

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

811 South First St., Artesia, NM 88210

DISTRICT III

1000 Ave. B, Alamogordo, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-4429Form 107-A
New 3-11-96

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Meridian Oil Inc. P.O. Box 51610 Midland, Texas 79101-1610
 Diamond '34' Federal # 2 B, Sec. 34, T23S, R32E Lea County
 OGRID NO. 26485 Property Code 017561 API NO. 30-025-33112 Federal ☒ State ☐ (Land/Lease) ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Triste Draw Delaware 59930		Wildcat Bone 1011
2. Top and Bottom of Pay Section (Perforations)	3533'-5542'		8854'-8862'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	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) 1275 b. (Original) 2560		a. 1325 (est.) b. 2660 (est.)
6. Oil Gravity ($^{\circ}$ API) or Gas BTU Content	41.3546		39
7. Producing or Shut-in?	Producing		Behind CIBF
Production Marginal? (yes or no)	Yes		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	Date: Rate: 6/26/95 14 oil, 25 mcf, 1 water	Date: Rate:	Date: Rate: 11/9/94 10 oil, 261 mcf, 1 water
* If Producing, give date and oil/gas/water rates of recent test (within 90 days)			
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 65 % Gas: 50 %	Oil: % Gas: %	Oil: 35 % Gas: 50 %

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, 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 Donna Williams TITLE Regulatory DATE 7/1/96

TYPE OR PRINT NAME Donna Williams TELEPHONE NO. (915) 688-1943

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

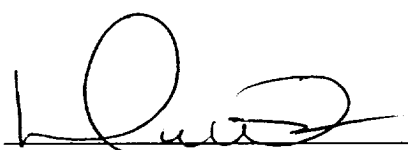
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-33112	² Pool Code 59930	³ Pool Name Triste Draw, Delaware
⁴ Property Code 17561	⁵ Property Name Diamond '34' Federal	⁶ Well Number # 2
⁷ OGRID No. 26485	⁸ Operator Name Meridian Oil Inc.	⁹ Elevation 3649'

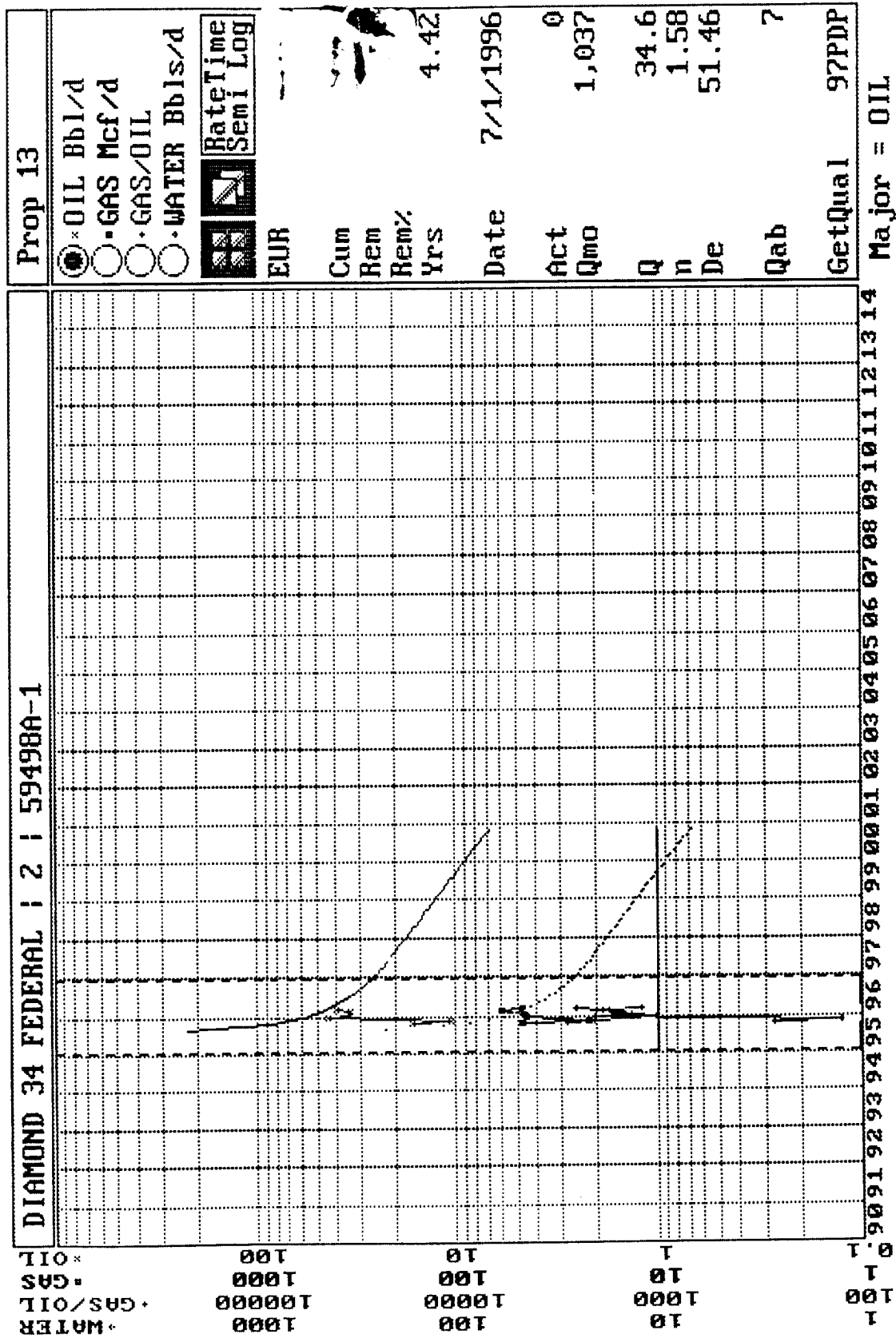
¹⁰ Surface Location									
UL or lot no.	Section 34	Township 23S	Range 32E	Lot. Idn	Feet from the 660'	North/South Line North	Feet from the 1980'	East/West line East	County Lea

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.				

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 Compliance Title 7/10/96 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



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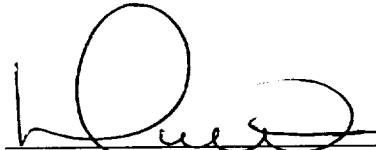
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-33112		² Pool Code	³ Pool Name Wildcat Bone Spring	
⁴ Property Code 17561	⁵ Property Name Diamond '34' Federal		⁶ Well Number # 2	
⁷ OGRID No. 26485	⁸ Operator Name Meridian Oil Inc.		⁹ Elevation 3649'	

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
	34	23S	32E		660'	North	1980'	East	Lea

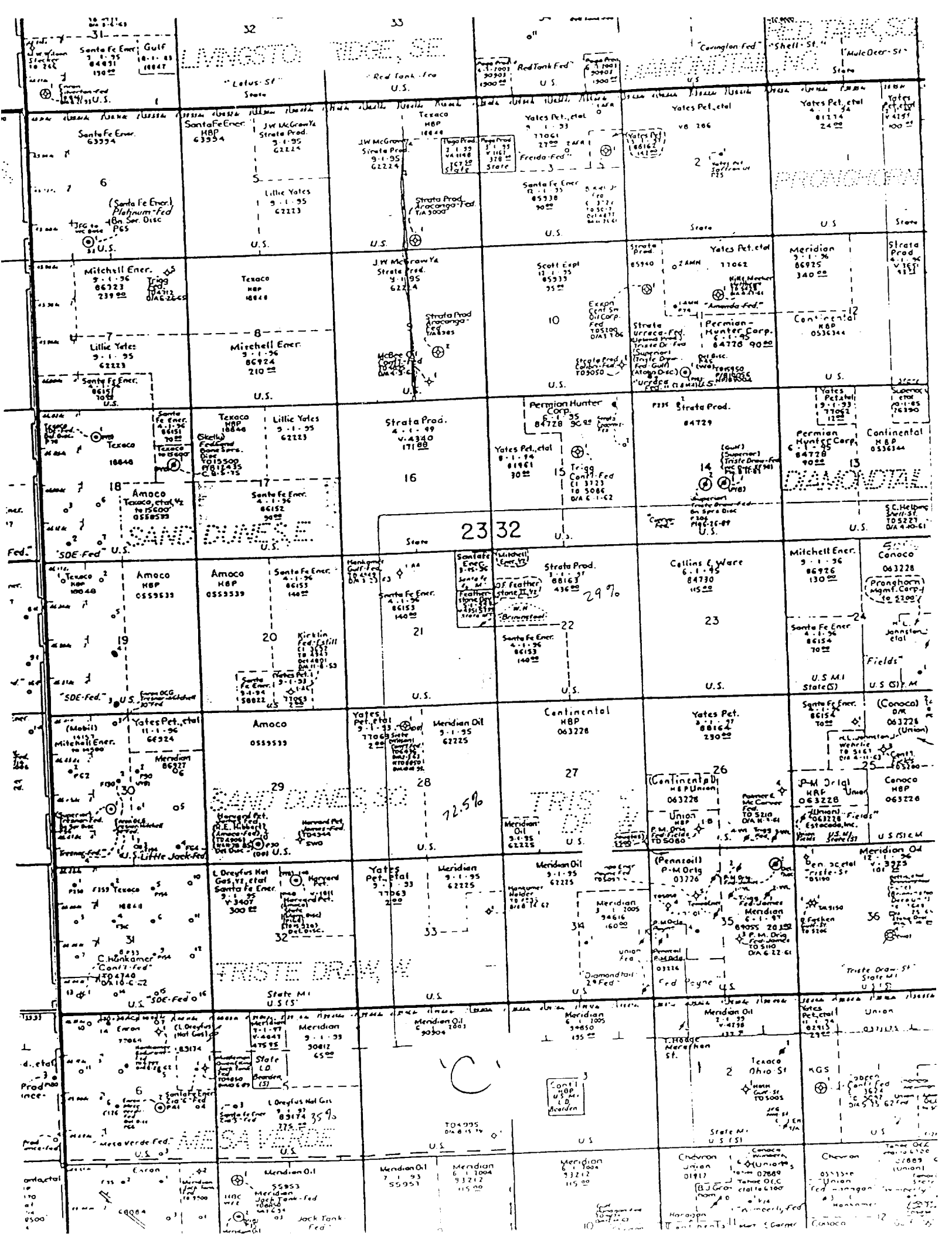
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
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Prop 35	
☒ OIL Bbl/d ☐ GAS Mcf/d ☐ GAS/OIL ☐ WATER Bbls/d	☒ RateTime ☐ Semi Log
EUR	
Cum	
Rem	
Rem%	
Yrs	4.25
Date	7/1/1996
Act	0
Qmo	307
Q	10
n	0
De	15.06
Qab	5
GetQual	WKJ

Major = OIL



MERIDIAN OIL INC.
APPLICATION FOR ADMINISTRATIVE APPROVAL
DOWNHOLE COMMINGLING
DIAMOND '34' FEDERAL WELL NO. 2
LEA COUNTY, NEW MEXICO

Conoco, Inc.
10 Desta Drive, Ste 100W
Midland, Texas 79705-4500

Pennzoil Exploration & Production
Box 2967
Houston, Texas 77252-2967

Unocal
1004 N. Big Spring, Ste. 300
Midland, Texas 79701

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Co.
1980
Hobbs, NM 88249

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT - " for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Burlington Resources Oil & Gas Company

3. Address and Telephone No.

P.O. Box 51810, Midland, Texas 79710-1810 915-688-9012

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FNL & 1980' FEL
Sec. 23, T23S, R32E
34

5. Lease Designation and Serial No.

NM62225

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Diamond 34 Federal # 2

9. API Well No.

30-025-33112

10. Field and Pool, or exploratory Area

Triste Draw Delaware

11. County or Parish, State

Lea NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Add Delaware perfs & Frac
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

8/28/97: MIRU.

8/29/97: Tagged PBTD at 8828'.

9/3/97: Frac'd casing perfs 8380'-8542' w/ 35,000 gals Delta Frac 25 and 87,000# 20/40 ACFRAC. Set CIBP to 8250'. Tested to 4000#; holding. Ran GR-CCL log from 8250'-7250'. Perf'd 7600', 7602', 7604', 7607', 7608', 7611', 7612', 7613', 7614', 7615' w/ 2 SPF. Frac'd perfs w/ 20,000 gals Delta 25 and 58,800# 20/40 Ottawa Sand.

9/5/97: Drilled CIBP at 8250'. Tagged fill at 8722'. Circulated clean.

9/6/97: Circulated sand out to CIBP at 8830'. Drilled on CIBP and released. Pushed CIBP 200' below 8860'.

9/8/97: Pumped 50 bbls 2% KCL down tbg. Pumped 50 bbls down annulus. TIH w/ 2 7/8" N-80 tbg. and set at 8547'. TIH w/ pump and rods.

9/9/97: Well pumping. RDMO.

FILED FOR RECORD

OCT 10 1997

14. I hereby certify that the foregoing is true and correct

Signed

[Signature]

Title Regulatory Assistant

Date 10/8/97

(This space for Federal or State office use)

Approved by

[Signature]

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* See instruction on Reverse Side

TO: FRAN CHAVEZ
FROM: District I OCD

**OIL CONSERVATION DIVISION
DATA CORRECTION FORM**

Send completed form to Fran Chavez in Santa Fe.

Your internal ID for this request: KS 317

Date 11/21/97

Type of correction (check one):

- ☐ Move production and disposition to new pool, same API. Delete old completion.
☐ Move production and disposition to new API, same pool.
☐ Delete well completion (and all associated rows).
☐ Delete API.
☐ Change property code.
☐ Delete duplicate POD/Transporter.
☒ Change effective date.
☐ Delete C-102 entry (specific rows associated with a completion).
☐ Other _____

Additional Information: _____

Complete the boxes below that apply to this request.

	Transfer Production From:	Transfer Production To:
API County Code		
API Well ID		
Pool <u>96603</u>		
OGRID		
Property		
POD		
Effective Date <u>8-1-95</u>		

Remarks/Comments: _____

*K.S. ①
upon completion: add
pool to 25-33112 & notify
Jax + Rev*

Request completed _____