

DISTRICT I

P.O. Box 1889, Hobbs, NM 88240

DISTRICT II

311 South Post St., Anasazi, NM 88310

DISTRICT III

1000 Ave. Broussard, Amarillo, NM 89618

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-8429

Form C-107-A

New 3-12-98

APPROVAL PROCESS:

Administrative ☐ Hearing ☐

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

ARCH PETROLEUM INC. 10 DESTA DRIVE, STE. 420E, MIDLAND, TX 79705

OFFICE

C. D. WOOLWORTH

5

M. Sec. 30, T24S R37E

LEA

COUNTY

Spacing Unit Lease Tracts: (check 1 or more)

OGRIID NO. 000962 Property Code 014899 API NO. 35-025-25790 Federal ☐ State ☐ Indian Fee ☒

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Jalmat Yates & 7RQ		Langlie Mattix 7RQ
2. Top and Bottom of Pay Section (Perforations)	3169-3363'		2406'-3692'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Pump		Pump
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: Estimated Current All Gas Zones: Measured Current Estimated Or Measured Original	a. (Current) 202 b. (Original) 202	a. b.	a. 242 b. 242
6. Oil Gravity (^o API) or Gas BTU Content	35.5		25.9
7. Producing or Shut-in?	P		SI
Production Marginal? (yes or no)	yes		yes
* If Shut-in, give date and oil/gas/water rates of last production Note: For new wells with no production history, operators shall be required to attach production estimates and supporting data	Date: Rate: 11/30/96 1 8 4	Date: Rate: 	Date: 9/94 Rate:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)			
8. Fracture Percentage Allocation Formula - % for each zone	Oil: 50 % Gas: 47 %	Oil: % Gas: %	Oil: 50 % Gas: 53 %

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? ☒ Yes ☐ No
Have all offset operators been given written notice of the proposed downhole commingling? ☐ 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. ☐ Yes ☐ No (If No, attach explanation)12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No13. 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. NMOC 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 Bobbie Brooks TITLE Prod. Analyst DATE 1/13/97TYPE OR PRINT NAME BOBBIE BROOKS TELEPHONE NO. (918) 685-1961