

N.M. Oil Cons. Division
P.O. Box 1980
Hobbs, NM 8824

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993	
5. Lease Designation and Serial No NM-77064	
6. If Indian, Allottee or Tribe Name	
7. If Unit or C.A. Agreement Designation	
8. Well Name and No Mesa Verde "6"	
Federal No. 7	
9. API Well No. 30-025-32613	
10. Field and Pool, or exploratory Area Mesa Verde (Delaware) Mesa Verde (Bone Spring)	
11. County or Parish, State Lea NM	

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
☒ Notice of Intent	☐ Abandonment	☐ Change of Plans
☐ Subsequent Report	☐ Recompletion	☐ New Construction
☐ Final Abandonment Notice	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
	☐ Altering Casing	☐ Conversion to Injection
	☒ Other Downhole Commingle	☐ 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.)*

Attached please find our application to downhole commingle the Bone Spring and Delaware formations in the subject well. Currently the Delaware formation is producing and the Bone Spring perforations are plugged with a RBP set at 7501'. Upon approval, it is planned to pull the RBP and downhole commingle the two zones.

RECEIVED
APR 21 97
BLM
ROSWELL, NM

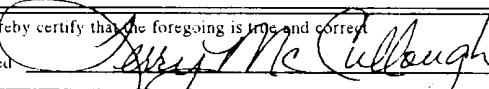
14. I hereby certify that the foregoing is true and correct		
Signed 	Title Sr. Production Clerk	Date 04/18/97
(This space for Federal or State office use)		
Approved by (ORIG. SGD) ALEXIS C SWOBODA	Title PETROLEUM ENGINEER	Date
Conditions of approval, if any:		

EXHIBIT "B" - CASE NO. 11353, ORDER NO. R-10470-A

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

811 South First St., Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, 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: Santa Fe Energy Resources, Inc. 550 W. Texas, Suite 1330, Midland, TX 79701
Case: Mesa Verde "6" Federal #7 (B), Sec. 6, T-24S, R-32E Lea Co.
Well No. Unit (Tr. Sec - Twp - Rge) County
OGRID NO. 020305 Property Code 017129 API NO. 30-025-32613 Spacing Unit Lease Types (check 1 or more)
Federal ☒ State ☐ Landowners Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Mesa Verde (Delaware) 96191		Mesa Verde (Bone Spring) 96229
2. Top and Bottom of Pay Section (Perforations)	7209'-7231'		8579'-8608'
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: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 2000 b. (Original)	a. b.	a. 1540 b.
6. Oil Gravity (°API) or Gas BTU Content	40°		42°
7. Producing or Shut-In?	Producing		Shut-in
Production Marginal? (yes or no)	No		No
* 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: Rates:	Date: Rates:	Date: 5/1/96 Rates: 30 BO, 200 MCFG, 1 BW
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 4/8/97 Rates: 20 BO, 109 MCFG, 60 BW	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 40 % Gas: 35 %	Oil: % Gas: %	Oil: 60 % Gas: 65 %

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) _____

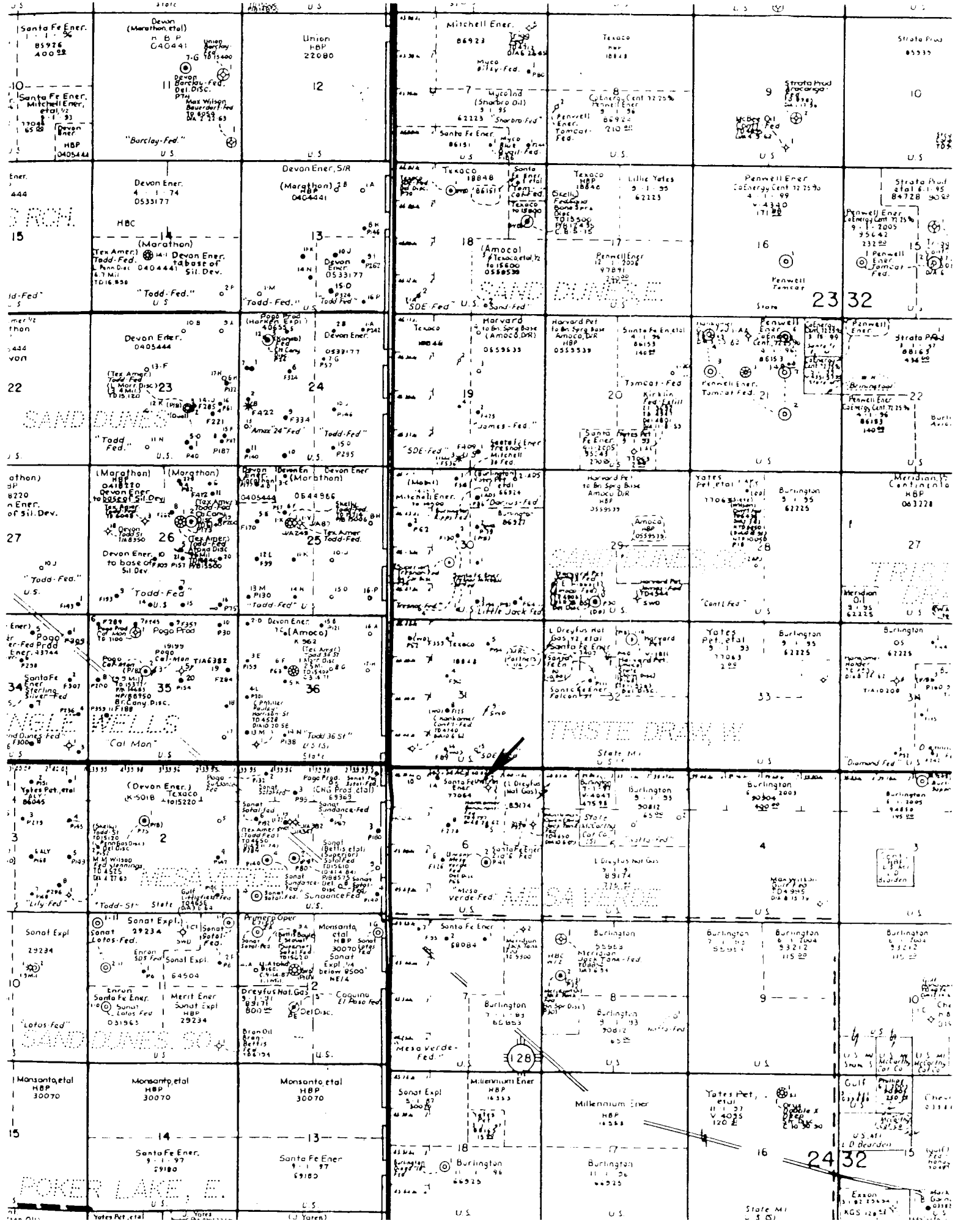
16. ATTACHMENTS:

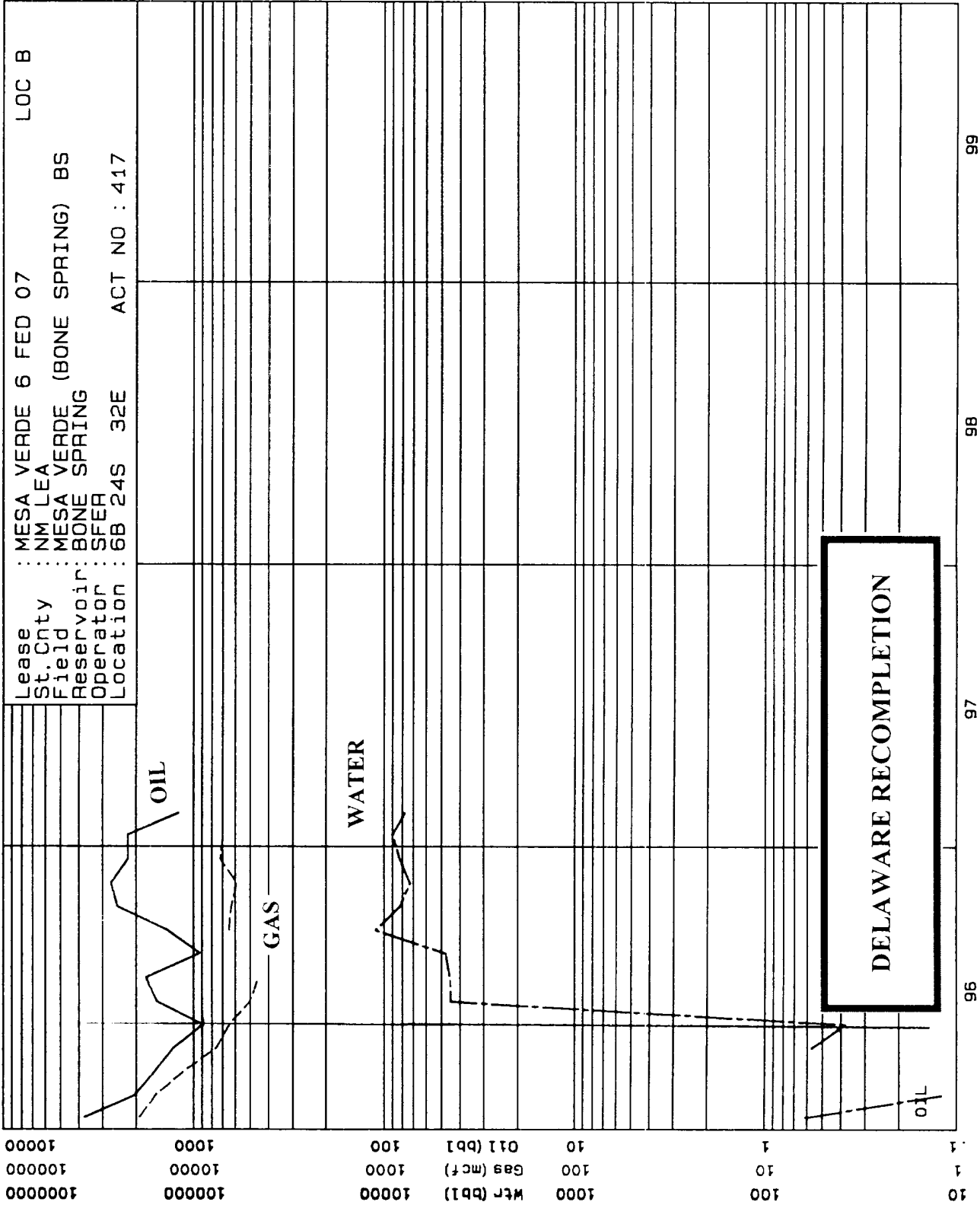
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation 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 Gary L. Travis Sr. Reservoir/Evaluations
TITLE Engineer DATE April 18, 1997

TYPE OR PRINT NAME Gary L. Travis TELEPHONE NO. (915) 686-6613





State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94

Instructions on back

Submit to the Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

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

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-32613		2 Pool Code 96191	3 Pool Name Mesa Verde Delaware	
4 Property Code 017129	5 Property Name MESA VERDE '6' FEDERAL			6 Well Number 7
7 OGRID No. 020305	8 Operator Name SANTA FE ENERGY RESOURCES, INC.			9 Elevation 3568'

10 SURFACE LOCATION

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
B	6	24 SOUTH	32 EAST, N.M.P.M.		660'	NORTH	2540'	EAST	LEA

" BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

[illegible]

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

OPERATOR CERTIFICATION

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

Signature Paul J. Stinson
Printed Name Paul J. Stinson

James P. "Phil" Stinson

Title

Agent for Santa Fe Energy

Date _____

~~6-15-95~~ 4/18/97

SURVEYOR CERTIFICATION

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.

Date of Survey

JUN 12 1995

Signature and Seal of
Professional Surveyor.

V. LYNN
BEZNER
NO. 7920

Certified by **V. L. BEZNER** LAND SURVEYOR, #7920

JOB #39987 7 47 SW / cl

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94

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District Office
State Lease - 4 copies
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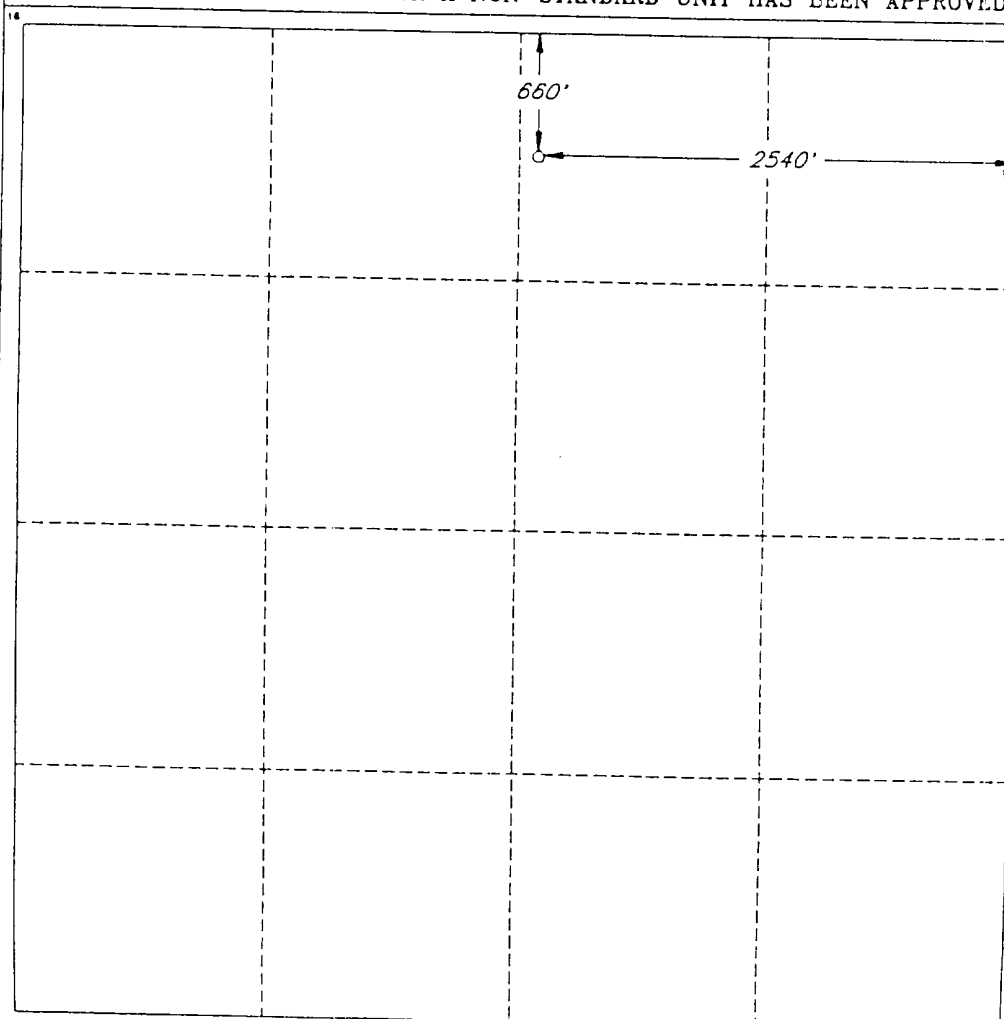
OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-32613		2 Pool Code 96229		3 Pool Name Mesa Verde Bone Spring					
4 Property Code 017129		5 Property Name MESA VERDE '6' FEDERAL						6 Well Number 7	
7 OGRID No. 020305		8 Operator Name SANTA FE ENERGY RESOURCES, INC.						9 Elevation 3568'	
10 SURFACE LOCATION									
UL or lot no. B	Section 6	Township 24 SOUTH	Range 32 EAST, N.M.P.M.	Lot Ida	Feet from the 880'	North/South line NORTH	Feet from the 2540'	East/West line EAST	County LEA
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	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 WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature: *James P. Stinson*
Printed Name: James P. "Phil" Stinson

Title: Agent for Santa Fe Energy

Date: 6-15-95 4/18/97

SURVEYOR CERTIFICATION

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.

Date of Survey: JUNE 12, 1995

Signature and Seal of Professional Surveyor

V. LYNN BEZNER
NO. 7920

Certification of V. L. BEZNER, LAND SURVEYOR, P.E.S. #7920

JOR #39987 7 47 SW 1/4

NOTIFICATION LIST OF OFFSET OPERATORS

**Santa Fe Energy Resources
Application for Administrative Approval
Downhole Commingling
Mesa Verde "6" Federal #7
Sec. 6, T-24-S, R-32-E
Lea County, New Mexico**

1. Texaco Inc.
P.O. Box 3109
Midland, TX 79702
2. Burlington Resources
P.O. Box 51810
Midland, TX 79710-1810
3. Sonat Exploration Co.
110 W. Louisiana
Midland, TX 79701
4. Devon Energy Corporation
20 N. Broadway, Ste. 1500
Oklahoma City, OK 73102-8260