recommendations are as follows:

DK

Yours very truly,

Chris Williams

Chris Williams
Supervisor, District 1