

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 87505-8429Form C-10
New 3-

APPROVAL PROC

Administrative

EXISTING WELLS

YES

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Ernie L. Hegwer Co. P.O. Box 1637 Hobbs, N.M. 88240Cust Edith Butler # 2

Well No.

E Sec 18 T-22-S R-38-E Lea

Unit Lit. - Sec - Twp - Rge

County

OGRID NO. 07508 Property Code 21579 API NO. 30-025-12120

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	Tubb 86440	Drinkard 96313
2. Top and Bottom of Pay Section (Perforations)	5510-5738	6102-6220	6358-7010
3. Type of production (Oil or Gas)	Oil	Gas	Oil
4. Method of Production (Flowing or Artificial Lift)	AL	Flow	Flow
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 400 b. (Original)	a. 300 b.	a. 400 b.
6. Oil Gravity (° API) or Gas BTU Content	37.8	1249	38.0
7. Producing or Shut-In?	P	S	S
Production Marginal? (yes or no)	Y	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 * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 6-98 Rates: 10 Oil 100 MCF	Date: 12-91 Rates: 10 MCF 0 Oil	Date: 12-93 Rates: 2 Oil 10 MCF
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 83 % Gas: 83 %	Oil: 0 % Gas: 9 %	Oil: 17 % Gas: 8 %

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?
Have all offset operators been given written notice of the proposed downhole commingling?X Yes No
Yes No
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. X Yes No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? X 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, 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(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. HegwerTITLE OperatorDATE 7-8-98

TYPE OR PRINT NAME

Ernie L. HegwerTELEPHONE NO. (505) 393-6327

