

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

District II
811 S. First St., 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

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

Form C-107A
Revised August 1, 2011

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

APPLICATION FOR DOWNHOLE COMMINGLING

Operator
WPX ENERGY PRODUCTION, LLC

Address
P. O. BOX 640, AZTEC NM 87410

Lease
CHACO 2307-07N

Well No.
#410H

Unit Letter-Section-Township-Range
N-7-23N-07W

County
RIO ARriba & SAN JUAN

OGRID No. 120782 Property Code 313897 API No. Not Issued Yet Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	LYBROOK GALLUP		BASIN MANCOS
Pool Code	42289		97232
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6,258 - 13,317'	<div>Note: This Commingling application is to commingle two pools in the same formation. This will be a horizontal well bore and the entire producing lateral will be 6,258 - 13,317' MD.</div>	6,258 - 13,317'
Method of Production (Flowing or Artificial Lift)	Artificial 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)	1635 psi		1635 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	40 degree API		40 degree API
Producing, Shut-In or New Zone	New Zone		New Zone
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: 9/15/2015 Rates: 200 BOPD - based on CHACO 2308-11A #408H	Date: Rates:	Date: 9/15/2015 Rates: 200 BOPD - based on CHACO 2308-11A #408H
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 50% 50%	Oil Gas % %	Oil Gas 50% 50%

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 communized 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 commingling 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 B. West TITLE LANDMAN DATE 11/10/2015

TYPE OR PRINT NAME Brennan West TELEPHONE NO. (539) 573-2878

E-MAIL ADDRESS brennan.west@wpxenergy.com

BEFORE THE OIL CONSERVATION
DIVISION
Santa Fe, New Mexico
Exhibit No. 10
Submitted by: WPX ENERGY PRODUCTION
Hearing Date: November 12, 2015