

DATE 6/10/02	SUSPENSE NA	ENGINEER WJ	LOGGED IN W	TYPE DHC	APP NO. 216234755
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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]

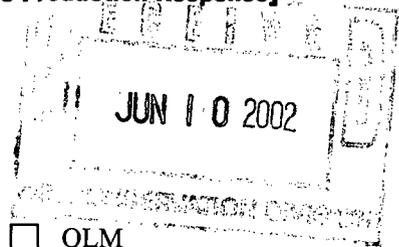
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

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

- [D] Other: Specify _____



[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 is 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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jimmy D. Carlile
Print or Type Name

Jimmy D. Carlile
Signature

Regulatory Affairs Coord. 6/6/02
Title Date

95-349-0369 GLL

jimmyc@forl.com
e-mail Address

FASKEN OIL AND RANCH, LTD.

303 WEST WALL AVENUE, SUITE 1800
MIDLAND, TEXAS 79701-5116

(915) 687-1777

June 6, 2002

Mr. David Catanach
New Mexico Oil Conservation Division
Engineering Bureau
1220 South St. Francis Drive
Santa Fe, NM 87505

Dear Mr. Catanach,

Re: Fasken Oil and Ranch, Ltd.
Application for Downhole Commingling
Cameron "31" Federal No. 1
Eddy County, New Mexico

Attached is Fasken Oil and Ranch, Ltd.'s application for Downhole Commingling for the Cameron "31" Federal No. 1 well located in Eddy County. The three zones in this well to be completed are all non-commercial in and of themselves, and therefore, must be downhole commingled for reserves to be recovered. Working, royalty and overriding interests are common in this well.

Mr. Bryan Arrant with the NMOCD in Artesia has provided us with guidance on pool names for the three zones.

If you have any questions concerning this application please give me a call at (915) 687-1777.

Yours truly,



Jimmy D. Carlile
Regulatory Affairs Coordinator

District I

1625 N. French Drive, Hobbs, NM 88240

District II

1301 W. Grand Avenue, 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

X Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

X Yes ___ No

APPLICATION FOR DOWNHOLE COMMINGLING

Fasken Oil and Ranch, Ltd. 303 West Wall, Suite 1800, Midland, TX 79701

Operator Address
Cameron "31" Federal 1 J Section 31, T20S, R25E Eddy
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 151416 Property Code 018198 API No. 30-015-20907 Lease Type: X Federal ___ State ___ Fee

Table with 4 columns: DATA ELEMENT, UPPER ZONE, INTERMEDIATE ZONE, LOWER ZONE. Rows include Pool Name, Pool Code, Top and Bottom of Pay Section, Method of Production, Bottomhole Pressure, Oil Gravity or Gas BTU, Producing, Shut-In or New Zone, Date and Oil/Gas/Water Rates of Last Production, and Fixed Allocation Percentage.

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X 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 X No ___
Will commingling decrease the value of production? Yes ___ No X ___
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 Jimmy D. Carlile TITLE Regulatory Affairs Coord. DATE June 6, 2002

TYPE OR PRINT NAME Jimmy D. Carlile TELEPHONE NO. (915) 687-1777

Fasken Oil and Ranch, Ltd.

Cameron "31" Federal No. 1

Application for Downhole Commingling

Additional Data

Production curves for these zones are not available as these are all new completions in this well. Each of these zones is non-commercial in and of themselves, and we anticipate a total production from all three zones to be only 100 MCFPD.

Estimated production rates for each zone follow. These estimates are based on porosity thickness in each zone and shows as we drilled through each zone.

Dagger Draw Upper Penn, South	20 MCFPD
Indian Basin Strawn, North	40 MCFPD
Wildcat (Atoka)	40 MCFPD

Our suggested allocation method is based on porosity thickness in each zone.

All working, royalty and overriding interests in this well are common and therefore, no notice is required.