

N.M. Oil Cons. Division

P.O. Box 1980

Hobbs, NM 88241

State of New Mexico
Energy, Minerals and Natural Resources Department

RECEIVED

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

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

OIL CONSERVATION DIVISION

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

NOV 26 1996

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator CONOCO INC. Address 10 DESTA DRIVE, STE. 100W MIDLAND, TX 79705-4500Lease WARREN UNIT Well No. 35 Unit Ltr. - Sec - Twp - Rge K-SEC 28-T20S-R38E County LEAOGRID NO. 005073 Property Code 003122 API NO. 3002512400 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	WARREN UNIT BLINEBRY-TUBB 69265		WARREN UNIT DRINKARD 63080
2. Top and Bottom of Pay Section (Perforations)	5791-6596'		6642-6784'
3. Type of production (Oil or Gas)	OIL		OIL
4. Method of Production (Flowing or Artificial Lift)	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) 901 psia b. (Original) est. 2600 psia	a. b.	a. 803 psia b. est. 2700 psia
6. Oil Gravity ($^{\circ}$ API) or Gas BTU Content	39.4 API		39.6 API
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no)	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 * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 6/96 Rates: 17 BOPD/ 1 BWPD 600 MCFD	Date: Rates:	Date: 5/96 Rates: 12 BOPD/ 2 BWPD 500 MCFD
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 59 % Gas: 55 %	Oil: % Gas: %	Oil: 41 % Gas: 45 %

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 ☐ No11. 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 each other? ☒ Yes ☐ No13. 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 Lands 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(D) Exceptions: ORDER NO(S). _____

16. ATTACHMENTS:

- * C-102 for each zone to be commingled 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 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 Jerry W. Hoover TITLE Sr. Conservation Coordinator DATE 11-26-96TYPE OR PRINT NAME JERRY W. HOOVER TELEPHONE NO. (915) 686-6548

Submit to Appropriate
District Office
Sale Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Department of Geology, Minerals and Natural Resources

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

Operator Conoco Inc.			Lease Warren-Blinebry		Well No. 35
Unit Letter K	Section 28	Township 20S	Range 38E	County NMPM	Lea
Actual Footage Location of Well: 1880 feet from the South line and 1980 feet from the West line					
Ground level Elev. 3531		Producing Formation Tubb		Pool Warren Tubb	
Dedicated Acreage: 40 Acres					

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

OPERATOR CERTIFICATION

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

Signature

Printed Name

Jerry W. Hoover

Position

Sr. Conservation Coord.

Company

Conoco, Inc.

Date

03-30-92

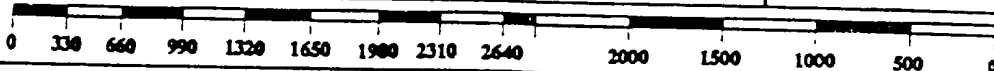
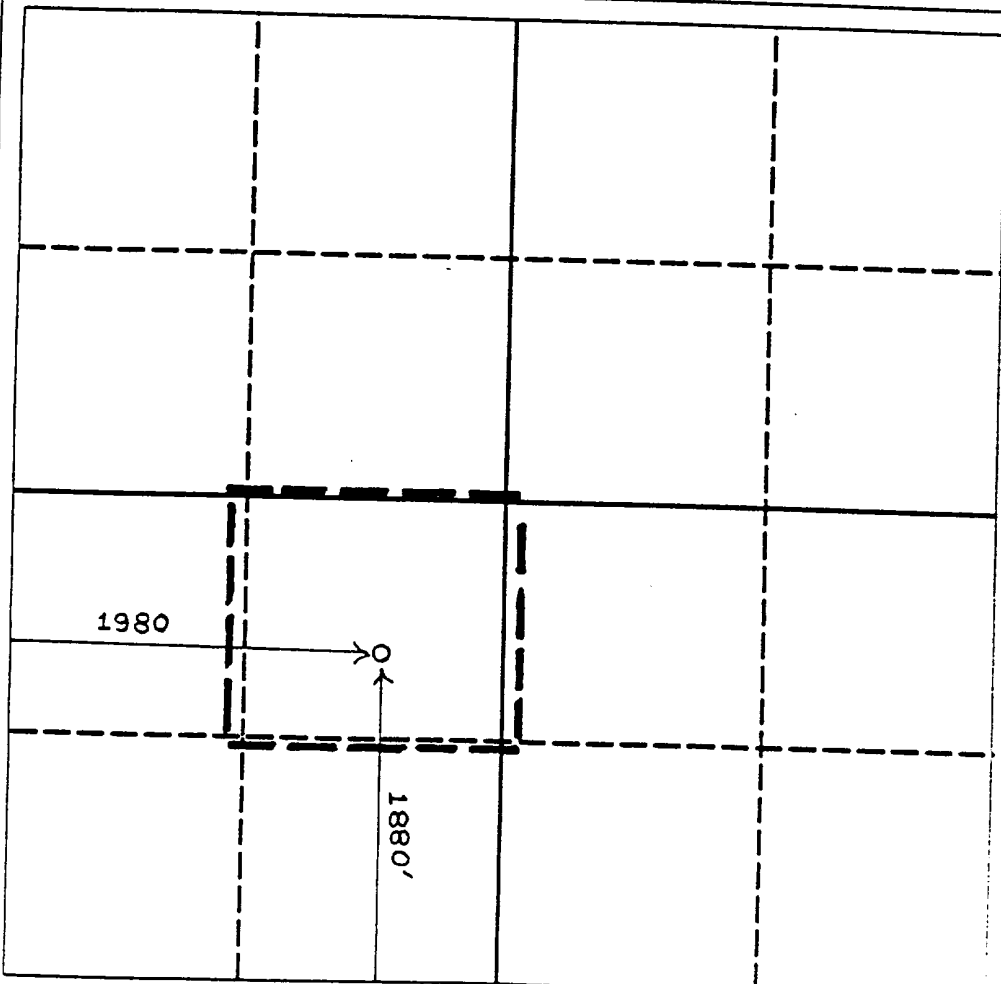
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

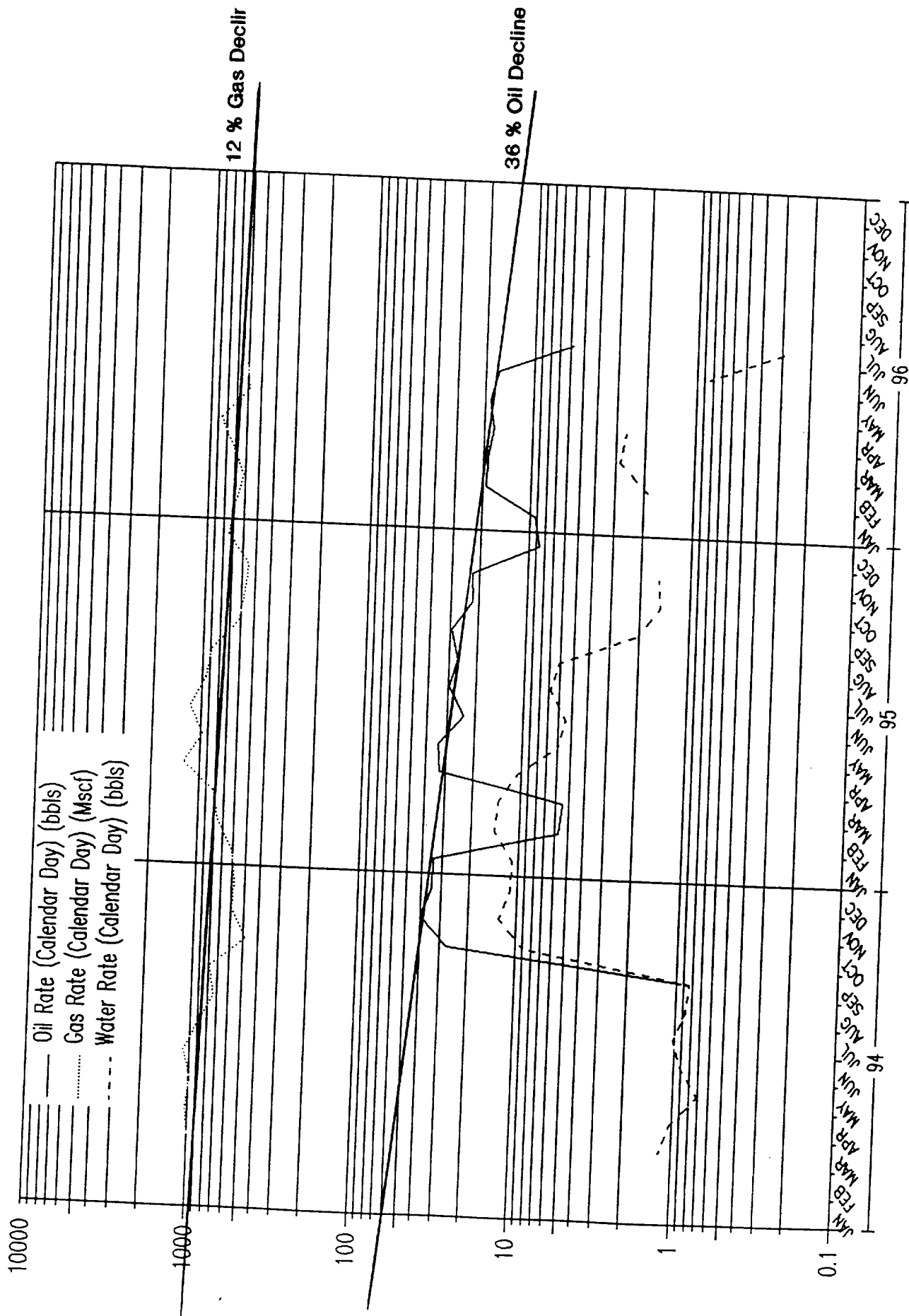
Date Surveyed

Signature & Seal of
Professional Surveyor

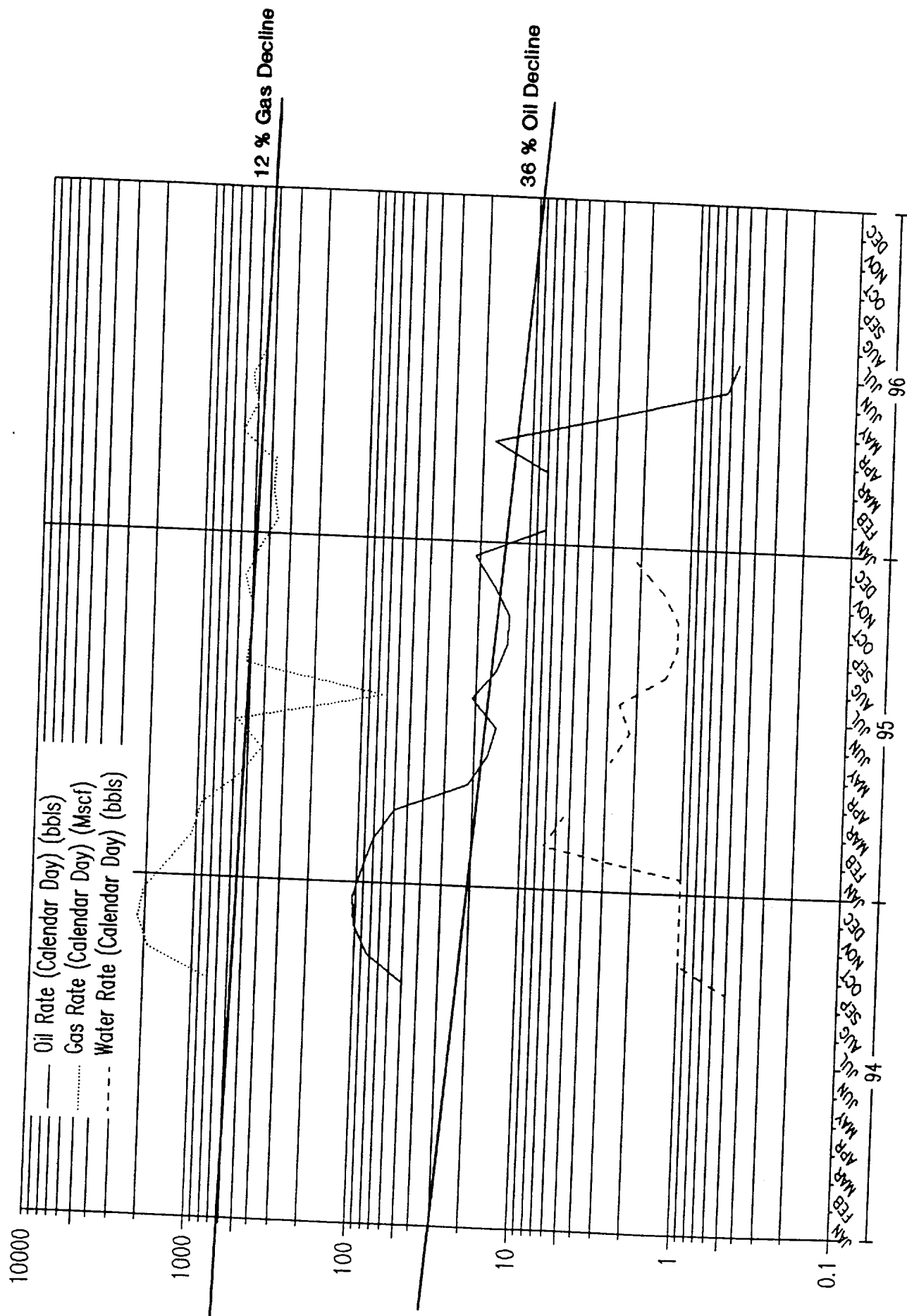
Certificate No.



WELL: WARREN UNIT 35:BT



WELL: WARREN UNIT 35:DR





NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

ADMINISTRATIVE ORDER DHC-1436

Conoco Inc.
10 Desta Drive
Suite 100W
Midland, Texas 79705-4500

Mr. Jerry W. Hoover

Warren Unit Well No. 35
API No. 30-025-12400
Unit K, Section 28, Township 20 South, Range 38 East, NMPM,
Lea County, New Mexico.
Warren Blinebry-Tubb Oil & Gas (69265),
Warren-Drinkard (63080) Pools

Dear Mr. Hoover:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C., the daily allowable producing rates from the subject well are hereby established as follows:

Oil 142 B/D

Gas 1136 MCF/D

Water 284 B/D

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Warren Blinebry-Tubb Pool	Oil 59%	Gas 55%
Warren-Drinkard Pool	Oil 41%	Gas 45%

REMARKS: The operator shall notify the Hobbs District Office of the Division upon

Administrative Order DHC-1436

Conoco Inc.

February 25, 1997

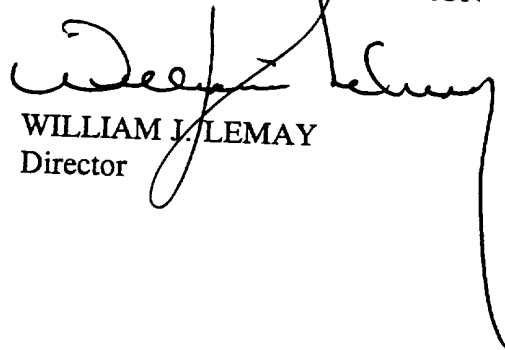
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implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 25th day of February, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

WJL/DRC

cc: Oil Conservation Division -Hobbs
Bureau of Land Management-Carlsbad