

DISTRICT I

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

DISTRICT II

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

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-A  
New 3-12-96

OIL CONSERVATION DIVISION

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

APPROVAL PROCESS:

Administrative  Hearing

EXISTING WELLBORE

YES  NO

APPLICATION FOR DOWNHOLE COMMINGLING

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	Wildcat Atoka 96049	Wildcat Morrow 96070	Wildcat Mississippian 96068
2. Top and Bottom of Pay Section (Perforations)	12916'-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  Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 3575	a. 1608	a. (Current) 6074
	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 BOPD 94 MCFGPD	Date: 12-3-96 Rates: 0 BOPD 0 BOPD 136 MCFGPD
	Date: 3-24-97 Rates: 17 BOPD 1 BOPD 486 MCFGPD	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)			
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 100% Gas: 65%	Oil: 0% Gas: 15%	Oil: 0% Gas: 20%

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)