

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, 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-107-B
March 31, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Southwestern Energy Production Company
OPERATOR ADDRESS: 2350 N. Sam Houston Pkwy. E., Suite 300, Houston, TX 77032

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Value of Non- Commingled Production	Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☐ Metering ☐ Other (Specify) _____
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved _____

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code. Corral Canyon Delaware, NW (Pool No. 96464)
(2) Is all production from same source of supply? ☒ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☒ Metering ☐ Other (Specify) _____

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APR 14 2005

COMMINGLED

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Jill Hegemier

TITLE: Production Analyst

DATE: 04/11/2005

TYPE OR PRINT NAME: Jill Hegemier

TELEPHONE NO: 281/618-4775

Information Required for Surface Commingling

Working Interest Owner

Southwestern Energy Prod. Co. – Applicant

Royalty Interest Owners

Section 2 – Lease # - ST NM V-3361

Devon Energy Production Company L.P.
20 N. Broadway
Oklahoma City, OK 73102

New Mexico State Land Office
Oil, Gas, and Minerals Division
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

Section 11 – Lease # - ST NM V-3633-2

EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702

New Mexico State Land Office
Oil, Gas, and Minerals Division
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

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COUNTY CLERK

All Production is from the Corral Canyon Delaware, NW Pool (Pool No. 96464)

Wells to be commingled:

State Lease No. V-3361

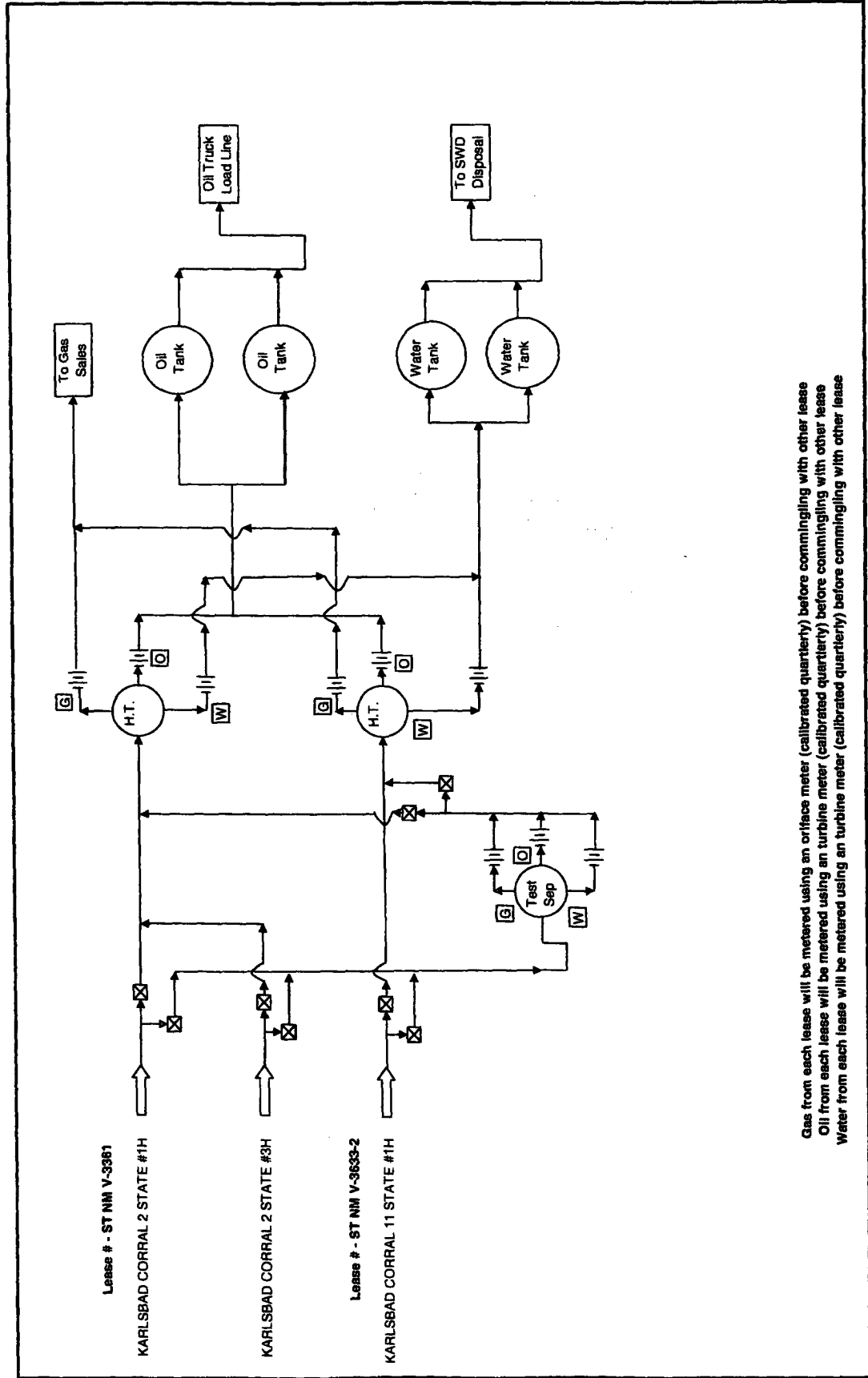
Karlsbad Corral 2 State #1-H – API # 30-015-33324

Karlsbad Corral 2 State #3-H - API # 30-015-33722

State Lease No. V-3633-2

Karlsbad Corral 11 State #1-H – API # 30-015-33983

KARLSBAD CORRAL PRODUCTION FACILITY FACILITY DRAWING SECTIONS 2 AND 11, T-25-S, R-29-E, EDDY COUNTY, NEW MEXICO



MITCHELL ENERGY
Corral Fly '35' Fed

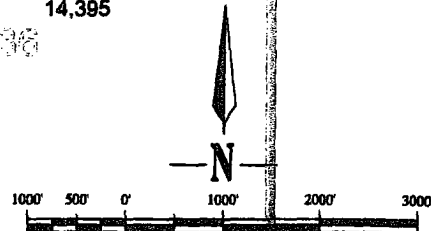
1
14,000 35

Pierce Crossing 36

1
14,000

SUPERIOR OIL
FORCENERGY GAS
CONCHO
Oscar St

1
WD-1
14,395



EASTLAND OIL
New Year Fed

1
5,850

STATE LEASE
No V-3361

SANTAFE ENERGY

Corral Fly '11' Fed

14,002

SWN

Karlsbad Corral 2 S

7,240

SWN

3H

7,300

SANTAFE ENERGY
Corral Fly '11' Fed

8,395

STATE LEASE

11 No. V-3633-2

SWN

Karlsbad Corral 11

3H

CORRAL FLY
"CC - 4"

POGO-PRODG
Bradley '13' Fed

4
8,600



**SOUTHWESTERN ENERGY
PRODUCTION COMPANY**

KARLSBAD CORAL
EDDY COUNTY, NEW MEXICO

KARLSBAD CORAL AREA
GAS GATHERING SYSTEM

INTERP. BY: CHUCK CORNISH	DATE: 11-APR-05
DRAFTED BY: S.D.P.	CADFILE: s:\corral fly\corral fly_cc3_8x11
LOC:	GORFI FILE: