

DISTRICT I

P.O. Box 1880, Hobbs, NM 88240

DISTRICT II

611 South First St., Artesia, NM 88210

DISTRICT III

1000 Ave Brakes Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429Form C-107-A
New 3-12-96

APPROVAL PROCESS:

Administrative ☐ Hearing ☐

EXISTING WELLBORE

YES ☐ NO ☐

APPLICATION FOR DOWNHOLE COMMINGLING

P.O. Box 51810 Midland, Texas 79710-1810

Meridian Oil Inc.

Mule Deer '36' State

3

J. Sec. 36, T22S, R32E

Lea

WELL NO. 30-025-33093

Spacing Unit Lease Type: (check 1 or more)

OGRID NO. 26485 Property Code 16462 API NO. 30-025-33093

Federal ☐ State ☒ (Landlord Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	West Red Tank Delaware 51689		Red Tank Bone Spring 51683
2. Top and Bottom of Pay Section (Perforations)	8538'-8552' (Pro)		8889'-8901'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or 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) 1270 (est.) b. (Original) 2550 (est.)	a. b.	a. 1335 b. 2675
6. Oil Gravity (°API) or Gas STU Content	42 (est.)		42.138
7. Producing or Shut-In?			Producing
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, applicants 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: Rates:	Date: Rates:	Date: Rates:
	Date: Rates:	Date: Rates:	Date: 7/3/96 Rates: 37 oil, 132 mcf, 0 water
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 40 % Gas: 20 %	Oil: % Gas: %	Oil: 60 % Gas: 80 %

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 each other? ☐ Yes ☐ No

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

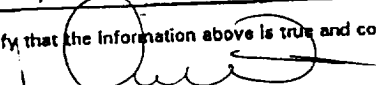
14. If this well is on, or communitized with, state or federal lands, other the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☐ Yes ☐ No

15. NMOCD Reference Cases for Rule 303(C) Exceptions: 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  TITLE Regulatory DATE 7/15/96

TYPE OR PRINT NAME Donna Williams TELEPHONE NO. (915) 688-6943

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-028-33093		² Pool Code 51689		³ Pool Name West Red Tank Delaware	
⁴ Property Code 16462		⁵ Property Name Mule Deer '36' State			⁶ Well Number # 3
⁷ OGRID No. 26485		⁸ Operator Name Meridian Oil Inc.			⁹ Elevation 3789'

¹⁰ Surface Location

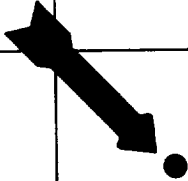
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
	36	22S	32E		1980'	South	1980'	East	Lea

¹¹ Bottom Hole Location If Different From Surface

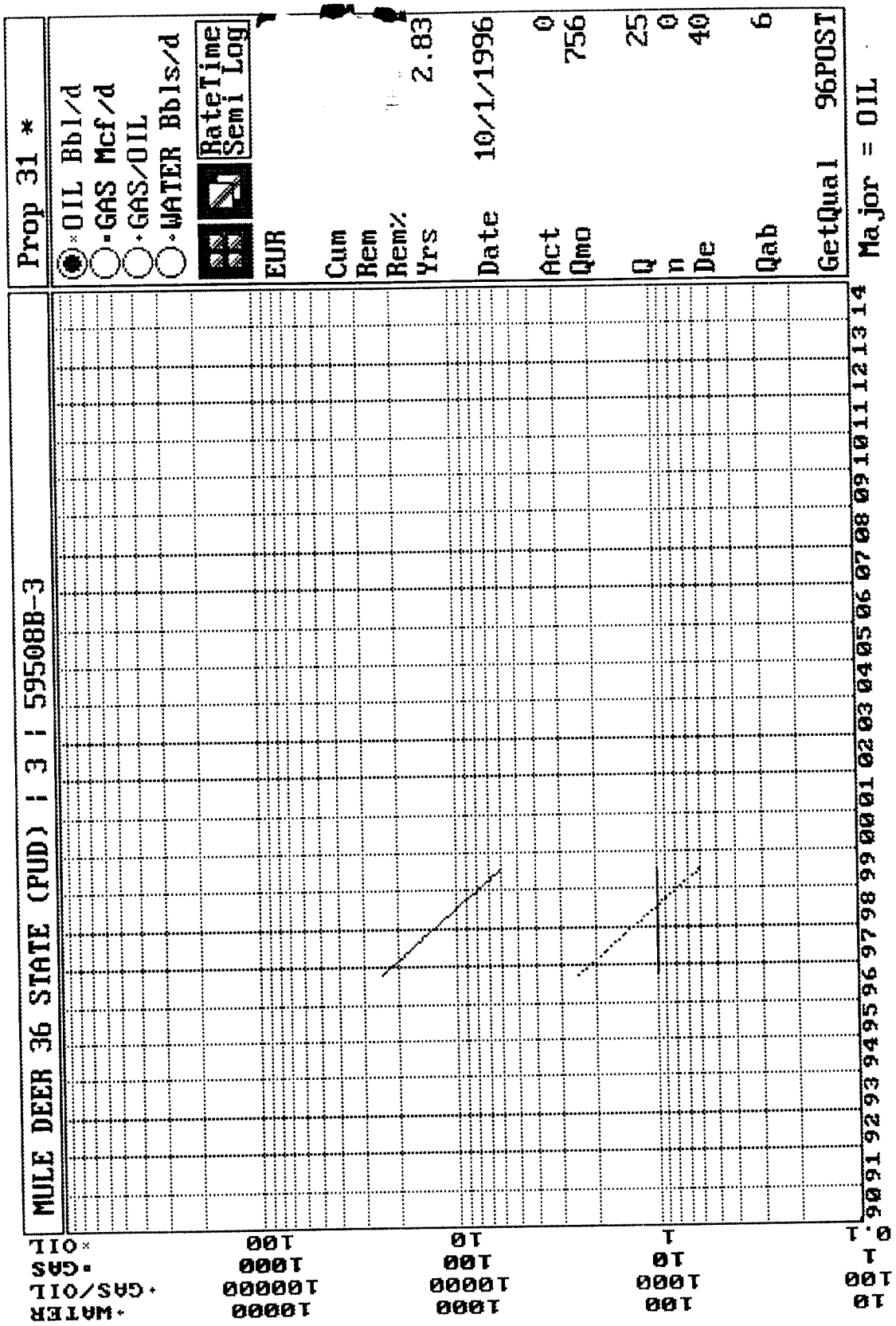
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON--STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Donna Williams Printed Name Regulatory Assistant Title 7/12/96 Date			
	¹⁸ SURVEYOR CERTIFICATION <i>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 belief.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number			

Delaware - Upper Zone



Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, NM 87504-2088

☐ **AMENDED REPORT**

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-028-33093		² Pool Code 51683	³ Pool Name Red Tank Bone Spring
⁴ Property Code 16462	⁵ Property Name Mule Deer '36' State		⁶ Well Number # 3
⁷ OGRID No. 26485	⁸ Operator Name Meridian Oil Inc.		⁹ Elevation 3789'

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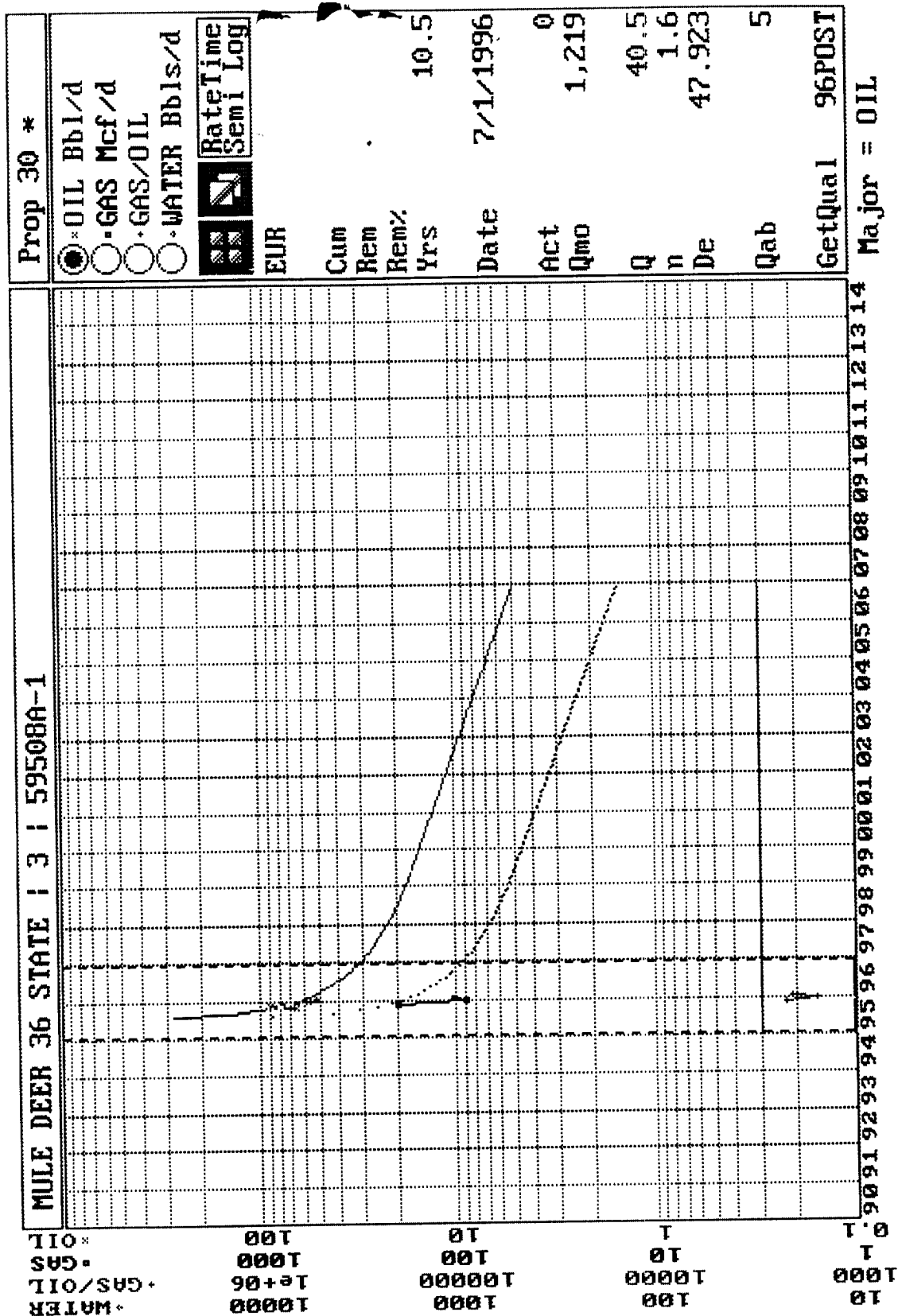
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Bone Spring - Lower Zone





MERIDIAN OIL INC.
APPLICATION FOR ADMINISTRATIVE APPROVAL
DOWNHOLE COMMINGLING
MULE DEER '36' STATE WELL NO. 3
LEA COUNTY, NEW MEXICO

Chevron USA
Box 1150
Midland, Texas 79702

Pogo Producing Company
Box 10340
Midland, Texas 79702

Yates Petroleum Corporation
105 S. 4th
Artesia, New Mexico 88210

Strata Petroleum Company
110 N. Marienfeld, Ste. 370
Midland, Texas 79701-4412

SECTION 6:

**Unleased: Bureau of Land Management - Mineral Interest
P.O. Box 1778
Carlsbad, New Mexico 88210**

New Mexico State Land Office - Surface Interest
P.O. Box 1148
Santa Fe, New Mexico 87504-1148