

DATE IN 4/13/08	SUSPENSE	ENGINEER W Jones	LOGGED IN 4/13/08	TYPE DHC	APP NO. PKUR0809456838
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ABOVE THIS LINE FOR DIVISION USE ONLY

4008

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.

Eddie W Seay  
Print or Type Name

*Eddie W Seay*  
Signature

Agent  
Title  
seay04@leaco.net  
e-mail Address

4/11/2008  
Date

RECEIVED  
2008 APR 3 PM 1 47

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

District II  
1301 W. Grand Avenue, Artesia, NM 88210

**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

District III  
1000 Rio Pecos Road, Aztec, NM 87410

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

**APPLICATION FOR DOWNHOLE COMMINGLING**

**LIME ROCK RESOURCES A, L.P.** HERITAGE PLAZA, 1111 BAGBY ST, STE 4600, HOUSTON TX 77002

Operator **ARREGUY AVM** # **1** Address **A-25-15S-34E** **LEA**  
Lease Well No. Unit Letter-Section-Township-Range County  
OGRID No. **255333** Property Code **304068** API No. **30-025-29998** Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	WILDCAT S153425I;ATOKA (GAS)		EIDSON;MORROW, NORTH (GAS)
Pool Code	<del>97394</del>		76360
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	12300-12400		12678-12692
Method of Production (Flowing or Artificial Lift)	ARTIFICIA LIFT		ARTIFICIAL LIFT
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)			
Producing, Shut-In or New Zone	NEW ZONE		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: Rates:	Date: Rates:	Date: <b>Dec 2007</b> Rates: <b>1 Bopd 73 mcf/gpd 1 Bwpd</b>
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil <b>76.7</b> % Gas <b>68.1</b> %	Oil % Gas %	Oil <b>23.3</b> % Gas <b>31.9</b> %

**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 Eddie W Seay TITLE \_\_\_\_\_ AGENT DATE 4/1/2008  
TYPE OR PRINT NAME Eddie W Seay TELEPHONE NO. ( 575 ) 392-2236  
E-MAIL ADDRESS seay04@leaco.net





Arreguy AVM # 1  
Supporting Data for Commingling Permit

Lime Rock Resources LP is proposing selectively perforate the Atoka formation and downhole commingle the Atoka perforations in the Wildcat S153425I;Atoka (Gas) pool with the Morrow perforations from 12,678-12,692 in the Eidson;Morrow, North (Gas) pool.

Proposed Allocation

Proposed allocation is based on current production in the Arreguy AVM well # 1 from the Eidson;Morrow, North (Gas) pool with the last production from the Wildcat S153425I;Atoka (Gas) pool in the David H Arrington Oil & Gas Inc, Steven's Hopper 25 Well # 1 located in I-25-T15S-R34E.

Wildcat S153425I;Atoka (Gas)	Oil, bbls	Gas, mcf	Water, bbls	Days
Oct-03	17	4192	7	29
Nov-03	19	1186	0	9
Total	36	5878	7	38
Avg Daily	0.947	154.68	0.18	

Eidson;Morrow, North (Gas)	Oil, bbls	Gas, mcf	Water, bbls	Days
Jan-07	0	475	25	14
Feb-07	0	27	0	5
Mar-07	0	0	0	0
Apr-07	3	10	14	1
May-07	2	1404	6	24
Jun-07	6	1022	0	16
Jul-07	5	2541	14	22
Aug-07	6	2625	6	17
Sep-07	14	732	0	11
Oct-07	0	8	0	4
Nov-07	0	199	0	6
Dec-07	0	15	0	5
Total	36	9058	65	125
Avg Daily	0.288	72.46	0.70	

	Oil	Gas	Water
Wildcat S153425I;Atoka (Gas) %	76.7%	68.1%	25.7%
Eidson;Morrow, North (Gas) %	23.3%	31.9%	74.3%