

# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

## ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

### Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
 [DD-Directional Drilling] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling  
☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

### [3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

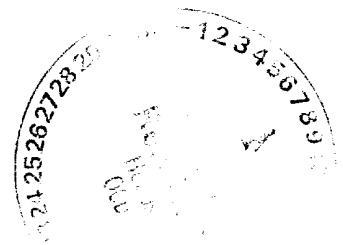
Note: Statement must be completed by an individual with supervisory capacity.

ERNIE L. HEGWER  
 Print or Type Name

Emil L. Hegwer  
 Signature

OPERATOR  
 Title

10-6-97  
 Date



## DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

## DISTRICT II

811 South First St., Artesia, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Artesia, 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

Operator Ernie L. Hegwer Co. P.O. Box 1637 Hobbs, N.M. 88240Address Edith Butler 1 M Sec 18 T-22-S R-38-E LeaCounty LeaOGRID NO. 07508 Property Code 21579 API NO. 30-025-12119 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 Zones	Lower Zone
1. Pool Name and Pool Code	Blinebry 96314		South Brunson Drinkard Abo 96313
2. Top and Bottom of Pay Section (Perforations)	5485-5995		6350-7072
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	AL		Flow
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 210 b. (Original)	a.  b.	a. 385 b.
6. Oil Gravity (°API) or Gas BTU Content	37.8		38.0
7. Producing or Shut-In?	P		P
Production Marginal? (yes or no)	Y		Y
* 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	Date: 7-21-97 Rates: 3 Oil 30 MCF	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 73 % Gas: 94 %	Oil: % Gas: %	Oil: 27 % Gas: 6 %

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?  
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(C) Exceptions: ORDER NO(S). \_\_\_\_\_

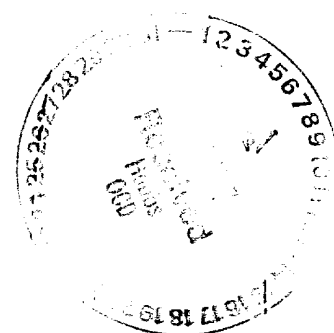
## 16. ATTACHMENTS:

- 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 Ernie L. Hegwer TITLE Operator DATE October 6, 97TYPE OR PRINT NAME Ernie L. Hegwer TELEPHONE NO. ( 505 ) 393-6327

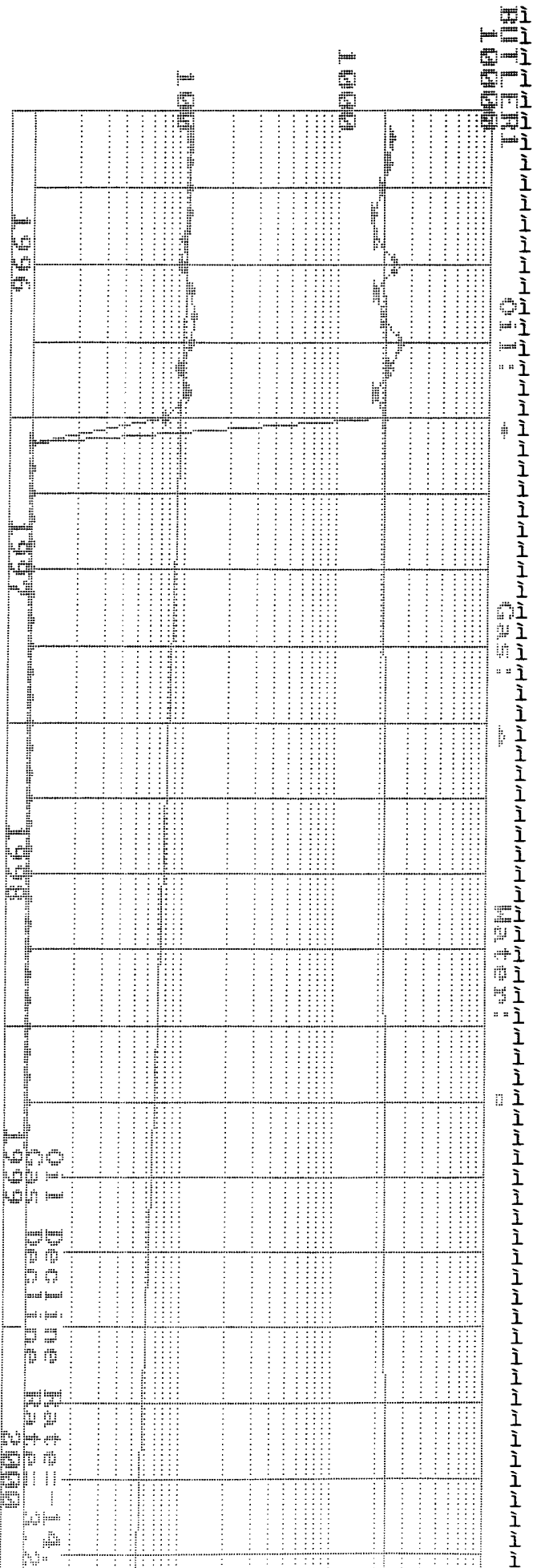
82-8186



TOMC

Production Curve  
Edith Butler # 1  
1996 Production History  
Blinebry

1094 - Oil Bbls  
22,491 - Gas MCF



BUTLER

011

GAS

Water

10000

Production Curve

Edith Butler # 1

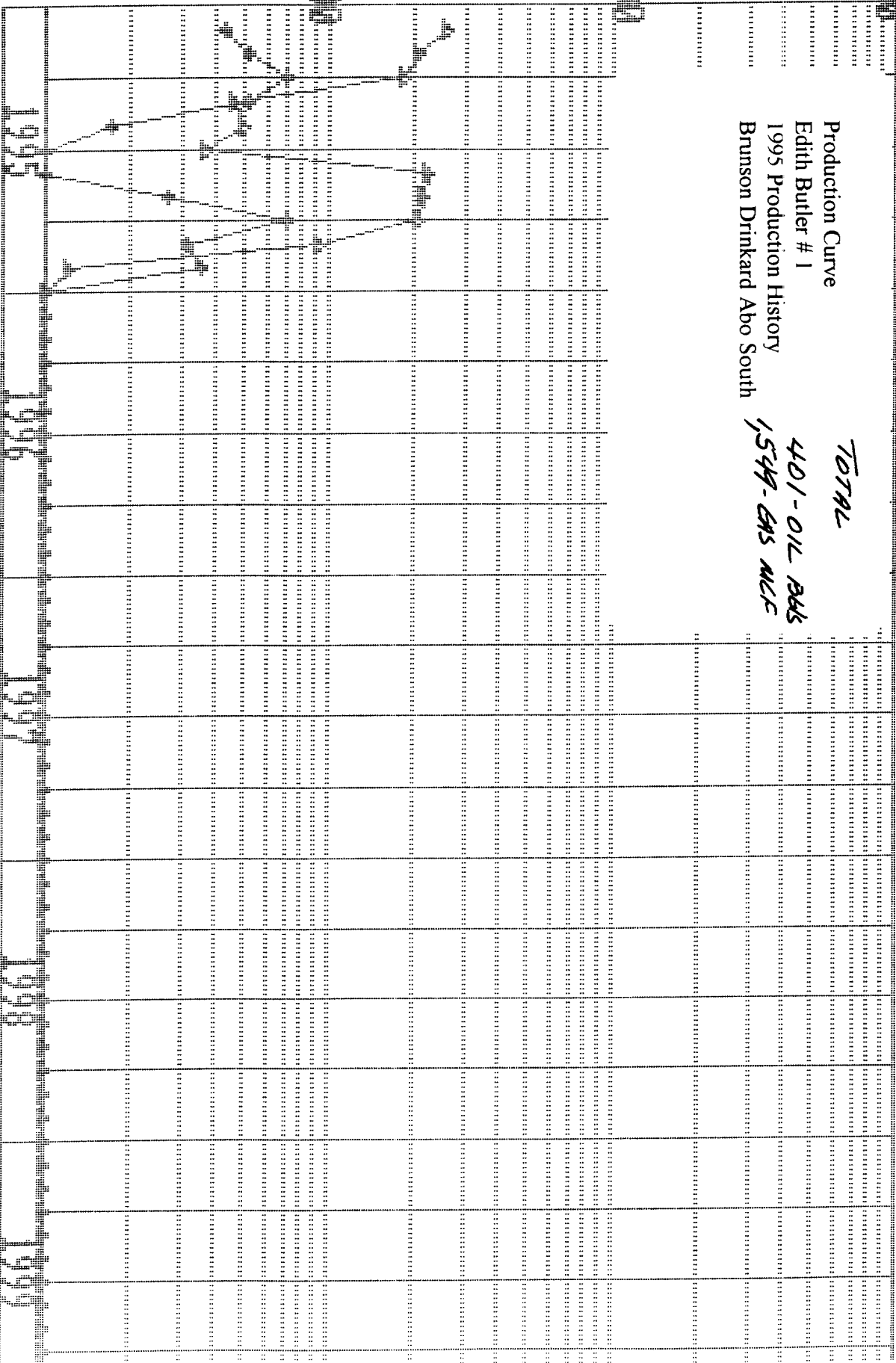
1995 Production History

Brunson Drinkard Abo South

TOTAL

401 - OIL BBS

1,549 - GAS MCF

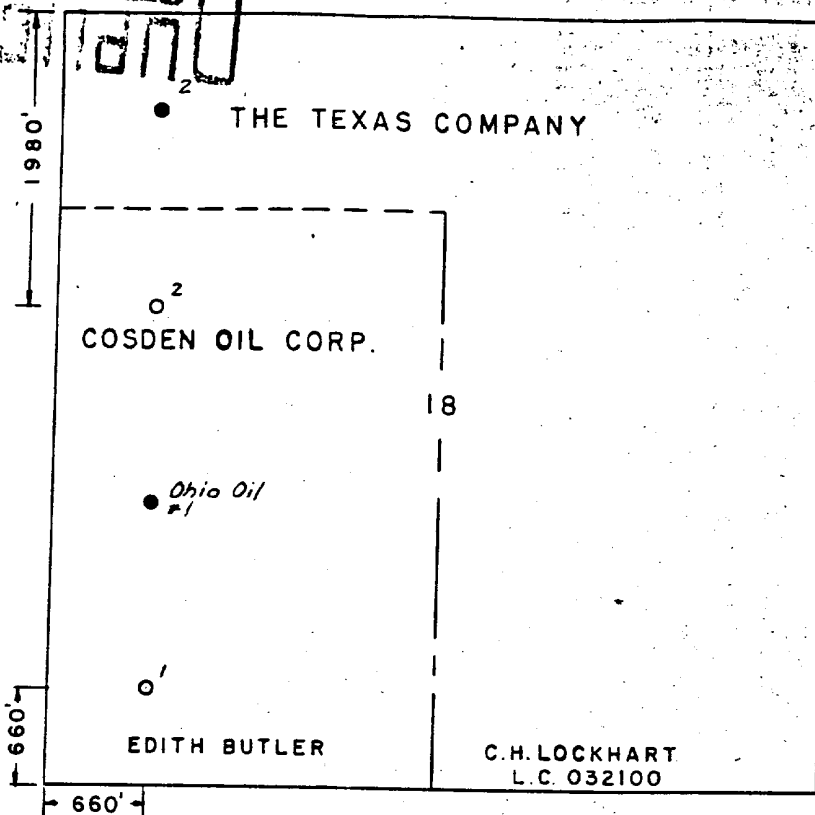




16				<p>17 OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p>Signature <u><i>Ernie L. Hegwer</i></u></p> <p>Printed Name <u>Ernie L. Hegwer</u></p> <p>Title <u>Operator</u></p> <p>Date <u>October 6, 1997</u></p>	
FWL 660' 0#1					
660' FSL				<p>18 SURVEYOR CERTIFICATION</p> <p><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></p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyer: _____</p> <p>Certificate Number _____</p>	







SCALE 4" = 1 MILE

In witness whereof I hereunto affix my hand and seal this 3rd day of October 1952.

Charles P. Miller  
Charles P. Miller



**ERNIE L. HEGWER COMPANY**

OIL & GAS OPERATOR

P.O. BOX 1637

HOBBS, NEW MEXICO 88241

October 6, 1997

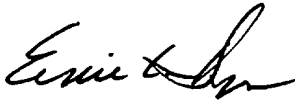
Re: DHC- Edith Butler #1  
Unit Letter M Sec 18, T-22-S, R-38-E  
Lea County, N.M.

To: **All OFFSET OPERATORS**

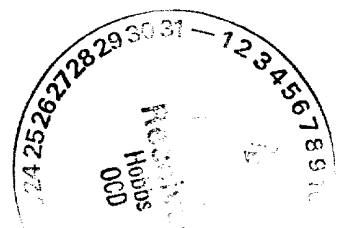
We are enclosing our application to downhole commingle the production from the Blinebry and Brunson Drinkard Abo South.

If you have any questions, please call me at ( 505) 393-6327.

Sincerely,

A handwritten signature in black ink, appearing to read "Ernie L. Hegwer", with a stylized flourish at the end.

Ernie L. Hegwer  
Operator

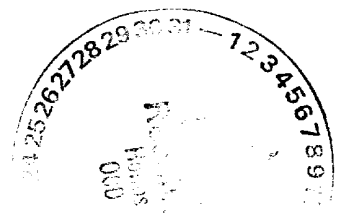


## **EXHIBIT 1**

DHC- Edith Butler #1  
Unit Letter M, Sec 18, T-22-S, R-38-E  
Lea County, N.M.

## **OFFSET OPERATORS**

1. Hanson Operating Co. Inc.  
P.O. Box 1515  
Roswell, N.M. 88202
2. Marathon Oil Co.  
P.O. Box 552  
Midland, Tx 79702
3. John H. Hendrix  
P.O. Box 3040  
Midland, Tx 79702



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

# OIL CONSERVATION DIVISION

2040 Pacheco St.  
Santa Fe, NM 87505

WELL API NO.

30-025-12119

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"  
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

OIL  
WELL ☒

GAS  
WELL ☐

OTHER

2. Name of Operator

ERNIE L. HEGWER CO.

3. Address of Operator

P.O. BOX 1637 HOBBS, N.M. 88240

4. Well Location

Unit Letter M : 660 Feet From The SOUTH Line and 660 Feet From The WEST Line

Section 18

Township 22-S

Range 38-E

NMPM

LEA

County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

3335 ER

11.

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

## NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

PLAN TO RELEASE PACKER SET BETWEEN  
THE BLINE 1324 & ABD. PRODUCE WELL VIA  
ROD PUMP. DHC APPLICATION FILED 10-6-97.

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

SIGNATURE

Ernie L. Hegwer

TITLE

OPERATOR

DATE

10-7-97

TYPE OR PRINT NAME

ERNIE L. HEGWER

TELEPHONE NO.

505-393-6307

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:



