

DISTRICT I
PO 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, NM 87505-6429

Form C-107-A

New 3-12-96

APPROVAL PROCESS

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Primal Energy Corporation
OPERATOR
Hale State
LEASE
222 Pennbright, Suite #116, Houston, TX 77090
ADDRESS
2
G-2-T25S-R37E
WELL NO
UNIT LTR-SEC-TWP-RGE
Lea
COUNTY

OGRID NO. 154303
Property Code 18949
API NO. 30-025-11405
Spacing Unit Lease Types (check 1 or more)
Federal ☐ State ☒ Indian Fee

The following facts are submitted in support of downhole commingling	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blinebry (34200)	Tubb Drinkard (35280)	Devonian (unknown) Fusselman (34790)
2 Top and Bottom of Pay Section (Perforations)	5335-5696'	5932-6156'	7056-91' 7182-7252'
3. Type of Production (Oil or Gas)	il	il	il il
4. Method of Production (Flowing or Artificial Lift)	AL	AL	AL AL
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated or Measured Original	a. (Current) 800psi b. (Original)	a. 900psi b.	a. 1100psi 1800psi b.
6. Oil Gravity (^o API or Gas BTU Content)	37.3	35.9	35.8 36.9
7. Producing or Shut-in?	P	SI	SI SI
Production Marginal? (yes or 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 If producing, give date and oil/gas/water rates of recent test (within 90 days)	Y Date: Rates: Date: 10/25/96 Rates: 4 BO/45 MCF/1 BW	Y Date: 2/69 Rates: 37 BO,289 MCF,1 BW (for month) Date: Rates:	Y Date: 5/64 3/64 Rates: 329 BO/71 MCF 728 BO & 20 BW (for month) 242 M/4185 Date: Rates:
8. Fixed Percentage Allocation Formula- % for each zone	Oil 10 % Gas 69 %	Oil 3 % Gas 15 %	Oil 27/60 % Gas 4/12 %

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.)

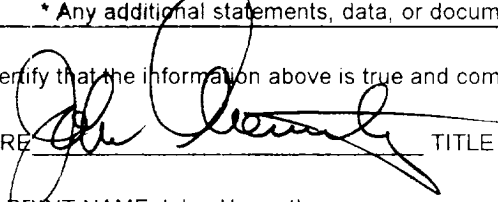
14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No

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  TITLE Manager, Operations & Engineering DATE November 6, 1996

TYPE OR PRINT NAME John Abernethy TELEPHONE NO. (281) 875-5100