



DRC

PDXC 040144 8718

Amend DHC-1844

November 21, 2003

Ms. Lori Wrotenbery  
NMOCD  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

RECEIVED

DEC 01 2003

OIL CONSERVATION  
DIVISION

RE: Administrative Approval to Down-hole Commingle  
Energen Resources Corporation  
Wright State Com #1E  
1550' FSL, 790' FEL, Sec. 36, T32N, R13W, N.M.P.M.  
San Juan County, New Mexico  
API # 30-045-25930

Dear Ms. Wrotenbery,

Energen Resources Corporation requests Administrative Approval to add the Blanco Mesaverde and down-hole commingle it with the Wildcat Gallup/Basin Dakota in the subject well. The Gallup/Dakota was previously commingled in accordance with DHC-1844, on March 20, 1998. Open hole logs show potential in the Mesaverde similar to offset producing wells. It is felt that down-hole commingling is the most economical way to produce the Mesaverde reserves in this proration unit.

To comply with New Mexico Oil Conservation rules, Energen Resources Corporation is submitting the following data for your approval of the proposed commingling.

1. Form C107A – Application for Down-hole Commingle
2. C102 – Location plat showing each spacing unit and dedicated acreage
3. Production curves for the Mesaverde, Gallup and Dakota
4. Proposed allocation method

In accordance with New Mexico Oil Conservation Division Rule 303C, the working, royalty and overriding royalty interests are common in this wellbore, so no notification is necessary.

If additional information is needed, please contact me.

Sincerely

Charlie Donahue  
District Engineer

CD/vd

cc: NMOCD – Aztec

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 June 10, 2003

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

APPLICATION FOR DOWNHOLE COMMINGLING

Energen Resources

2198 Bloomfield Highway, Farmington, NM 87401

Operator

Address

Wright State Com

1E

I-36-32N-13W

San Juan

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 162928 Property Code: 007651 API No. 30-045-25930 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Blanco Mesaverde	(WC);32N13W36I; Gallup	Basin Dakota
Pool Code	72319	96535	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4450 – 4720'	5810 – 6315'	6680 – 6907'
Method of Production (Flowing or Artificial Lift)	Not Completed	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)	820 Est.	684 Calc.	766 Calc.
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1240 BTU Est.	1196 BTU	1196 BTU
Producing, Shut-In or New Zone	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:  Rates:	Date: 11/19/2003  Rates: 0/11/0	Date: 11/19/2003  Rates: 0.5/84/2
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  % %	Oil (Current)  Gas  12 % 0 %	Oil (Current)  Gas  88 % 100 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐  
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 Charlie Donahue TITLE District Engineer DATE: 11/21/2003  
TYPE OR PRINT NAME Charlie Donahue TELEPHONE NO. (505) 325-6800  
E-MAIL ADDRESS: cdonahue@energen.com

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number 30-045-25930		1 Pool Code 96535/71599/72319		1 Pool Name (WC);32N13W36I;Gallup/Basin Dakota/Blanco Mesaverde	
4 Property Code 007651		3 Property Name Wright State Com			6 Well Number 1E
1 OGRID No. 162928		1 Operator Name Energen Resources Corporation			7 Elevation 5780'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
I	36	32 N	13 W		1550	South	790	East	S.J.

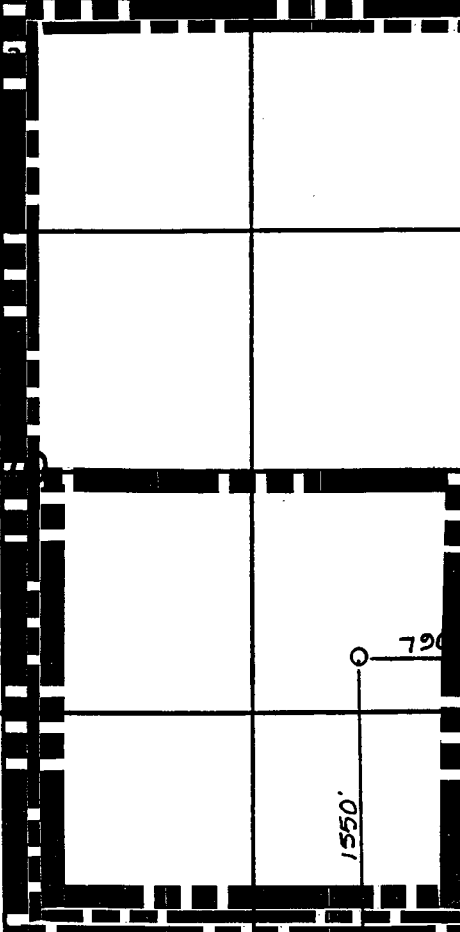
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 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

16 Not resurveyed, prepared from a plat dated 9-21-83 by Michael Daly.



17 OPERATOR CERTIFICATION

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

Charlie Donahue  
Signature  
Printed Name  
District Engineer  
Title  
Date

18 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.

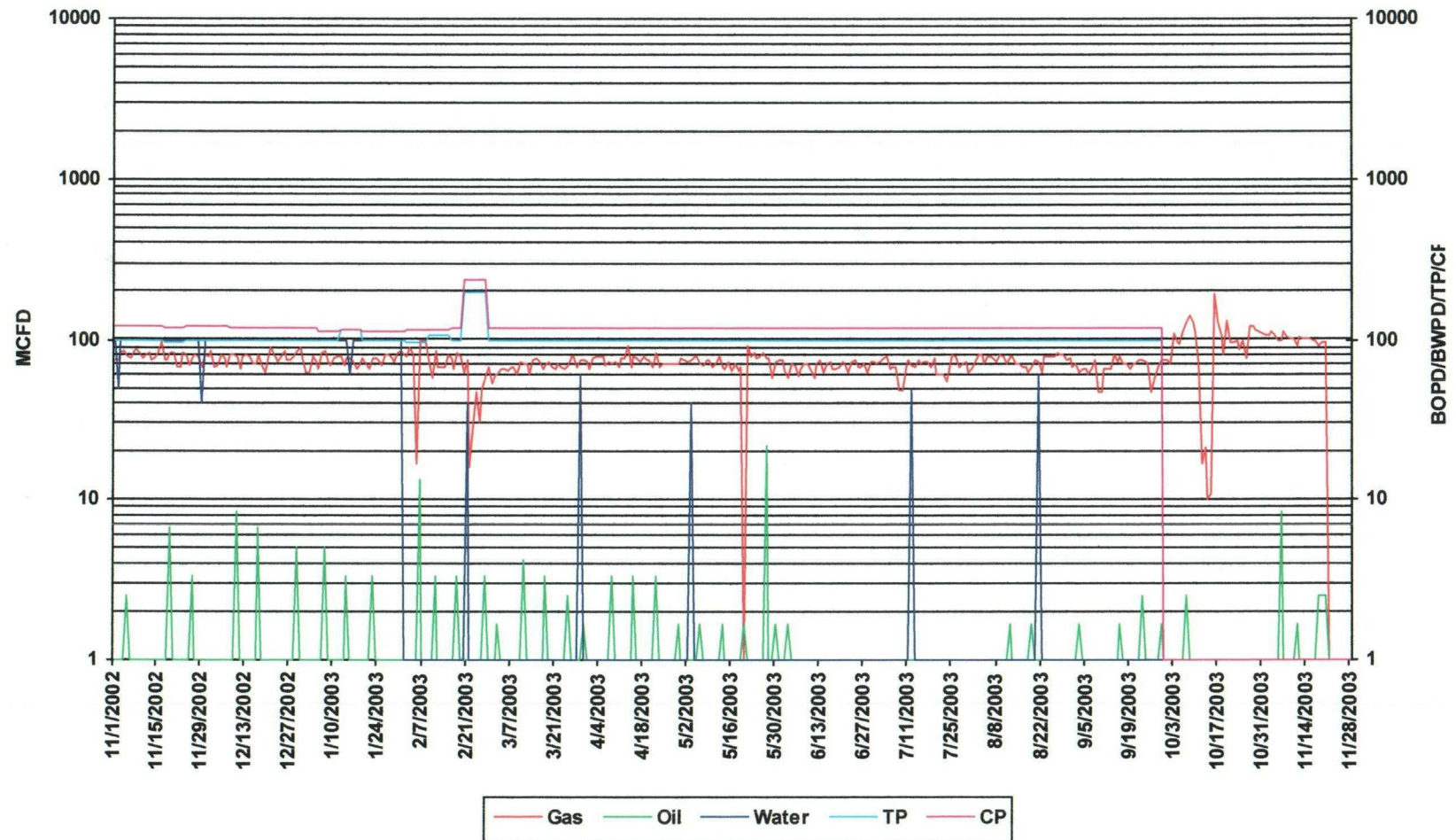
4-16-96  
Date of Survey  
Signature and Seal of Professional Surveyor  
Certificate Number  
8857

## Facility Daily Production

Lease: WRIGHT STATE COM 1E

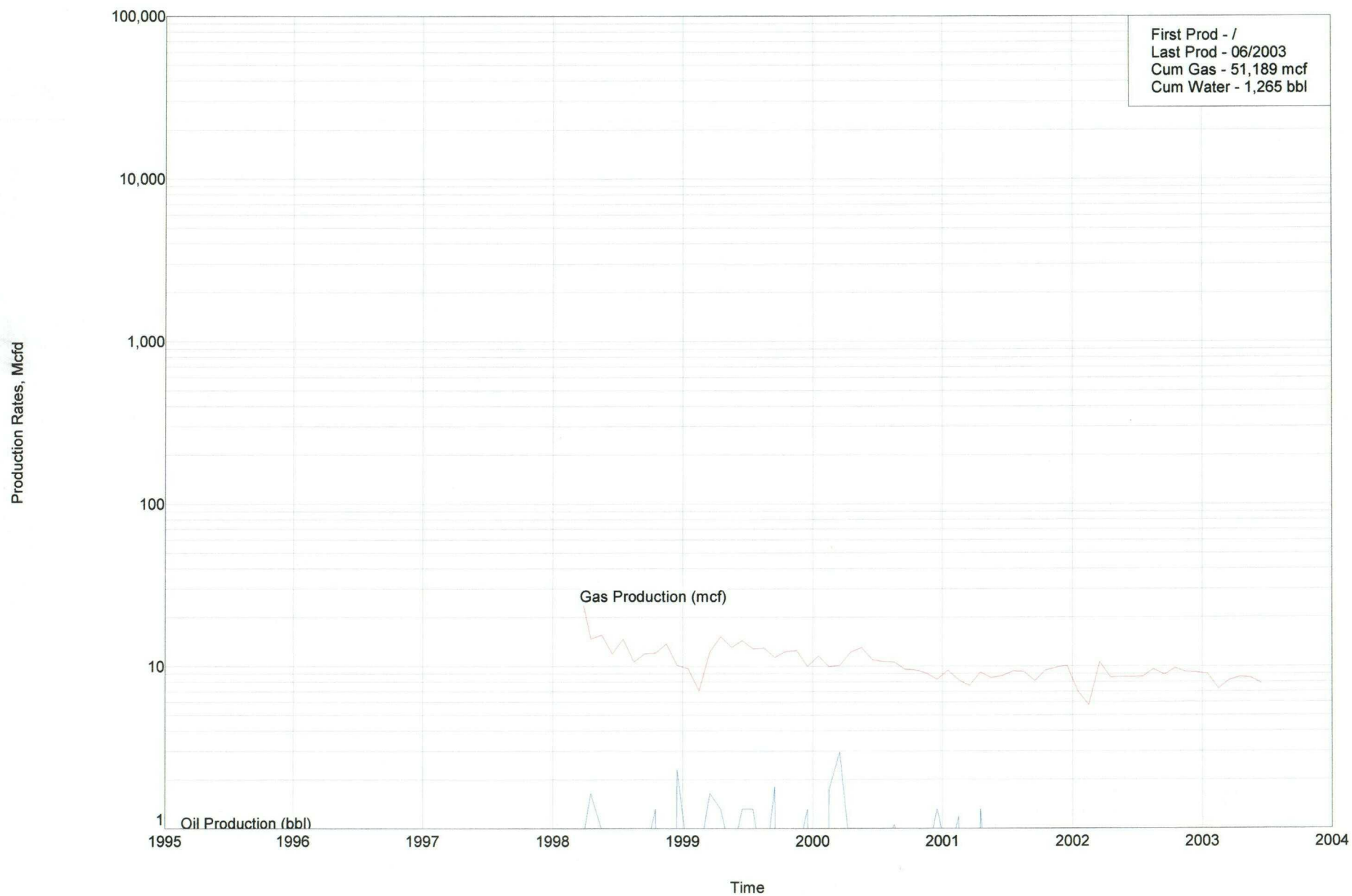
(Gallup/DK Summary)

Date Period: 11/1/2002 --- 11/30/2003



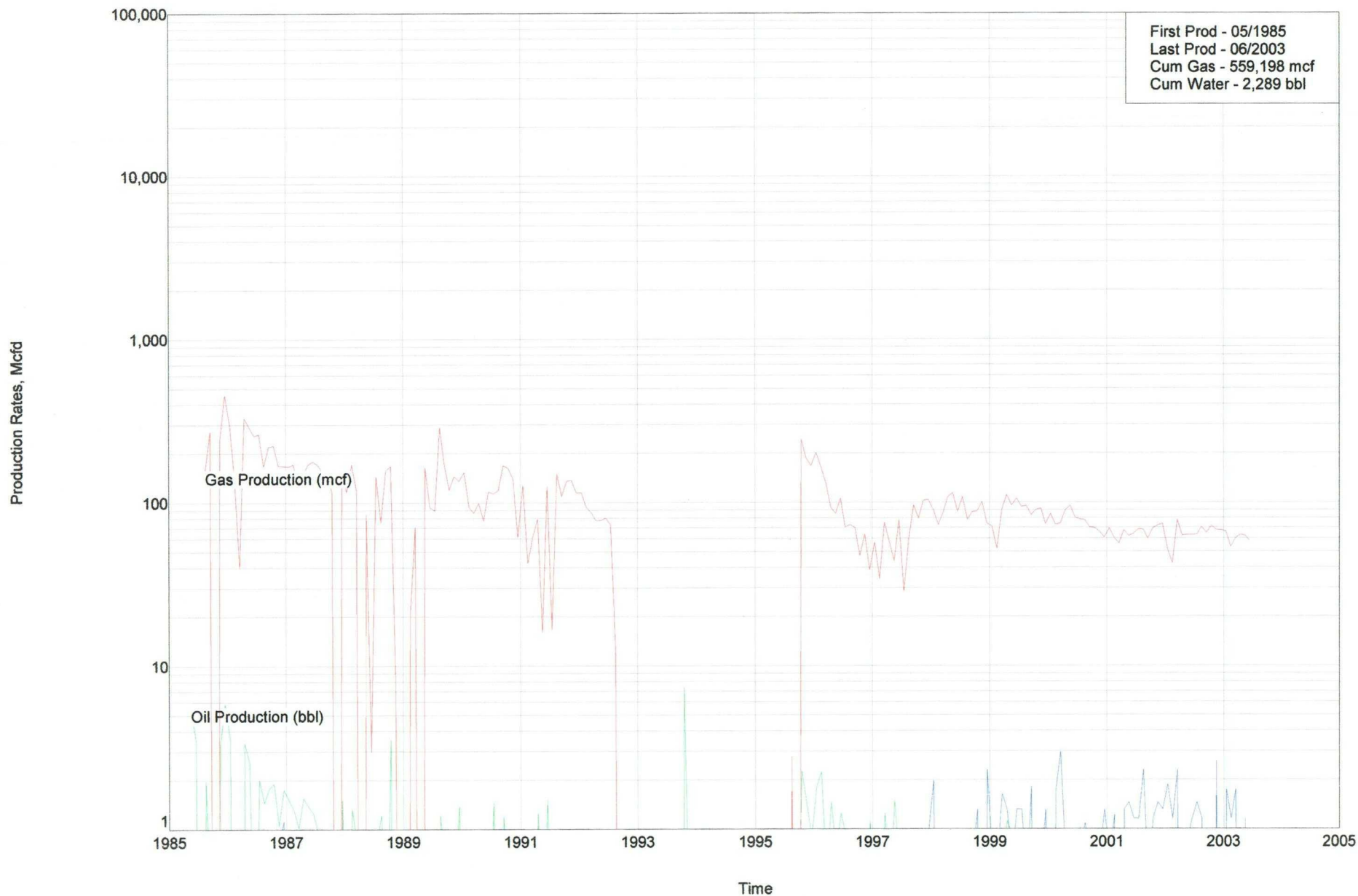
Lease Name: WRIGHT STATE COM  
County, State: SAN JUAN, NM  
Operator: ENERGEN RESOURCES CORPORATION  
Field: WILDCAT  
Reservoir: GALLUP  
Location: 36 32N 13W SW NE SE

WRIGHT STATE COM #1E



Lease Name: WRIGHT STATE COM  
County, State: SAN JUAN, NM  
Operator: ENERGEN RESOURCES CORPORATION  
Field: BASIN  
Reservoir: DAKOTA  
Location: 36 32N 13W SW NE SE

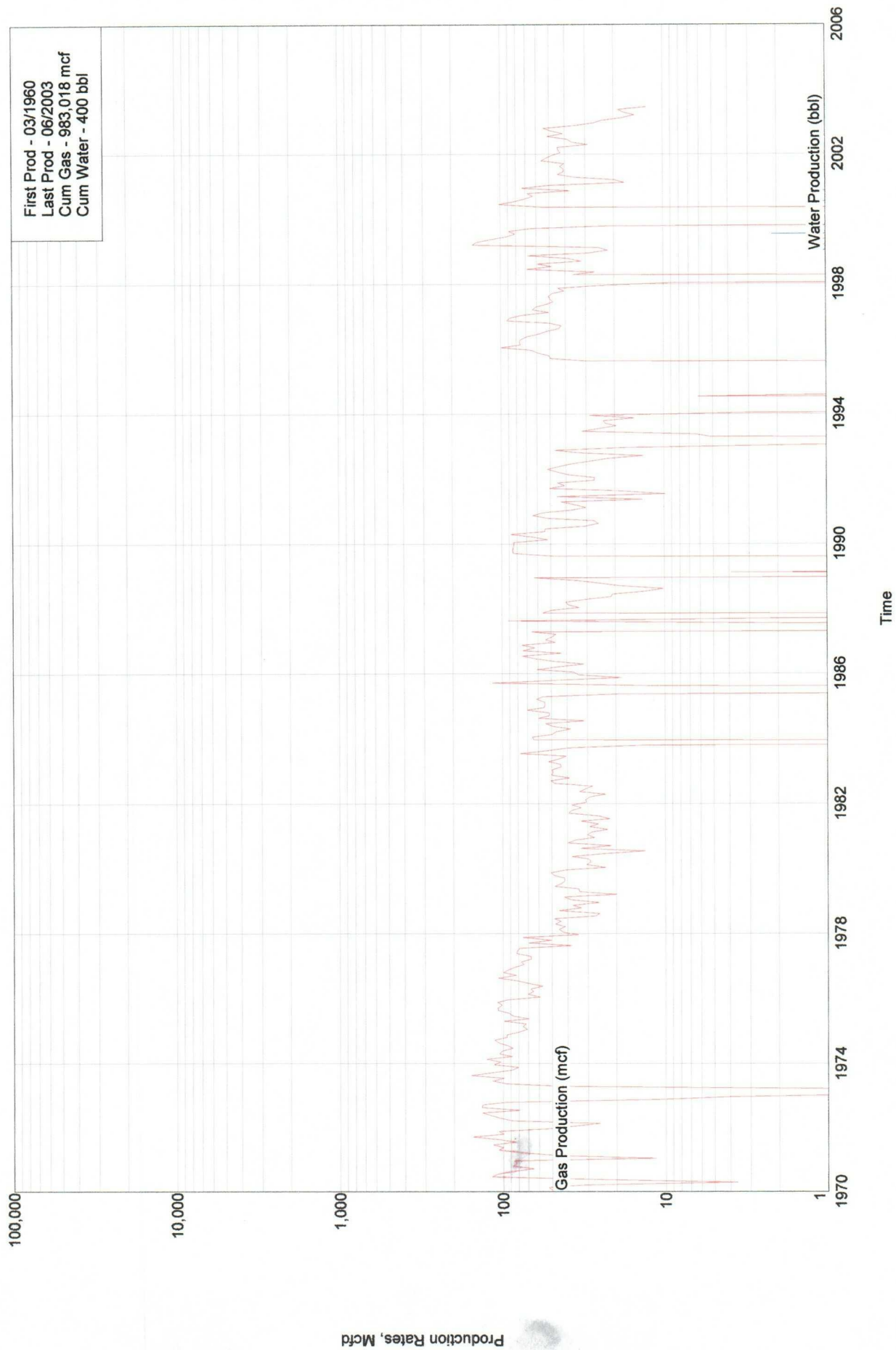
WRIGHT STATE COM #1E





Lease Name: WRIGHT STATE COM  
County, State: SAN JUAN, NM  
Operator: ENERGEN RESOURCES CORPORATION  
Field: BLANCO  
Reservoir: MESAVERDE  
Location: 36 32N 13W NW NE

WRIGHT STATE COM #1



## Wright State Com #1E

### Proposed Allocation Method

In accordance with DHC-1844 the allocation for the current wellbore configuration is Dakota-82% of the Gas; 100% of the oil, Gallup-18% of the gas.

Currently, the well is producing 95 MCFD and 1 BOPD as a commingled Wildcat Gallup/Basin Dakota. It is anticipated that the Mesaverde will add 200 MCFD to the total flow stream.

Following 60 days of stabilized production from the Mesaverde pay add, use subtraction method as follows:

Total stream = X

Gallup/Dakota = 95 MCFD

Gallup/Dakota Allocation =  $95 / X$  as a percentage

Split allocation for GL/DK per previous approved rates

Mesaverde allocation =  $(X-95)/X$

Mesaverde oil allocation = 50%

Rates will be reported to NMOCD- Aztec for final allocation percentage determination