

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources DepartmentForm C-107-A
New 3-12-96

DISTRICT II

811 South First St., Artesia, NM 88210-2835

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

DISTRICT III

1000 Rio Brazos Rd. Aztec, NM 87410-1593

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

☒ YES ☐ NO

Yates Petroleum Corporation

105 S. Fourth Street

Artesia, NM 88210

Operator

Address

Morton Unit

1

B 5-15S-35E

Lea

Lease

Well No.

Unit Ltr. - Sec. - Twp. - Rge

County

OGRID NO. 025575

Property Code 018677

API NO. 30-025-33314

Spacing Unit Lease Types: (check 1 or more)

Federal ☐ State ☒ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	North Morton Atoka (Gas) 96676	Wildcat Morrow 96070	Wildcat Mississippian 96593
2. Top and Bottom of Pay Section (Perforations)	12524'-12933'	13207'-13243'	13407'-13426'
3. Type of production (Oil or Gas)	Gas	Gas	Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	Flowing
5. Bottomhole Pressure	a. (Current) 3886	a. 5400	a. (Current) 6074
Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	b. (Original) 4000	b. 5413	b. (Original) 6271
6. Oil Gravity (API) or Gas BTU Content	1150	1210	1127
7. Producing or Shut-in?	Producing	Shut-in	Shut-in
Production Marginal? (yes or no)	Yes	Yes	Yes
* If Shut-In, give 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: 1-9-97 Rates: 0 BOPD 0 BWPD 94 MCFGPD	Date: 12-3-96 Rates: 0 BOPD 0 BWPD 136 MCFGPD
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Estimated Rates: 30 BOPD 5 BWPD 1000 MCFGPD	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 100% Gas: 82%	Oil: 0% Gas: 8%	Oil: 0% Gas: 10%

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones?

☒ Yes ☐ No

If not, have all working, overriding, and royalty interests been notified by certified mail?

☐ Yes ☐ No

Have all offset operators been given written notice of the proposed downhole commingling?

☒ Yes ☐ No

11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☐ Yes ☐ No (If No, attach explanation)