

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240  
DISTRICT II  
811 South First St., Artesia, NM 88210  
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico  
Energy, Minerals and Natural Resources Department  
OIL CONSERVATION DIVISION  
2040 S. Pacheco  
Santa Fe, New Mexico 87505-8429

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

APPROVAL PROCESS:  
\_\_\_ Administrative \_\_\_ Hearing  
EXISTING WELLBORE  
\_\_\_ YES \_\_\_ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Texaco Exploration & Producing Inc. 205 East Bender Hobbs, New Mexico 88240  
Operator Address  
New Mexico R State NCT-1 #18 H-6-18S-35E Lea, New Mexico

Lease Well No. Unit Ltr. - Sec - Tws - Rge County  
Spacing Unit Lease Types: ( check 1 or more)  
OGRID NO. 022351 Property Code 11051 API NO. 30-025-33428 Federal , State X , ( 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	Vacuum Blinebry		Vacuum Drinkard
2. Top And Bottom of Pay Section (Perforations)	6648'-7348'		7660'-8254'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current	(Current) a. 2409 psi N/A	a.	a. 1490 psi N/A
Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	(Original) b.	b.	b.
6. Oil Gravity (* API) or Gas BTU Content	36.1		36.7
7. Producing or Shut-In? Production Marginal? (yes or no)	To Be Completed Yes		Producing 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: New Zone Rates: (See Attached)		Date: Rates:
* If Producing, give date and oil/gas/ water rates of recent test (within 60 days)	Date: N/A Rates:		Date: 8/96 Rate: 100 BO, 113 BW, 60 MCF 24 hours
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 24 % Gas: 37 %	Oil: % Gas: %	Oil: 76 % Gas: 63 %

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)

12. Are all produced fluids from all commingled zones compatible with other? ☒ Yes \_\_\_ No

13. Will the value of production be decreased by commingling? \_\_\_ Yes ☒ No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Land or the United States Bureau of Land Management has been notified in writing of this application. \_\_\_ Yes \_\_\_ No

15. NMOCD Reference Cases for Rule 303(C) Exceptions: ORDER NO(S). DHC-1314; DHC-1315; DHC-1316; DHC-1317

16. ATTACHMENTS:  
\* C-102 for each zone to be commingled showing its spacing unit and acreage deication.  
\* Production curve for each zone for at lease one year. (If not available, attach explanation.)  
\* For zones with no production history, estimated production rates and supporting data.  
\* Notification list of all offset operators.  
\* Notification list of working, overriding, and royalty interests for uncommon interest cases.  
\* Any additional statements, data or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief  
SIGNATURE Monte C. Duncan TITLE Engineer's Assistant DATE 09-30-96  
TYPE OR PRINT NAME Monte C. Duncan TELEPHONE NO. ( 505 ) 397-0418