ARCO Oil and Gas Company

Permian District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 684 0149

Jerry L. Tweed District Engineer



CERTIFIED RETURN RECEIPT REQUESTED March 30, 1983

Mr. Joe D. Ramey New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Dear Mr. Ramey:

Application for Downhole Commingling of the Jalmat and Langlie Mattix Pools Duthie Andrews WN No. 4 Section 19B, T23S, R37E Lea County, New Mexico

ARCO oil and Gas Company respectfully requests administrative approval under the provisions of Rule 303-C to downhole commingle the Jalmat and Langlie Mattix pools of the Duthie Andrews WN No. 4. This well is located in Section 19, T-23-S, R-37-E, of Lea County, New Mexico.

In 1975 the Duthie Andrews WN No. 4 was initially completed in the Jalmat pool; however, insufficient test rates (post frac maximum - 108 MCFD) resulted in squeezing the Jalmat and completing in the Langlie Mattix. ARCO Oil and Gas Company would like to re-enter the Jalmat and requests approval to downhole commingle the Jalmat with the Langlie Mattix pool. The option to dual complete the well is unacceptable since the GOR of the Langlie Mattix makes pumping below a packer very difficult. Thus, the downhole commingling is necessary to permit efficient, economical production from both zones. The Duthie Andrews WN Nos. 1 and 4 are simultaneously dedicated to a 320-acre non-standard Jalmat gas proration unit by Administrative Order No. NSP-999.

Since the Jalmat formation produces no oil or water, the Langlie Mattix oil production will continue to be rod-pumped up the tubing with the gases from the Jalmat and Langlie Mattix being commingled in the annulus. Since only the gases will actually be downhole commingled, the small liquid production from the Langlie Mattix should not damage the Jalmat zone. Results from an offset, E. L. Steeler No. 5, show no problem with fluid incompatibility when commingling the Jalmat and Langlie Mattix. The E. L. Steeler No. 5 has downhole commingled the Jalmat and Langlie Mattix for over a year and is located 2640 feet south of the Duthie Andrews WN No. 4.

Mr. Joe D. Ramey Page 2 March 30, 1983

No crossflow between zones is expected. Based on a pressure survey performed in June, 1981 on the offset, E. L. Steeler No. 5, the Langlie Mattix bottom hole pressure is 183 psig. When the Jalmat gas zone of Duthie Andrews WN No. 4 was first tested in 1975, the shut in tubing pressure was 175 psig. This corrects to a bottom hole pressure of 193 psig at -130 feet subsea, the measurement depth of the Langlie Mattix. The current bottom hole pressure of the Jalmat is expected to be between 120-150 psig.

Ownership of the zones to be commingled is common, including working interest, royalty, and overriding royalty. Attached is the information requested by Rule 303-C for downhole commingling applications. Offsets are being notified by registered mail with a copy of this application. We believe this request is justified in the interest of conservation, to prevent offset drainage, and to protect correlative rights. Thank you for your consideration.

Yours very truly,

J. L. Tweed

JLT/PR:dmm Attachments

ARCO Oil and Gas Company

Permian District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 684 0149

Jerry L. Tweed District Engineer



OFFSET OPERATORS (See Attached List)

Dear Sirs:

Application for Downhole Commingling of the Jalmat and Langlie Mattix Pools Duthie Andrews WN No. 4 Section 19B, T23S, R37E Lea County, New Mexico

ARCO 0il and Gas Company respectfully requests your waiver of the attached application to the New Mexico 0il Conservation Commission. We applied for downhole commingling of the Jalmat and Langlie Mattix pools of the Duthie Andrews WN No. 4.

If you have no objections to this application, please indicate your approval of our intentions by signing both copies of this request. Kindly return one copy to ARCO and forward the other to Mr. Joe Ramey in the addressed envelopes enclosed.

We appreciate your prompt reply to this request.

Yours very truly,

J. J. Tweed

JLT/PR:dmm

Atts.

Agreed to this ______day of ______

Information for Downhole Commingling

- (a) Operator: ARCO Oil and Gas Company P. O. Box 1610 Midland, Texas 79702
- (b) Lease, Well, Location, and Pools:

Duthie Andrews WN No. 4 660' FNL & 1980' FEL Section 19, T23S, R37E

Commingled Pools: Jalmat and Langlie Mattix

(c) Acreage Dedication and Offset Ownership:

(See Attachments)

(d) 24-hour Productivity Test:

(See Attached C-116)

(e) Decline Curves and Completion Resume:

(See Attachments)

(f) Bottom Hole Pressures:

Based on offset measurements, the bottom hole pressure of the Langlie Mattix is approximately 183 psig. The bottom hole pressure of the Jalmat is expected to be between 120-150 psig.

(g) Fluid Incompatibility:

Since the Jalmat produces no oil or water, only the gases from the two zones are actually downhole commingled. The gases have similar compositions. No fluid incompatibility has been observed from an offset, E. L. Steeler No. 5, which has downhole commingled the Jalmat and Langlie Mattix for over a year.

(h) Value of Commingled Fluids:

The Jalmat and Langlie Mattix gases are classified under the same pricing category. Combined gas streams will have the same value as separated gas streams. Also, the gas purchaser is common.

(i) Allocation of Production:

Jalmat Gas		•	•	•	•	•	67%
Langlie Mattix	Gas			•	•		33%
Langlie Mattix	0il						100%

The gas allocation was based on an expected 200 MCFD from the Jalmat combined with 100 MCFD from the Langlie Mattix. All oil production will be allocated to the Langlie Mattix.

(j) All offset operators have been notifed by registered mail of the proposed commingling and given a copy of this application.

OFFSET OPERATORS

Conoco, Inc. P. O. Box 1959 Midland, Texas 79702

Samedan Oil Company 900 Wall Towers East Midland, Texas 79702

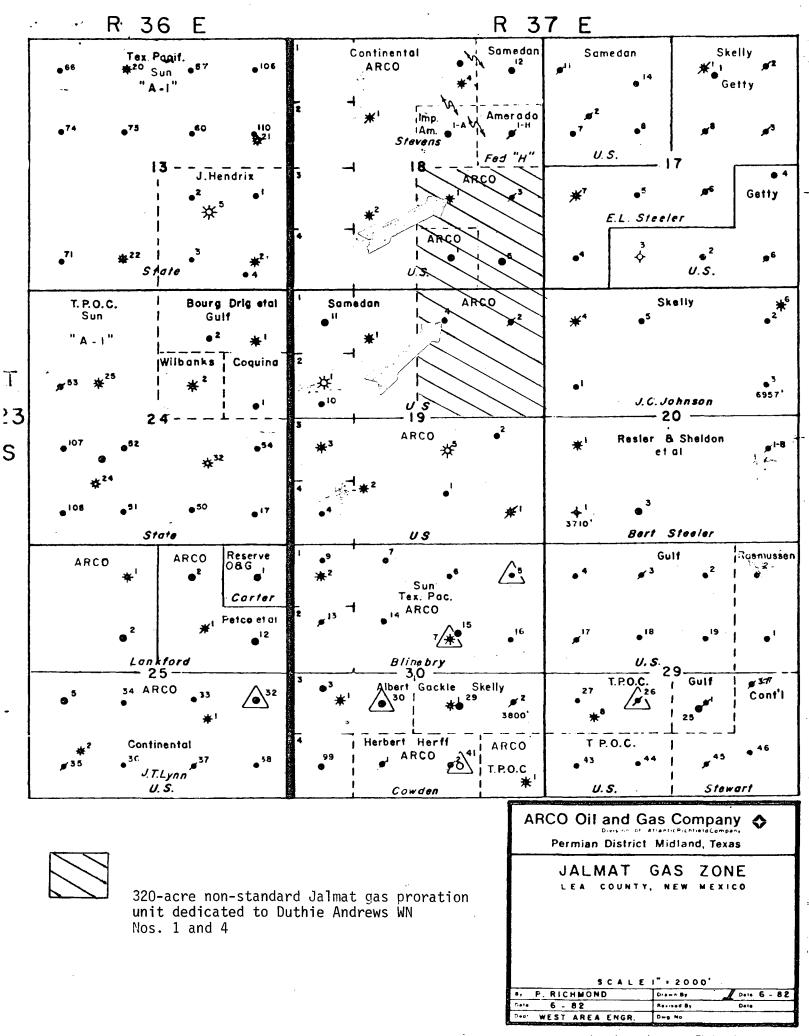
James L. Evans P. O. Box 1125 Eunice, New Mexico 88231

Getty Oil Company P. O. Box 1231 Midland, Texas 79702

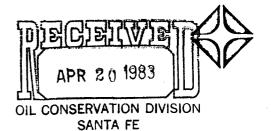
Doyle Hartman 500 N. Main Midland, Texas 79702

John H. Hendrix Corporation 525 Midland Tower Midland, Texas 79702

Imperial American Management Company 215 Mid-America Building Midland, Texas 79701



ARCO Oil and Gas Company
Permian District
Post Office Box 1610
Midland. Texas 79702
Telephone 915 684 0149
Jerry L. Tweed
District Engineer



March 30, 1983

James L. Evans P. O. Box 1125 Eunice, New Mexico 88231

Dear Sirs:

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Duthie Andrews WN No. 4
Section 19B, T23S, R37E
Lea County, New Mexico

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We appreciate your prompt reply to this request.

Yours very truly,

J. L. Tweed

JLT/PR:dmm Atts.

Agreed to this

day o

1983.

Sianed

Title

ARCO Oil and Gas Company Permian District Post Office Box 1610 Midland, Texas 79702 Telephone 915 684 0149

> Jerry L. Tweed District Engineer





March 30, 1983

Getty Oil Company P. O. Box 1231 Midland, Texas 79702

Dear Sirs:

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Duthie Andrews WN No. 4
Section 19B, T23S, R37E
Lea County, New Mexico

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We appreciate your prompt reply to this request.

Yours very truly,

J. J. L. Tweed

JLT/PR:dmm Atts.

Agreed to this 21st day of April , 1983
Signed R. HOWARD
Title DISTRICT ENGINEER

OIL CONSCIEVATION DIVISION

SANTA FE, NEW MEXICO 87501

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

Form C-116 Revised 10-1-78

GAS-OIL RATIO TESTS

Division of	ARCO Oil and Gas Company Division of Atlantic Richfield Co.	nfiel	q Co	8		Langlie 1	Mattix 7R	0 0			<u>.</u>	County					•
P.O. Box 1	Box 1710, Hobbs, Nev	New Mexico	ico	88240				TYPE	. X	198	Scheduled		2		_	3	[A]
		WELL		LOCA	LOCATION		DATEDE	-		- }	DAILY	. CH 6 TH	à	PROD. D	DURING.	TEST	GAS - 011
LEASE NAME		Š.	כ	·	-	Œ	TEST	11476		ш.	ALLOW-	97.87 HOUPB	WATER BBLS.	CRAV.	011	CAS K.C.F.	P 5
Duthie Andrews WN Productivity test for	WN 4	ing	down	19 h01e	23S per	37E Rule	4-3-83 803-c.	<u>A</u>			4	24	. 2	37.5	4	7.5	18,750
Ne well will by During gen-ell lecated by more than	Ne well will be assigned an ellewable greater than the amount of oil produced on the official test. During gas—ell saile test, each well shall be produced at a role not exceeding the top unit allo levened at a role of this 25 percent to because it a fake adventage of this 25 percent tolerance	great a hall t	rr than se prod	the emouced at	unt of a		duced on the official test, receding the pool in which well take and a percent tolerance in order that well can be assigned.	unit to	al. Howable	for the po	ol in which w	ell le	is the	creby c e and c	ertify th complete	at the abo	I hereby certify that the above informati is true and complete to the best of my kno ledge and belief.

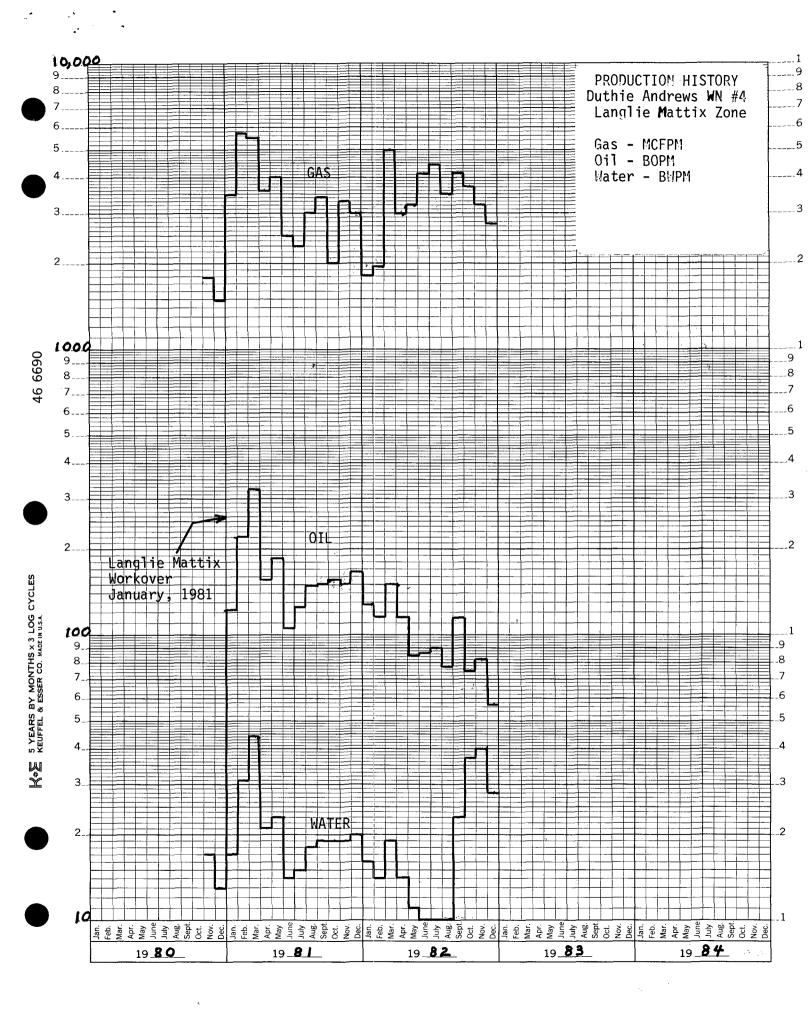
located by more than 25 percent, Operator is encouraged to take adventage of this 25 percent tolerance in order that well can be assigned.

Gas volumes must be reported in MCP measured at a pressure base of 15,025 pala and a temperature of 60° P, Specific gravity base ---- 0.60.

Riport cooling pressure in lieu of tubing pressure for any well producing through cooling.

Mail enginal and one copy of this report to the district office of the New Maxico Oli Conservation Division in accordance with Auto 10t and apprehense pool raise.

(Tide) Engrg. Tech. Spec.



WELL DATA

Company ARCO 011	nd Langlie Mattix and Gas Company ndrews WN	County Lea Location 660 FNL & 1980' FEL of Sec. 19, T23S, R37E
TD 3710 Casing 8 5/8 4 1/2	PBD 3695 @ 418 @ 3710	Elevation 3328 Logs GR-CNL-CDL-DLL
Completion Date Completion Interva 3463-3606		Initial or Workover initial Completion Zone Langlie Mattix-Queen
Initial Potential 3 BOPD	+ 3 BWPD + 574 MCFD (Qu	een)
	ated; however, it was la	was intially perforated and ter squeezed after unsatisfactory
Porosity Interval:		Interval Open:
Loco Hills Metex Square Lake Premier Vacuum Lovington Jackson		
History Date		
8/3/75 8/14/75 8/15/75	Acidize Jalmat (2895-30	035) w/1500 gals 7½% HCl 035) w/2500 gals. 12% HCl rflushed w/2000 gals. 3% HCl.
8/20/75	Fracture Jalmat (2895-3 (3% HC1) + 40,000 lbs.	3035) w/20,000 gals. gelled water
8/21-9/8 11/11/75 11/17/75	Tested Jalmat w/maximur Squeezed Jalmat (2895-	n rate of 108 MCFD.
	Fracture Langlie Mattix gelled water and 37,500	((3463-3606) w/15,000 gallons

WELL DATA Page 2

History Date		
1/08/81		Fracture Langlie Mattix (3386-3684 OA) w/15,000 gals. x-link gel + 15,000 gals. CO2 + 27,000 lbs.
		20/40 sand + 30,000 lbs. 10/20 sand.



Mark K. Mosley
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc. P. O. Box 460 726 E. Michigan Hobbs, NM 88240 (505) 393-4141



May 3, 1983

New Mexico Oil Conservation Division Department of Energy and Minerals P. O. Box 2088 Santa Fe, NM 87501

Attention: Joe Ramey

Gentlemen:

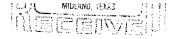
Application for Downhole Commingling, ARCO's Duthie Andrews WN No. 4, Lea County, New Mexico

Conoco Inc., as offset operator, has approved ARCO's letter ballot as shown above. One copy is attached and one copy is being returned to ARCO.

Yours very truly,

HAI:mhe

CC w/Attach. ARCO, Attn. J. L. Tweed



ARCO Oil and Gas Company
Permian District
Post Office Box 1610
Midland. Texas 79702
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Jerry L. Tweed District Engineer APR 1 9 1983



March 30, 1983

Conoco, Inc. P. O. Box 1959 Midland, Texas 79702



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Duthie Andrews WN No. 4
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We appreciate your prompt reply to this request.

Yours very truly,

J. J. L. Tweed

JLT/PR:dmm

Atts.

Agreed to this 3rd day of May, 1983.

Signed Division Manager

OIL CONSERVATION DIVISION DISTRICT I



OIL COUSERANTION NIAISION	DATE API 11 20, 1903
P. O. BOX 2088 SANTA FE, NEW HEXICO 87501	RE: Proposed MC
	Proposed DHC X
	Proposed NSL
	· Proposed NSP
	Proposed SWD
	Proposed WFX
	Proposed PMX
Gentlemen:	
I have examined the application for the:	•
ARCO Oil & Gas Co. Duthie Andrews WN #4-B 19)-23-37
Operator Lease and Well No	o. Unit, S - T - R
and my recommendations are as follows: Under the present situation for gas, I'm not sur	re we should approve any oil
and gas zones for DHCJ.S.	· · · · · · · · · · · · · · · · · · ·
	•
	_
Yours very truly,	•
James Sala	