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**

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

APPROVAL PROCESS:

_ Administrative ____Hearing

... 11

EXISTING WELLBORE

APPLICATION FOR DOWNHOLE COMMINGLING

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

___YES ___NO

Cross Timbers	Operating Company,	3000 N. Garfield, Suite 17.	5, Midland, 1X /9/05
Operator		Address	
McCallister	#2	D-8-20S-38E	Lea
Lease	Wéll No.	Unit Ltr Sec - Two - Roe	County

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Specing Unit Lease Types: (check 1 or m , land/orl Fee \underline{X} OGRID NO. 005380 Property Code 003353 API NO. 30-025-27629 Federal _____, State

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Nadine Paddock Bline- bry, West (47400)		Nadine Tubb, West (47530)
2. Top and Bottom of Pay Section (Perforations)	5,956'-6,267'		6,442'-6,551'
3. Type of production (Oil or Gas)	0i1		011
4. Mathod of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: All Gas Zones: Estimated Or Measured Original	a. ^(Current) 1,300 psig	а.	a. 2,000 psig
	b. ^(Original)	Ь.	b.
6. Oil Gravity ([°] API) or Gas BTU Content	36.0°		35.5°
7. Producing or Shut-In?	Producing		New Zone
Production Marginal? (yes or no)	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 	Date: Rates:	Date: Rates:	Date: Rates:
production estimates and supporting data for a stimates and supporting data for a stimates of recent test (within 60 days)	Date: 8/26/97 Rates: 10/216/7	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula -% for each zone	o ii: 60 % ^{Gas:} 48 %	Oil: Gas: % %	0ii: 40 % Gas: 52 %

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? If not, have all working, overriding, and royalty interests been notified by certified mail? Have all offset operators been given written notice of the proposed downhole commingling?

<u>X</u>Yes <u>No</u> XYes <u>No</u> 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)

ORDER NO(S). ___DHC-392

12. Are all produced fluids from all commingled zones compatible with each other? <u>x</u> Yes No

13. Will the value of production be decreased by commingling? X 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(C) Exceptions:

16. ATTACHMENTS:

HMENTS:
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 explaination.)
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.

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hereby certify that the information above is true and complete	to the best of my knowledge and belief.
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SIGINATORE J. Muy Whine	
TYPE OR PRINT NAME F. TERRY PERKINS	R TELEPHONE NO. (817) 877-2360