DISTRICT I
ι Ο Βοχ 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

OIL CONSERVATION DIVISION

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

APPLICATION FOR DOWNHOLE COMMINGLING

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

~ APPROVAL PROCESS:
☒ Administrative ☐ Hearing

EXISTING WELLBORE
☒ YES ☐ NO

Conoco Inc.
Operator

10 Desta Dr. Ste 100W, Midland, Tx. 79705-4500
Address

SEMU Skaggs B   #97   Section 23, T-20-S, R-37-E, K   Lea
Lease   Well No   Unit Ltr Sec Twp Rge   County

OGRID NO. __005073__ Property Code __018722__ API NO. 30-025-25419   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	Monument Tubb 47090		Weir Drinkard 63840
2. TOP and Bottom of Pay Section (Perforations)	6304-6575'		6619-6836'
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 / Gas & Oil - Flowing: Measured Current / All Gas Zones: Estimated Or Measured Original	a (Current) 210 / b (Original) 2200	a. / b.	a. 178 / b. 2440
6. Oil Gravity (°API) or Gas BT Content	32.6		39.6
7. Producing or Shut-In?	Shut-in		Shut-in
Production Marginal? (yes or no)	Yes		Yes
• If Shut-In give date and oil/gas/water rates of lsst production. Note For new zones with no production history applicant shad be required to attach production estimates and supporting data	Date Est 9/10/97 Rates 2.2 MCFD, 2.2 BOPD, 6.8 BWPD	Date Rates	Date Est 9/1/90 Rates 9.4 MCFD, 1.4 BOPD, 12.8 BWPD
• If Producing, date and oil/gas/water rates of recent test (within 60 days)	Date Rates	Date Rates	Date Rates
8. Fixed Percentage Allocation Formula -% or each zone	Oil 61 % Gas 19 %	Oil % Gas %	Oil 39 % Gas 81 %

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? X Yes ___ No
    If not, have all working, overriding, and royalty interests been notified by certified mail? ___ Yes X No
    Have all offset operators been given written notice of the proposed downhole commingling? X Yes ___ No

11. Will cross-flow occur? ___ Yes X 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 others X Yes ___ No

13. Will the value of production be decreased by commingling? ___ Yes X 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. X 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 _Kay Maddox_   TITLE __Regulatory Agent__   DATE February 17, 1998

TYPE OR PRINT NAME __Kay Maddox__   TELEPHONE NO. (915) __686-5798__