District I

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

811 South First Street, Artesia, NM 88210 District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico energy, Minerals and Natural Resources Department

Form C-107A Revised May 15, 2000

OIL CONSERVATION DIVISION 2040 South Pacheco

Santa Fe, New Mexico 87505

APPLICATION TYPE <u>X</u> Single Well Establish Pre-Approved Pools EXISTING WELLBORE <u>X</u> Yes ___No

APPLICATION FOR DOWNHOLE COMMINGLING

Operator			Addre	222	
STATE 23 COM	1	Ν	23 238	00	LEA

OGRID No. 014634 Property Code 26507 API No. 30-025-26198 Lease Type: Federal X State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE	
Pool Name	Antelope Ridge (Atoka)		Antelope Ridge (Morrow)	
Pool Code	70360	70440		
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	12903'-12953'		13360'-13419'	
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing	
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)	1100 PSI		1800 PSI	
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1100 BTU		1100 BTU	
Producing, Shut-In or New Zone	Shut In		Producing	
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: Jan, 2000 Rates: Shut In	Date: Rates:	Date: Jan, 2000 Rates: 60 MCFD, 1 BOPD, 15 BWPD	
Fixed Allocation Percentage Note: If allocation is based upon something other han current or past production, supporting data or explanation will be required.)	Oil Gas To be determined % %	Oil Gas % %	Oil Gas To be determined % %	

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?	Yes Yes	<u>X</u>	No No	
Are all produced fluids from all commingled zones compatible with each other?	Yes	<u>X</u>	No	
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	Yes		No <u>X</u>	Ľ
or the United States Bureau of Land Management been notified in writing of this application?	Yes	X	No	
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 Glorge Sharel TITLE	Engineer	DATE	September 20, 2000
TYPE OR PRINT NAME George F. Sharpe	TELEPHONE NO	05) 327-9	801 Ext. 114