



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE
2/12/41

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 1980
HOBBS NEW MEXICO 88241-1930
(505) 393-6161

600 791

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC X _____
NSL _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

W. H. Sexton Co. Lease # 1-2-3-4-5-6-7-8-9-10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-130-131-132-133-134-135-136-137-138-139-140-141-142-143-144-145-146-147-148-149-150-151-152-153-154-155-156-157-158-159-160-161-162-163-164-165-166-167-168-169-170-171-172-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196-197-198-199-200-201-202-203-204-205-206-207-208-209-210-211-212-213-214-215-216-217-218-219-220-221-222-223-224-225-226-227-228-229-230-231-232-233-234-235-236-237-238-239-240-241-242-243-244-245-246-247-248-249-250-251-252-253-254-255-256-257-258-259-260-261-262-263-264-265-266-267-268-269-270-271-272-273-274-275-276-277-278-279-280-281-282-283-284-285-286-287-288-289-290-291-292-293-294-295-296-297-298-299-300-301-302-303-304-305-306-307-308-309-310-311-312-313-314-315-316-317-318-319-320-321-322-323-324-325-326-327-328-329-330-331-332-333-334-335-336-337-338-339-340-341-342-343-344-345-346-347-348-349-350-351-352-353-354-355-356-357-358-359-360-361-362-363-364-365-366-367-368-369-370-371-372-373-374-375-376-377-378-379-380-381-382-383-384-385-386-387-388-389-390-391-392-393-394-395-396-397-398-399-400-401-402-403-404-405-406-407-408-409-410-411-412-413-414-415-416-417-418-419-420-421-422-423-424-425-426-427-428-429-430-431-432-433-434-435-436-437-438-439-440-441-442-443-444-445-446-447-448-449-450-451-452-453-454-455-456-457-458-459-460-461-462-463-464-465-466-467-468-469-470-471-472-473-474-475-476-477-478-479-480-481-482-483-484-485-486-487-488-489-490-491-492-493-494-495-496-497-498-499-500-501-502-503-504-505-506-507-508-509-510-511-512-513-514-515-516-517-518-519-520-521-522-523-524-525-526-527-528-529-530-531-532-533-534-535-536-537-538-539-540-541-542-543-544-545-546-547-548-549-550-551-552-553-554-555-556-557-558-559-560-561-562-563-564-565-566-567-568-569-570-571-572-573-574-575-576-577-578-579-580-581-582-583-584-585-586-587-588-589-590-591-592-593-594-595-596-597-598-599-600-601-602-603-604-605-606-607-608-609-610-611-612-613-614-615-616-617-618-619-620-621-622-623-624-625-626-627-628-629-630-631-632-633-634-635-636-637-638-639-640-641-642-643-644-645-646-647-648-649-650-651-652-653-654-655-656-657-658-659-660-661-662-663-664-665-666-667-668-669-670-671-672-673-674-675-676-677-678-679-680-681-682-683-684-685-686-687-688-689-690-691-692-693-694-695-696-697-698-699-700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-728-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-746-747-748-749-750-751-752-753-754-755-756-757-758-759-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-800-801-802-803-804-805-806-807-808-809-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824-825-826-827-828-829-830-831-832-833-834-835-836-837-838-839-840-841-842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-872-873-874-875-876-877-878-879-880-881-882-883-884-885-886-887-888-889-890-891-892-893-894-895-896-897-898-899-900-901-902-903-904-905-906-907-908-909-910-911-912-913-914-915-916-917-918-919-920-921-922-923-924-925-926-927-928-929-930-931-932-933-934-935-936-937-938-939-940-941-942-943-944-945-946-947-948-949-950-951-952-953-954-955-956-957-958-959-960-961-962-963-964-965-966-967-968-969-970-971-972-973-974-975-976-977-978-979-980-981-982-983-984-985-986-987-988-989-990-991-992-993-994-995-996-997-998-999-1000-1001-1002-1003-1004-1005-1006-1007-1008-1009-1010-1011-1012-1013-1014-1015-1016-1017-1018-1019-1020-1021-1022-1023-1024-1025-1026-1027-1028-1029-1030-1031-1032-1033-1034-1035-1036-1037-1038-1039-1040-1041-1042-1043-1044-1045-1046-1047-1048-1049-1050-1051-1052-1053-1054-1055-1056-1057-1058-1059-1060-1061-1062-1063-1064-1065-1066-1067-1068-1069-1070-1071-1072-1073-1074-1075-1076-1077-1078-1079-1080-1081-1082-1083-1084-1085-1086-1087-1088-1089-1090-1091-1092-1093-1094-1095-1096-1097-1098-1099-1100-1101-1102-1103-1104-1105-1106-1107-1108-1109-1110-1111-1112-1113-1114-1115-1116-1117-1118-1119-1120-1121-1122-1123-1124-1125-1126-1127-1128-1129-1130-1131-1132-1133-1134-1135-1136-1137-1138-1139-1140-1141-1142-1143-1144-1145-1146-1147-1148-1149-1150-1151-1152-1153-1154-1155-1156-1157-1158-1159-1160-1161-1162-1163-1164-1165-1166-1167-1168-1169-1170-1171-1172-1173-1174-1175-1176-1177-1178-1179-1180-1181-1182-1183-1184-1185-1186-1187-1188-1189-1190-1191-1192-1193-1194-1195-1196-1197-1198-1199-1200-1201-1202-1203-1204-1205-1206-1207-1208-1209-1210-1211-1212-1213-1214-1215-1216-1217-1218-1219-1220-1221-1222-1223-1224-1225-1226-1227-1228-1229-1230-1231-1232-1233-1234-1235-1236-1237-1238-1239-1240-1241-1242-1243-1244-1245-1246-1247-1248-1249-1250-1251-1252-1253-1254-1255-1256-1257-1258-1259-1260-1261-1262-1263-1264-1265-1266-1267-1268-1269-1270-1271-1272-1273-1274-1275-1276-1277-1278-1279-1280-1281-1282-1283-1284-1285-1286-1287-1288-1289-1290-1291-1292-1293-1294-1295-1296-1297-1298-1299-1300-1301-1302-1303-1304-1305-1306-1307-1308-1309-1310-1311-1312-1313-1314-1315-1316-1317-1318-1319-1320-1321-1322-1323-1324-1325-1326-1327-1328-1329-1330-1331-1332-1333-1334-1335-1336-1337-1338-1339-1340-1341-1342-1343-1344-1345-1346-1347-1348-1349-1350-1351-1352-1353-1354-1355-1356-1357-1358-1359-1360-1361-1362-1363-1364-1365-1366-1367-1368-1369-1370-1371-1372-1373-1374-1375-1376-1377-1378-1379-1380-1381-1382-1383-1384-1385-1386-1387-1388-1389-1390-1391-1392-1393-1394-1395-1396-1397-1398-1399-1400-1401-1402-1403-1404-1405-1406-1407-1408-1409-1410-1411-1412-1413-1414-1415-1416-1417-1418-1419-1420-1421-1422-1423-1424-1425-1426-1427-1428-1429-1430-1431-1432-1433-1434-1435-1436-1437-1438-1439-1440-1441-1442-1443-1444-1445-1446-1447-1448-1449-1450-1451-1452-1453-1454-1455-1456-1457-1458-1459-1460-1461-1462-1463-1464-1465-1466-1467-1468-1469-1470-1471-1472-1473-1474-1475-1476-1477-1478-1479-1480-1481-1482-1483-1484-1485-1486-1487-1488-1489-1490-1491-1492-1493-1494-1495-1496-1497-1498-1499-1500-1501-1502-1503-1504-1505-1506-1507-1508-1509-1510-1511-1512-1513-1514-1515-1516-1517-1518-1519-1520-1521-1522-1523-1524-1525-1526-1527-1528-1529-1530-1531-1532-1533-1534-1535-1536-1537-1538-1539-1540-1541-1542-1543-1544-1545-1546-1547-1548-1549-1550-1551-1552-1553-1554-1555-1556-1557-1558-1559-1560-1561-1562-1563-1564-1565-1566-1567-1568-1569-1570-1571-1572-1573-1574-1575-1576-1577-1578-1579-1580-1581-1582-1583-1584-1585-1586-1587-1588-1589-1590-1591-1592-1593-1594-1595-1596-1597-1598-1599-1600-1601-1602-1603-1604-1605-1606-1607-1608-1609-1610-1611-1612-1613-1614-1615-1616-1617-1618-1619-1620-1621-1622-1623-1624-1625-1626-1627-1628-1629-1630-1631-1632-1633-1634-1635-1636-1637-1638-1639-1640-1641-1642-1643-1644-1645-1646-1647-1648-1649-1650-1651-1652-1653-1654-1655-1656-1657-1658-1659-1660-1661-1662-1663-1664-1665-1666-1667-1668-1669-1670-1671-1672-1673-1674-1675-1676-1677-1678-1679-1680-1681-1682-1683-1684-1685-1686-1687-1688-1689-1690-1691-1692-1693-1694-1695-1696-1697-1698-1699-1700-1701-1702-1703-1704-1705-1706-1707-1708-1709-1710-1711-1712-1713-1714-1715-1716-1717-1718-1719-1720-1721-1722-1723-1724-1725-1726-1727-1728-1729-1730-1731-1732-1733-1734-1735-1736-1737-1738-1739-1740-1741-1742-1743-1744-1745-1746-1747-1748-1749-1750-1751-1752-1753-1754-1755-1756-1757-1758-1759-1760-1761-1762-1763-1764-1765-1766-1767-1768-1769-1770-1771-1772-1773-1774-1775-1776-1777-1778-1779-1780-1781-1782-1783-1784-1785-1786-1787-1788-1789-1790-1791-1792-1793-1794-1795-1796-1797-1798-1799-1800-1801-1802-1803-1804-1805-1806-1807-1808-1809-1810-1811-1812-1813-1814-1815-1816-1817-1818-1819-1820-1821-1822-1823-1824-1825-1826-1827-1828-1829-1830-1831-1832-1833-1834-1835-1836-1837-1838-1839-1840-1841-1842-1843-1844-1845-1846-1847-1848-1849-1850-1851-1852-1853-1854-1855-1856-1857-1858-1859-1860-1861-1862-1863-1864-1865-1866-1867-1868-1869-1870-1871-1872-1873-1874-1875-1876-1877-1878-1879-1880-1881-1882-1883-1884-1885-1886-1887-1888-1889-1890-1891-1892-1893-1894-1895-1896-1897-1898-1899-1900-1901-1902-1903-1904-1905-1906-1907-1908-1909-1910-1911-1912-1913-1914-1915-1916-1917-1918-1919-1920-1921-1922-1923-1924-1925-1926-1927-1928-1929-1930-1931-1932-1933-1934-1935-1936-1937-1938-1939-1940-1941-1942-1943-1944-1945-1946-1947-1948-1949-1950-1951-1952-1953-1954-1955-1956-1957-1958-1959-1960-1961-1962-1963-1964-1965-1966-1967-1968-1969-1970-1971-1972-1973-1974-1975-1976-1977-1978-1979-1980-1981-1982-1983-1984-1985-1986-1987-1988-1989-1990-1991-1992-1993-1994-1995-1996-1997-1998-1999-2000-2001-2002-2003-2004-2005-2006-2007-2008-2009-2010-2011-2012-2013-2014-2015-2016-2017-2018-2019-2020-2021-2022-2023-2024-2025-2026-2027-2028-2029-2030-2031-2032-2033-2034-2035-2036-2037-2038-2039-2040-2041-2042-2043-2044-2045-2046-2047-2048-2049-2050-2051-2052-2053-2054-2055-2056-2057-2058-2059-2060-2061-2062-2063-2064-2065-2066-2067-2068-2069-2070-2071-2072-2073-2074-2075-2076-2077-2078-2079-2080-2081-2082-2083-2084-2085-2086-2087-2088-2089-2090-2091-2092-2093-2094-2095-2096-2097-2098-2099-2100-2101-2102-2103-2104-2105-2106-2107-2108-2109-2110-2111-2112-2113-2114-2115-2116-2117-2118-2119-2120-2121-2122-2123-2124-2125-2126-2127-2128-2129-2130-2131-2132-2133-2134-2135-2136-2137-2138-2139-2140-2141-2142-2143-2144-2145-2146-2147-2148-2149-2150-2151-2152-2153-2154-2155-2156-2157-2158-2159-2160-2161-2162-2163-2164-2165-2166-2167-2168-2169-2170-2171-2172-2173-2174-2175-2176-2177-2178-2179-2180-2181-2182-2183-2184-2185-2186-2187-2188-2189-2190-2191-2192-2193-2194-2195-2196-2197-2198-2199-2200-2201-2202-2203-2204-2205-2206-2207-2208-2209-2210-2211-2212-2213-2214-2215-2216-2217-2218-2219-2220-2221-2222-2223-2224-2225-2226-2227-2228-2229-2230-2231-2232-2233-2234-2235-2236-2237-2238-2239-2240-2241-2242-2243-2244-2245-2246-2247-2248-2249-2250-2251-2252-2253-2254-2255-2256-2257-2258-2259-2260-2261-2262-2263-2264-2265-2266-2267-2268-2269-2270-2271-2272-2273-2274-2275-2276-2277-2278-2279-2280-2281-2282-2283-2284-2285-2286-2287-2288-2289-2290-2291-2292-2293-2294-2295-2296-2297-2298-2299-2300-2301-2302-2303-2304-2305-2306-2307-2308-2309-2310-2311-2312-2313-2314-2315-2316-2317-2318-2319-2320-2321-2322-2323-2324-2325-2326-2327-2328-2329-2330-2331-2332-2333-2334-2335-2336-2337-2338-2339-2340-2341-2342-2343-2344-2345-2346-2347-2348-2349-2350-2351-2352-2353-2354-2355-2356-2357-2358-2359-2360-2361-2362-2363-2364-2365-2366-2367-2368-2369-2370-2371-2372-2373-2374-2375-2376-2377-2378-2379-2380-2381-2382-2383-2384-2385-2386-2387-2388-2389-2390-2391-2392-2393-2394-2395-2396-2397-2398-2399-2400-2401-2402-2403-2404-2405-2406-2407-2408-2409-2410-2411-2412-2413-2414-2415-2416-2417-2418-2419-2420-2421-2422-2423-2424-2425-2426-2427-2428-2429-2430-2431-2432-2433-2434-2435-2436-2437-2438-2439-2440-2441-2442-2443-2444-2445-2446-2447-2448-2449-2450-2451-2452-2453-2454-2455-2456-2457-2458-2459-2460-2461-2462-2463-2464-2465-2466-2467-2468-2469-2470-2471-2472-2473-2474-2475-2476-2477-2478-2479-2480-2481-2482-2483-2484-2485-2486-2487-2488-2489-2490-2491-2492-2493-2494-2495-2496-2497-2498-2499-2500-2501-2502-2503-2504-2505-2506-2507-2508-2509-2510-2511-2512-2513-2514-2515-2516-2517-2518-2519-2520-2521-2522-2523-2524-2525-2526-2527-2528-2529-2530-2531-2532-2533-2534-2535-2536-2537-2538-2539-2540-2541-2542-2543-2544-2545-2546-2547-2548-2549-2550-2551-2552-2553-2554-2555-2556-2557-2558-2559-2560-2561-2562-2563-2564-2565-2566-2567-2568-2569-2570-2571-2572-2573-2574-2575-2576-2577-2578-2579-2580-2581-2582-2583-2584-2



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762
4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP January 9, 1991
Permian Basin Region

Application for Exception to
Statewide Rule No. 303-C to
Downhole Commingle Production

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87504-2088

Attn: William J. LeMay
Director

Gentlemen:

Phillips Petroleum Company respectfully requests administrative approval to downhole commingle gas production in our Sims Well No. 3 as provided for in Statewide Rule 303-C. Pertinent well information and data are included herein:

- (a) Name and address of operator:
Phillips Petroleum Company
4001 Penbrook Street
Odessa, TX 79762
- (b) Sims Well No. 3
1980' FNL and 1980' FWL, Section 24, T-22-S, R-37-E
Lea County, New Mexico
- Pools to be commingled:
Blinbry Oil and Gas
South Brunson Drinkard Abo
Tubb Oil and Gas
- (c) A plat is attached showing acreage dedicated to the well and the ownership of all offsetting leases.
- (d) Current productivity tests on each zone:
The Drinkard zone currently is producing 1.0 BOPD and 9 MCFPD.
The Tubb zone is producing 100 MCFPD.

- (e) Allocation of commingled production based on present production:
Production decline curves for both the Tubb and the Drinkard zones are attached. Allocated gas production will be based on the current gas production from both the Tubb and the Drinkard. The gas condensate allocation will be based on the current gas condensate from the Drinkard zone. No condensate will be allocated to the Tubb zone.

(e) Continued

Well completion history (wellbore sketch attached):

The well was drilled and originally completed in April, 1948, in the Drinkard formation from 6370' - 6390'. It had an initial flowing potential of 63 BOPD. This interval was acidized several times with 15% HCl.

In September, 1952, the Drinkard formation was temporarily abandoned and the well was recompleted in the Tubb from 6020' - 6150'. The well was fracture treated and tested. It had an initial flowing potential of 1200 MCF/D.

In March, 1976, the well was deepened to 6995' and reperforated selectively in the Tubb from 5873' - 5961' and in the Drinkard from 6444' - 6894'. The well was acidized and dual completed.

Prediction of future reserves:

The proposed commingling completion will allow the gas from the Tubb and Drinkard zones to be produced such that maximum production will result.

Initial gas production from the Blinebry is estimated at 128 MCFPD.

(f) Bottom hole pressures for each zone:

The bottom hole pressure from the Drinkard zone was measured at 420 psi on 03/09/90. The bottom hole pressure from the Blinebry was measured at 230 psi on 03/11/90.

(g) Fluid characteristics:

Only the Drinkard zone currently produces condensate. No fluid incompatibilities will exist in the wellbore.

(h) Computation of value of commingled production vs. individual production streams:

Individual streams:

Tubb Oil and Gas

$$\begin{aligned} & (0 \text{ BOPD}) \times (\$20.00/\text{BBL}) = \$ 0/\text{day} \\ + & \underline{(100 \text{ MCFPD}) \times (\$ 1.00/\text{MCF}) = \$ 100/\text{day}} \\ & \text{TOTAL TUBB} = \$ 100/\text{day} \end{aligned}$$

Blinebry Oil and Gas

$$\begin{aligned} & (0 \text{ BOPD}) \times (\$20.00/\text{BBL}) = \$ 0/\text{day} \\ + & \underline{(0 \text{ MCFPD}) \times (\$ 1.00/\text{MCF}) = \$ 0/\text{day}} \\ & \text{TOTAL BLINEBRY} = \$ 0/\text{day} \end{aligned}$$

South Brunson Drinkard Abo

$$\begin{aligned} & (1 \text{ BOPD}) \times (\$20.00/\text{BBL}) = \$ 20/\text{day} \\ + & \underline{(9 \text{ MCFPD}) \times (\$ 1.00/\text{MCF}) = \$ 9/\text{day}} \\ & \text{TOTAL DRINKARD} = \$ 29/\text{day} \end{aligned}$$

$$\text{TOTAL INDIVIDUAL STREAMS} = \$ 129/\text{day}$$

(h). Continued

Commingled Streams:

$$\begin{aligned} & (1 \text{ BOPD}) \times (\$20.00/\text{BBL}) = \$ 20/\text{day} \\ + & (237 \text{ MCFPD}) \times (\$ 1.00/\text{MCF}) = \$ 237/\text{day} \\ \hline & \text{TOTAL COMMINGLED STREAMS} = \$ 257/\text{day} \end{aligned}$$

(i) Formula for allocation of production:

Drinkard: 100% condensate and gas will be based on stabilized test percentage prior to commingling of the total gas stream.

$$\text{Monthly Oil (Drinkard)} = (\text{Total BOPM}) \times (\text{Drinkard test}) / (\text{Commingled test})$$

$$\text{Monthly Gas (Drinkard)} = (\text{Total MCFPM}) \times (\text{Drinkard test}) / (\text{Commingled test})$$

Blinebry: 100% condensate and gas production will be based on stabilized test percentage prior to commingling of the total gas stream.

$$\text{Monthly Oil (Blinebry)} = (\text{Total BOPM}) - (\text{Monthly Drinkard})$$

$$\text{Monthly Gas (Blinebry)} = (\text{Total MCFPM}) \times (\text{Blinebry test}) / (\text{Commingled test})$$

Tubb: 100% condensate and gas production will be based on stabilized test percentage prior to commingling of the total gas stream.

$$\text{Monthly Oil (Tubb)} = (\text{Total BOPM}) \times 0$$

$$\text{Monthly Gas (Tubb)} = (\text{Total MCFPM}) \times (\text{Tubb test}) / (\text{Commingled test})$$

Where Total BOPM and Total MCFPM in the above formulas refer to the total monthly commingled well production of oil and gas.

The parties of interest indicated on the attached list were notified by copy of this application sent February 1, 1991.

The Drinkard produces gas and condensate, and the Tubb produces gas. These two zones are currently uneconomical to operate. Commingling all three zones will permit the Drinkard and the Tubb to be produced economically. The well will be produced such that bottom hole flowing pressure in the wellbore will be at a minimum; therefore, there will be no opportunity for crossflow between commingled zones. The bottom hole pressure of the Blinebry is 230 psi, which is greater than 50% if the bottom hole pressure of the Drinkard zone when adjusted to the common data of the Drinkard.

The ownership (including working interest, royalty, and overriding royalty) of the Drinkard and the Blinebry is common to all zones.

Your consideration and approval will be appreciated. Direct any questions to the attention of Viveca Skinnider, telephone (915) 368-1489, or to me.

Thank you,

A handwritten signature in cursive script that reads "Larry M. Sanders / by Jhm".

Larry M. Sanders, Supervisor
Regulation and Proration

Attachments

cc: NMOC, Hobbs Office
Offset Operators

WELL SERVICE APPROVAL - NON AFE
PHILLIPS PETROLEUM COMPANY--PERMIAN BASIN REGION

RKB @ 3334.5
 CHF @ (11.8)
 GL @ 3322.7

No Category Well Date January 30, 1991
 Area North Subarea Shafterlake
 Lease & Well No. Sims #3
 Legal Description 1980' FNL & 1980' FWL, Sec 24, T-22-S, R-37-E
 Lea County State: New Mexico
 Field Drinkard, Tubb
 Status: Pumping .1 BOPD 0 BWPD 12 MCFD (Drinkard)10/01/90
 Flowing 0.0 BOPD 0 BWPD 121 MCFD (Tubb)
 Tbg. 2-3/8" @6900' SN @ 7515'
 Other Baker Lockset pkr @ 6265' Baker "L" sliding sleeve @ 6262' (closed)

Well spudded 02/22/48

Hole/Casing Condition
 Last Stimulation: perfs: 5873'-6895' w/16000 gals 28% acid in 02/27/76
 Workover Proposal:

17-1/4" Hole
 13 3/8" @ 334.85' TOC @ Surf.
 27# Armco spiral welded
 w/285 sx cement

Wellhead Description:

< TOC outside 5 1/2" @ 2550'

12-1/4" Hole
 8 5/8" @ 2996.92' TOC @ Surf.
 24# to 32# J-55 GR. 8rd 2500 sx cmt.

Tubb Perfs:
 5873' - 5961' - 520 holes
 6020' - 6150' - 20 holes

Baker Lockset pkr @ 6265'

Drinkard Perfs:
 6365' - 6370' - 30 holes
 6370' - 6390' - 120 holes
 6390' - 6420' - 120 holes
 6444' - 6894' - 33 holes

Prepared by: D.G. Unger
 Checked by:
 Reser. Engr. V. L. Skinnider
 Prod. Engr. S. E. Gutberlet
 Approved _____

5 1/2" set @ 6898.5' TOC @ 2550'

14# - 17# J-55- H-40

7 7/8" hole

open hole 6898.5'-6995'

T.D. @ 6995 ' 7-7/8" hole

File name G:\wellfile\shaftlak\sims\#3.s01

PROJECT ECONOMICS @ \$ _____
 _____ BOPD _____ MCFD
 AARR _____ %
 PAYOUT _____ YRS.
 NTER _____ TIMES
 NPV @ 13% _____
 NPVR @ 13% _____
 ECONOMIC LIFE _____ YRS.
 EST. COMPL. DATE _____
 PPCO: W.I. 100.0000 %
 R.I. _____ %

Copies:

	CHARGE TO	GROSS COST	NET COST
EXPENSE	WO 60-3502	\$ _____	\$ _____
INVESTMENT	WO 90-3502	\$ _____	\$ _____
TOTAL		\$ _____	\$ _____

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

*AMENDED

All distances must be from the outer boundaries of the Section

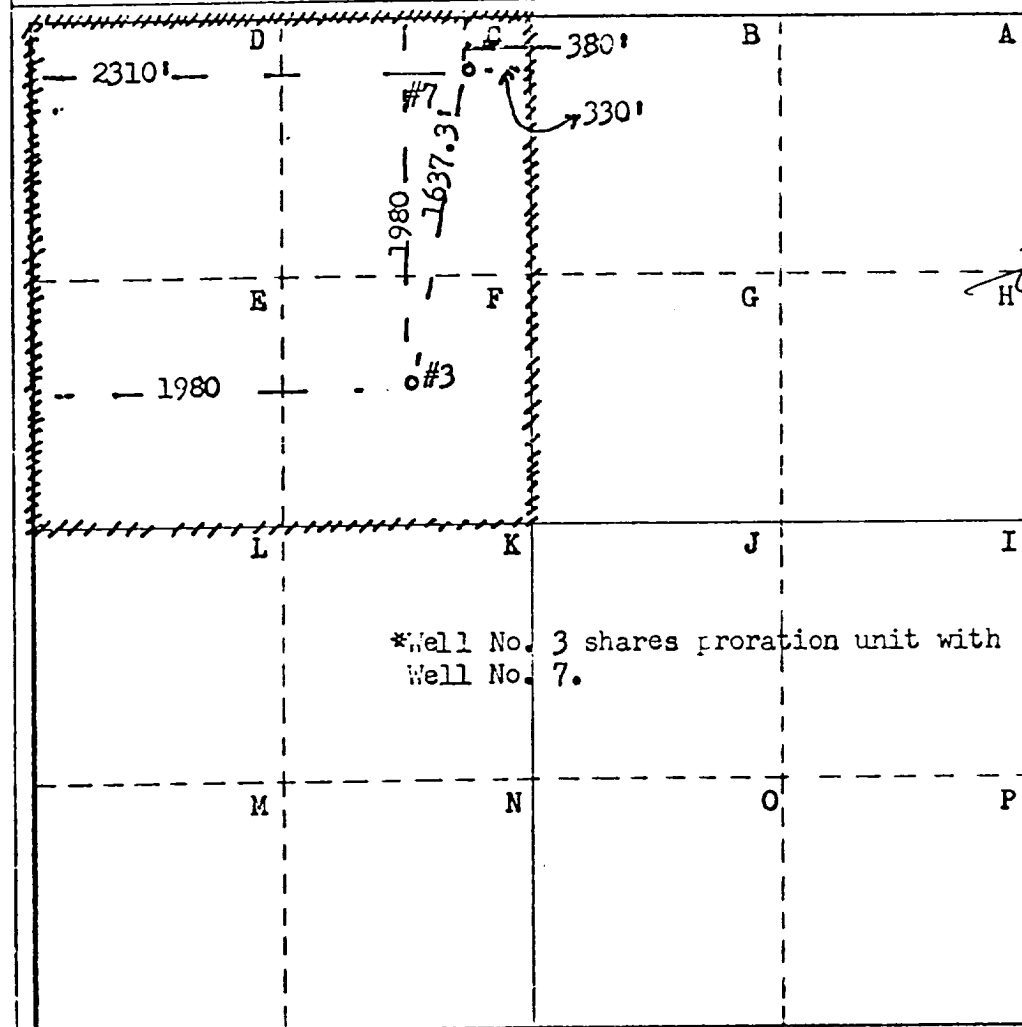
Operator Phillips Petroleum Company			Lease Sims		Well No. 3
Unit Letter F	Section 24	Township 22-S	Range 37-E	County Lea	
Actual Footage Location of Well: 1980 feet from the north line and 1980 feet from the west line					
Ground Level Elev. 3322.7' Gr., 3334.5' RKB	Producing Formation Tubb-Gas		Pool Tubb-Gas	Dedicated Acreage: *160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name
W. J. Mueller
Position
Engineering Advisor
Company
Phillips Petroleum Company
Date
April 20, 1977

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 knowledge and belief.

Date Surveyed
2-21-73
Registered Professional Engineer and/or Land Surveyor

John W. West

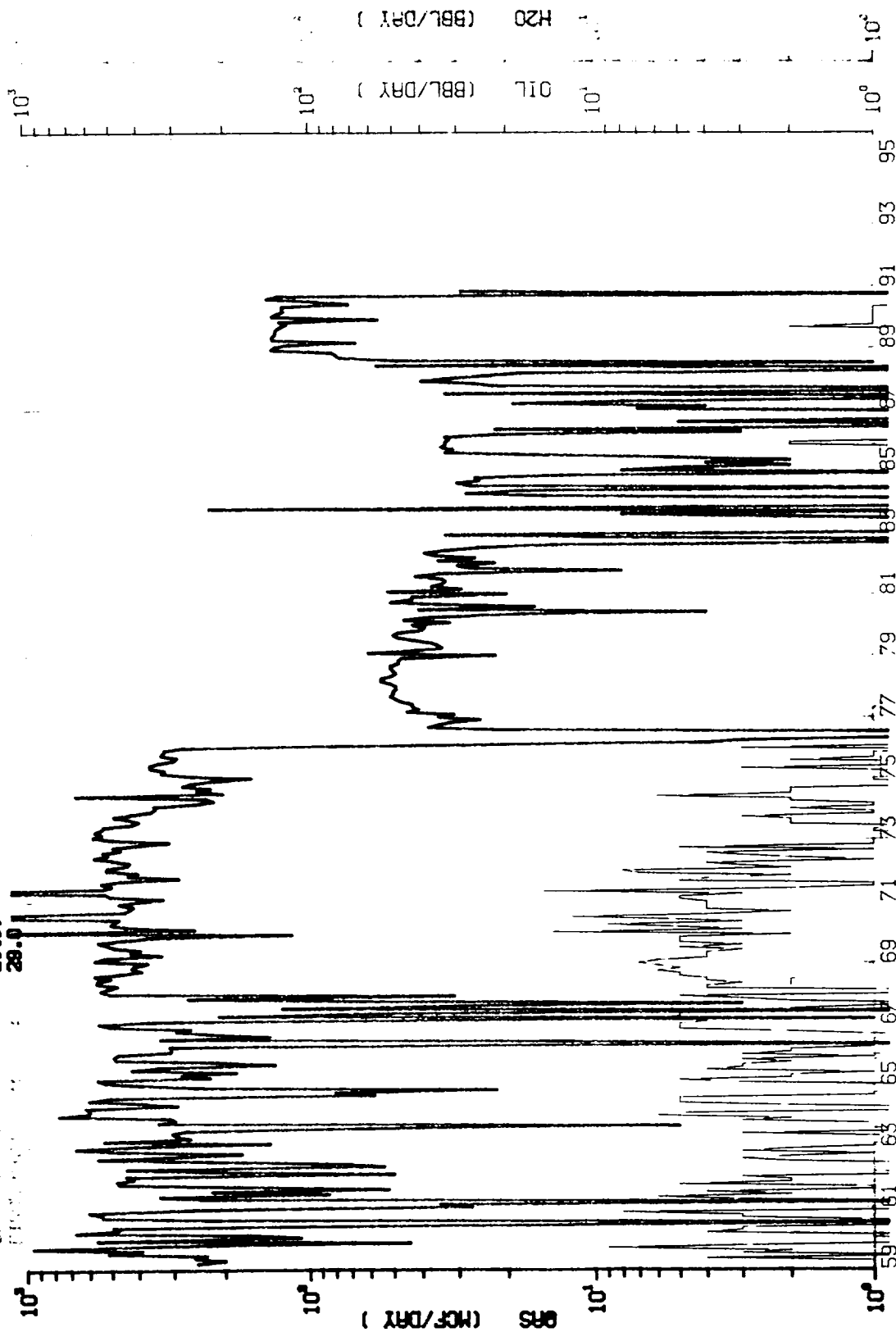
Certificate No.

676

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

0.50 11/90

INITIAL PRODUCTION : 248.0
RESTARTED : 31.75
CUT : 0.00
CUT : 2540.
RESTARTED : 28.0



LEASE- 600020 : SIMS
RESVR - 252 : TUBA
WELL - 00003

PLANT
SINGLE WELL 600020 252 0000
WELL 16, 0L- 10, 17- 12, 05- 10

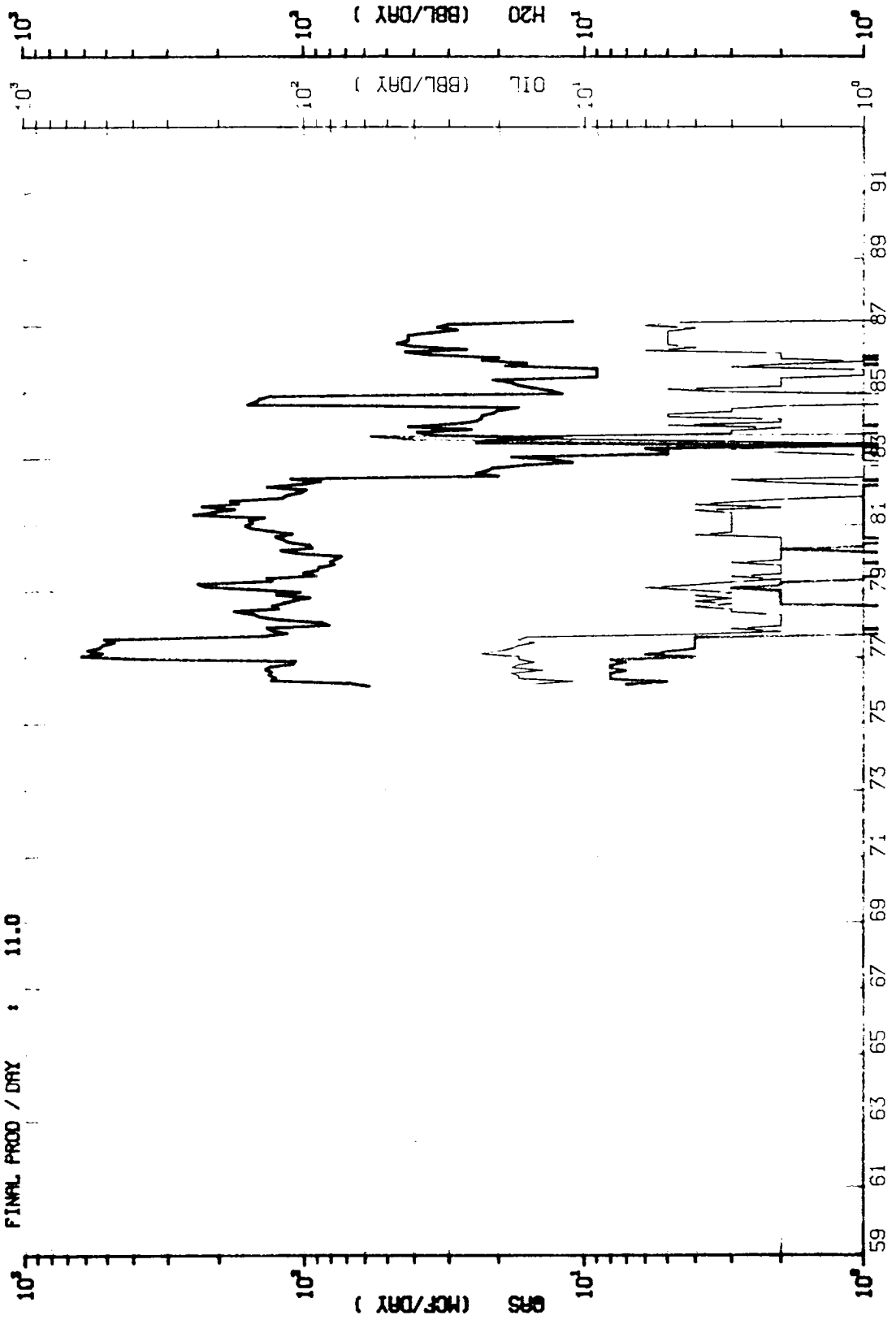
13.0
 1.92
 0.00
 8388.
 8.0



LEASE- 80002 : 5100
 RESV- 161.100
 WELL- 00005

3 /78-3 /87

INITIAL PROD / DAY : 58.0
 REMAINING LIFE : 11.08
 CUM PRODUCTION : 0.00
 FINAL PROD / DAY : 441435.
 : 11.0

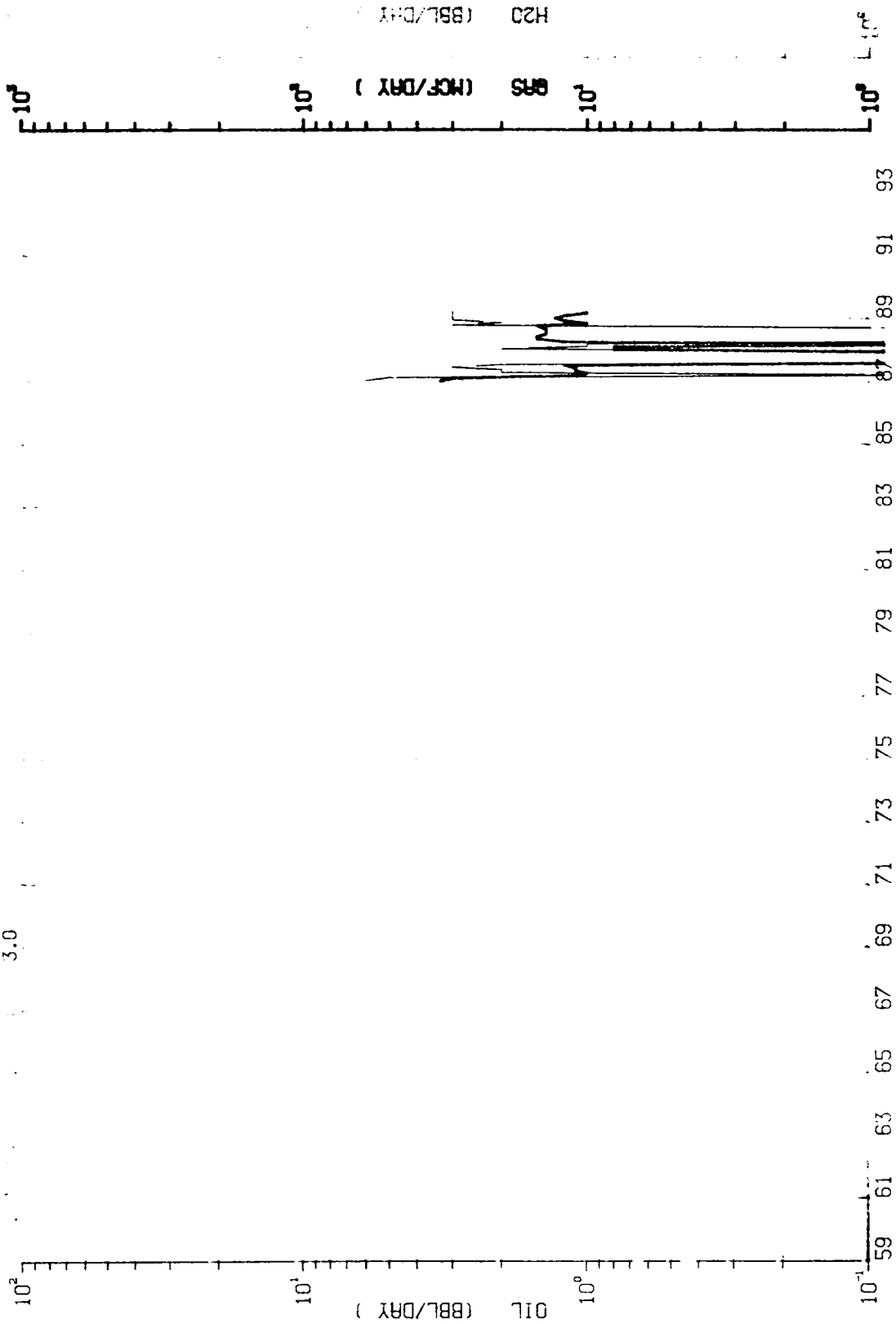


LEASE- 600022 : SIMS
 RESVR- 158 : DRINKARD
 WELL - 00003

PPROD
 SINGLE WELL 600022 158 00003
 NM 46, CL- NC, PM- PM , CT- DU

DATE: 10/1/80

WELL: 00023
 RESV: 160
 LEASE: 000020



LEASE- 000020: SIM
 RESV- 160
 WELL - 00023

DATE: 10/1/80
 WEL: 00023
 RESV: 160

Phillips Petroleum Company
Application for Exception to
Statewide Rule No. 303-C to
Downhole Commingle Production

Royalty Interest Owners:

United New Mexico Bank at Lea County,
Personal Representative for the
Elizabeth Sims Daugherty Estate
P.O. Box 5614
Hobbs, New Mexico 88241

Winnie L. Sims Kennann
P.O. Box 202
Eunice, New Mexico 88231

G.P. Sims
P.O. Box 1046
Eunice, New Mexico 88231

Leo V. Sims
423 East Baja
Hobbs, New Mexico 88240

Ellie Sims Spear
P.O. Drawer 309
Hobbs, New Mexico 88240

Phillips Petroleum Company
Application for Exception to
Statewide Rule No. 303-C to
Downhole Commingle Production

Offset Operators:

John H. Hendrix Corporation
525 Midland Tower
Midland, Texas 79701

Texas Pacific Oil Co. Inc.
9400 N. Central Expressway
Dallas, Texas 75250

Crown Central Petroleum Corp.
Suite 1002, Wilco Bldg.
Midland, TX 79701

Marathon Oil Company
Box 552
Midland, Texas 79702

Coquina Oil Corporation
Box 2960
Midland, Texas 79701

Union Texas Petroleum
1300 Wilco Bldg.
Midland, Texas 79701

Gulf Energy & Minerals, Inc.
Box 1150
Midland, Texas 79701

Samedan Oil Corporation
900 Wall Towers East
Midland, Texas 79701

Bruce A. Wilbanks
Box 763
Midland, Texas 79701