District I 1625 N. French Drive, Hobbs, NM 88240

District II 1301 W. Grand Aven ue. Artesia: NM 88210

District III Acc. NM 87410 Rio Brazos Road

District IV

1220 S. St. Francis Dr., Santa Fe, NM #7505

State of New Mexico Energy, Minerals and Natural Resources Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

APPLICATION TYPE X_Single Well Establish Pre-Approved Pools EXISTING WELLBORE X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Xeric Oil & Gas Corporation

P. O. Box 352 Midland, TX 79702

Operator

Operator			Address	
	Porfidio State	#1	M, Sec. 17, T20S, R39E	Lea
Lease		Well No.	Unit Letter-Section-Township-Range	County

OGRID No. 025482 Property Code 29655 API No. 30-025-35890 Lease Type: Federal X State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	D-K East Warren Drinkard	N/A	D-K; Abo
Pool Code	63120		15200
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	7014-7066	······································	7300-7513
Method of Production (Flowing or Artificial Lift)	` Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	N/A		N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	36.8		37.3
Producing, Shut-In or New Zone	Producing		SI
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: 10/22/02 Rates: 20 B0, 45 MCF 90 BW	Date: Rates:	Date: 9/20/02 Rates: 16 BO, 64 MCF 2 BW
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required)	Oil Gas 55 % 38 %	Oil Gas % %	Oil Gas 45 % 62 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Are all produced fluids from all commingled zones compatible with each other?

Will commingling decrease the value of production?

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

NMOCD Reference Case No. applicable to this well:

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 working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.

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

SIGNATURE ANGU CRAWEN TITLE	Production Analyst DATE 10/25/02
TYPE OR PRINT NAME Angle Crawford	TELEPHONE NO. (915) 683-3171



DISTRICT I State of New Mexico P.O. Box 1980, Eobbs, NM 88241-1960 DISTRICT II P.O. Draver DD, Artesia, NK 88211-0719 OIL CONSERVATION DIVISION

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

DISTRICT IV P.O. BOX 2085, SANTA FE, N.M. 87504-97 Revised February 10, 1994 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

Form C-102

P.O. BOX 2085, SANT		504-2088	WELL LO	DCATION	AND ACRE.	AGE DEDICATI	ON PLAT	C AMENDED	PEDADT
1	Number			Pool Code			Pool Name		
·	25-3589	0		15200			D-K; Abo	Э	
Property					Property Nar	ne		Well Num	iber
2965		ļ			PORFIDIO S	TATE		1	
OGRID N					Operator Nam			Elevatio	
0254	82		Xł	ERIC OI	L & GAS CO	ORPORATION		353	1'
					Surface Loc	ation			
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	Consta
M	17	20-5	5 39-Е		660	SOUTH	660	WEST	County LEA
· · · · · · · · · · · · · · · · · · ·			Bottom	Hole Lo	cation If Diffe	erent From Sur	face	J	L
UL or lot Nc.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint o	r Infill C	onsolidation		<u> </u>		<u> </u>		
40			ousondation	Code Or	der No.				
					<u> </u>				
NO KILO	MADLE W	OR A	ISSIGNED ' NON-STAN	TO THIS	COMPLETION U	UNTIL ALL INTER APPROVED BY	ESTS HAVE BI	ZEN CONSOLIDA	TED
					II HAS BEEN	APPROVED BY	THE DIVISION		
1	1			LOT	1		OPERATO	OR CERTIFICAT	TON
				l			11		ļ
	1			l	l		I hereb contained herei	y certify the the inj n is true and comple	ormation
				1	[best of my know	pledge and belief.	
	1			l				A	
				!			1 Pure	- l'hau	Dan /
┝─ ── ─				29.02	AC		Signature	entit	pur
	1			LOT	2		Angie Cr	outord	0
	Į						Printed Name		
							Producti	on Analyst	1
	1						Title		
]							10/25/02	· · · · · · · · · · · · · · · · · · ·	
			i				Date		
<u>├</u>]	29.07	TEXAS		SURVEYO	TO CERTIFICAT	ION
	1		i	LOT :	3 単	-	11 18		1
							on this plat we	that the well locate	notes of
	I		i				active surveys	mail Oby me ar	Walker my
							I COTTRCE to the	best of July belief.	true and
	1		1				12 0	WE ANN	29
							MARI	СҢ 29, 2002 (5
+++++++	-+ ++		!	29.11	4C		Date Spreye	J. ELD	AWB
				LOT 4	+ I		Date Survey: Signature & Professional	Surveyor	
	7		[nº Or		
	\mathbf{k}						Kontal	log V =	1.1.0
∼ 660' → ⊙	્ય		I				1 Martine 4	DINAN 41	01/02
- 60	1						1	2.11.0236	
- 61	, r		1				Certificate No	RONALD J. EIDSON	N 3239
1	~ ~			29.16 A			- 1 1 - 1 No F - 4	AUTON STRATE	12641

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I					Stat	e of Ne	w Mexico				
P.O. Box 1980, Hobb	s, NM 88241-1	980	·	Energy.			Resources Depart	ment	~	For	rm C-102
DISTRICT II P.O. Drawer DD. Art	caia, NK 88211	-0719	OIL		SEI	RVATI	ON DI			Revised Februar to Appropriate Dist State Lease	y 10, 1994 trict Office - 4 Copies
DISTRICT III 1000 Rio Brazos I	Rd., Aztec, N	¥ 87410		Santa H	P. Fe, No	O. Box 2 ew Mexic	2088 co 87504-2	2088		Fee Lease	- 3 Copies
DISTRICT IV P.O. BOX 2086, SANT	IA FE, N.M. 87	504-2068	WELL LO	CATION	ANI	D ACRE	AGE DEDI	ሮልጥ፤		_	
API	Number									C AMENDED	REPORT
	25-3589	0		Pool Code 5 3120	539			K.	Pool Name Warren Drinl	1	
Property	Code	T	ha		P	roperty Nan			warren Drin	Well Num	
2965	the second s				PORI	FIDIO S	TATE			*en Run	iber
OGRID N						perator Nam				Elevatio	
0254	82	l	XE	ERIC OI	L &	GAS CO	ORPORATI	ON		3531	-
F					Sur	face Loc	ation				
UL or lot No.	Section	Township	Range	Lot Idn	Feet	from the	North/South	line	Feet from the	East/West line	County
M	17	20-S	39-E		6	60	SOUTH		660	WEST	LEA
			Bottom	Hole Lo	cation	If Diffe	rent From				
UL or lot No.	Section	Township	Range	Lot Idn	_	from the	North/South				
			-				North/South	hne	Feet from the	East/West line	County
Dedicated Acres	Joint of	r Infill Cor	nsolidation (Code On	der No.	<u></u>					
40					110.						
NO ALLO	WABLE W	ILL BE AS	SIGNED 1			E E E E					
	_	ORAN	ON-STAN	DARD UN	IT HA	LETION U AS BEEN	APPROVED	NTER BY 1	ESTS HAVE BE THE DIVISION	EN CONSOLIDA	TED
	T									· · · · · · · · · · · · · · · · · · ·	
[]	1			LOT	1				OPERATO	R CERTIFICAT	
									11		11
	1 1		1						contained herein	certify the the inf is true and comple	te to the
	· .								best of my know	ledge and belief.	
			1			}				Â	A
				29.02	AC				1 and	Le Crau	and
									Signature	,	y et
			Ì	LOT :	2				Angie Cra	awford	
	1								Printed Name		
									Productio	on Analyst	1
	I								10/25/02		
									Date		[]
			1	29.07	AC	SA			SURVEYO	R CERTIFICAT	
	1		1	LOT 3	5	TEXAS					
			1						I have by certify	that the well locations plotted from field	m shown
	I		1						actual surveys	made by me or s	under my
			1						supervison and correct to the	that the same is best of my belief.	true and
	1		1							000 000	
										H 29, 2002	112
× + + 1-	- <i>- 2</i> 2 - <i>2</i> -	<u> </u>	<u> </u>	29.11 /	\с				Date Surveyed Signature & S	J. ELD	CANB
	1			LOT 4					Professional S	urveyor	60 60
	*		1						De Sa		י∕ ∥
- 660'	t								Kmith	BO VIVE	
			1						1 The And	110236 4 S	01/02
660'-	\mathbf{k}										
l i	くよ		1	20.10					Certificate No.	RONALD J. EIDSON	N 3239 12641
				29.16 A	C I				internet in the second s	Contraction of the second	

111

.

	D	К Аво	······································
	BBLS OIL	BBLS WTR	MCF
9/5/02	18	2	60
9/6/02	18	2	60
9/7/02	18	2	60
9/8/02	6	2	60
9/9/02	18	2	60
9/10/02	18	2	60
9/11/02	18	2	64
9/12/02	18	2	64
9/13/02	18	2	64
9/14/02	18	2	64
9/15/02	18	2	64
9/16/02	18	2	60
9/17/02	18	3	60
9/18/02	18	2	60
9/19/02	18	2	64
9/20/02	16	2	64
TOTAL	274	33	988
Daily Average Gravity	17 37.3	2	62

XERIC OIL & GAS CORPORATION PORFIDIO STATE #1 PRODUCTION

	_EAST WARR	DE EN DRINKARD		
	BBLS OIL	BBLS WTR	MCF	
10/7/02	9	160	45	
10/8/02	15	147	82	
10/9/02	15	100	60	
10/10/02	29	100	59	
10/11/02	24	100	27	
10/12/02	24	111	30	
10/13/02	26	100	30	
10/14/02	20	105	40	
10/15/02	24	97	30	
10/16/02	20	97	32	
10/17/02	20	120	32	
10/18/02	21	104	S 1	
10/19/02	22	106	33 02	
10/20/02	22	94	5 37 CT 59004	
10/21/02	22	90	c. 37	
10/22/02	20	90	45	
TOTAL	333	1721	650	-
Daily Average	21	108	41	259 - 2 - 2
Gravity	36.8			

Production rates for most recent 16 days from each zone.

XERIC OIL & GAS CORPORATION PORFIDIO STATE #1 APPLICATION FOR DOWNHOLE COMMINGLE ALLOCATION OF PRODUCTION

	S	% OF	MCF	% OF	BBLS	% OF	SOURCE
	OIL	TOTAL		TOTAL	WATER	TOTAL	
Bast Warren Drinkard	21	55%	41	38%	107	%66	10/7/02 through10/22/02 16 day Avg of Totals
DK;Abo	17	45%	66	62%	2	1%	9/5/02 through 9/20/02 16 day Avg of Totals
TOTAL	38	100%	107	100%	109	100%	



۰,

.