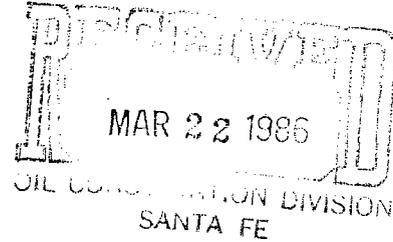


Released
May 7, 1986
Not sent
April 14, 1986

B4 DMC

THE PETROLEUM CORPORATION
OF DELAWARE
Turtle Creek Centre
3811 Turtle Creek Boulevard
DALLAS, TEXAS 75219-4419

March 19, 1986



Mr. David Catanach
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Request for Administrative approval to commingle the Ellenburger, Devonian, and Fusselman zones in the well bore in our Tenneco Federal No. 1 located in Unit letter N, Sec. 12, T26S, R37E, Lea Co., New Mexico

Dear Sir:

The above referenced well was drilled in January and February, 1972. Initial completion was in the Ellenburger zone (11634 - 11828) as a gas well. Initial production was in the range of 1500 MCF to 2000 MCF per day with roughly 10 bbls oil per MCF gas. S.I.T.P. was 2860 psi. This zone produced until July, 1982 with cumulative gas production of 807,671 MCF and cumulative oil production of 108,500 bbls. During 1979, 1980, 1981, and 1982, production averaged 30 MCF gas and 8 bbls oil per day. The well was operated with a plunger lift and surface intermitter. No bottom hole pressure tests were run during the past few years of production. Shut in wellhead pressure was approximately 1000 psi with a flowing wellhead pressure of 30 psi. Estimated remaining reserves are 44,303 MCF gas and 11076 bbls oil.

In July, 1983, a bridge plug was set above the Ellenburger zone. The Fusselman zone was perforated, (9650 - 9678) and completed as a gas well. The well produced at the rate of 187 MCF and 3 bbls oil, with a flowing wellhead pressure of 200 psi. Shut in wellhead pressure was 1200 psi. By October, 1983, production had dropped to 50 MCF per day with 2 bbls oil. Flowing wellhead pressure was 500 psi. Cumulative production was 5278 MCF gas and, 252 bbls oil. Estimated remaining reserves and 146,306 MCF and 1436 bbls oil.

In October, 1983, a bridge plug was set above the Fusselman zone and the Devonian zone was perforated (9049' - 9159'). Initial production was 600 MCF gas, 6 bbls oil with a flowing wellhead pressure of 500 psi. Shut in wellhead pressure was 1300 psi. Current production is from the Devonian with a daily average of 400 MCF per day, and no liquids with a flowing wellhead pressure of 50 psi. Shut in wellhead pressure is 900 psi. Cumulative production from this zone is 510,333 MCF gas and 1018 bbls oil. Estimated remaining reserves are 687,614 MCF gas and no oil.

March 19, 1986
Page Two

In view of the low rates of flow during the last period of time in which the Ellenburger and Fusselman zones produced, and the current high costs of operations, it is highly unlikely that we could attempt to go back and deplete the reserves remaining in these two reservoirs by themselves. It is probable that when the producing rates from the Devonian become uneconomical, the well be plugged.

The Petroleum Corporation of Delaware proposes to commingle these three zones in the well bore. This would allow us to fully deplete all zones simultaneously as well as benefit from increased flow rates currently.

Attached is a tabulation of pertinent data from each zone. This data shows that in final stages of production from each zone, shut in wellhead pressures were very similar. This would show that there would be very little cross flow while the well is shut in. During flowing conditions, the pressure in the well bore would be pulled down and allow all zones to produced what ever they can, again with no cross flow.

As to compatibility of fluids, the only zone that continued to produce very much fluid after the first few months is the Ellenburger. There should be no problem with incompatibility of fluids.

Ownership is the same in all zones. There are no offset operators that will be effected. The only other well in the area completed in any of the zones in question is our Tenneco Federal No. 3 which is completed as a Devonian Gas well. See attached plat showing location and status of wells in the area. Gas from all zones is dedicated to El Paso Natural Gas Co.

Also attached for your convenience is a tabulation of monthly production from January, 1979 to January, 1985.

We request your approval to this proposal for well bore commingling.

Very truly yours,


L. E. Thomas

Attachments

LET/db
Devonian - 9049 - 9059
Ellenburger - 11,634 - 11,828
Fusselman - 9658 - 9672

THE PETROLEUM CORPORATION OF DELAWARE
TENNECO FEDERAL NO. 1

FORMATION (Perforated Interval)	INITIAL				LAST				Remaining Reserves	
	CITP psi	FTP psi	PRODUCING RATE		CITP psi	FTP psi	PRODUCING RATE		OIL BBL'S	GAS MCF
			OIL BPD	GAS MCFPD			OIL BPD	GAS MCFPD		
Ellenburger (11634-11828)	2,860	2,000	10	1,500	1,000	30	8	30	11,076	44,303
Fusselman (9650-9678)	1,200	200	3	187	500	30	2	50	1,436	146,306
Devonian (9049-9159)	1,300	500	6	600	900	50	0	400	0	687,614

R-37-E

Getty
Riggs Fed.

R-38-E

2

1

6

CITIES SERVICE

GETTY

MARALO OIL COMPANY

AMOCO

Stanolind

MARALO OIL COMPANY

11

Humble
I-B

Forest
Lowe-Fed.

7

Plymouth
Lowe-Fed.

TENNECO

12

3

Petr. Corp.
Tenneco-Fed.

HOWELL SPEAR

C&K

Stanolind
Leonard

Humble

Forest

T
26
S

Champlin
Leonard-Fed.

Humble
Leonard-Fed.

C&K PETROLEUM

14

13

18

Union Tex.
Leonard-Fed.

TENNECO

TENNECO

Blankes Ener.
Roberts-Yales

19

23

24

THE PETROLEUM CORPORATION

DUBLIN PROSPECT
LEA CO., NEW MEXICO

Leobed
Lineberry

MARCH, 1984

SCALE: 1" = 2000'

1979	OIL/COND. BBLs.	CUM. OIL/COND. BBLs.	GAS MCF	CUM. GAS MCF	GOR/ MCF/B	SHUT-IN PRESS. SURF. BH	TEST DATE	Hours SI
CUM.		98559		765300				
Jan.	214	98773	1099					
Feb.	170	98943	885	767284				
Mar.	163	99106	985	768269				
Apr.	138		796					
May	185	99429	773	769838				
Jun.	299	99727	1446	771284				
Jul.	14	99741	576	771860				
Aug.	5	99746	360	772220				
Sep.	122		371	772591				
Oct.	124	99992	455	773046				
Nov.	136	100128	951	773997				
Dec.	120	100248	802	774799				
Total								
1980								
Jan.	193	100441	690	775489				
Feb.	168	100609	795	776284				
Mar.	205	100814	903	777187				
Apr.	377	101191	861	778048				
May	24	101215	955	779003				
Jun.	203	101418	930	779933				
Jul.	173	101591	829	780762				
Aug.	249	101840	923	781685				
Sep.	220	102060	804	782489				
Oct.	209	102269	1072	783561				
Nov.	219	102488	878	784439				
Dec.	244	102732	1030	785469				
Total	2424							
1981								
Jan.	233	102965	932	786401	40			
Feb.	221	103186	926	787327	42			
Mar.	206	103392	809	788136	39			
Apr.	212	103604	924	789060	44			
May	190	103794	919	789979	45			
Jun.	224	104018	884	790863	37			
Jul.	217	104235	988	791851	46			
Aug.	220	104455	929	792780	42			
Sep.	211	104666	912	793692	43.20			
Oct.	44	104710	919	794611	20.840			
Nov.	407	105117	937	795548	2300			
Dec.	230	105347	868	796416	3770			
Total	2615		10947					

PRODUCTION STATISTICS

OPERATOR The Petroleum Corp.
 WELL Tenneco-Federal 1
 FIELD DUBLIN (ELLENBURGER)
 COUNTY LEA DISTRICT _____

FORMATION Ellenburger (_____)
 PERFORATIONS 11634'-11828' (19 holes)
 FIRST PRODUCTION _____
 INTEREST _____ (EXPN) _____ (REV)

STATE New Mexico

1982	OIL/COND. BBLs.	CUM. OIL/COND. BBLs.	GAS MCF	CUM. GAS MCF	RATIO MCF/B- B/MM	WTR %	PRESSURE; psig.			DATE
							FTP	SITP	SIBH	
Jan.	245	105,592	939	797,355	3.8					
Feb.	206	105,798	805	798,160	3.9					
Mar.	243	106,041	857	799,047	3.7					
Apr.	219	106,260	812	799,859	3.7					
May	235	106,495	933	800,792	3.9					
Jun.	210	106,705	1141	801,933	5.4					
Jul.	223	106,928	944	802,877	4.2					
Aug.	223	107,151	893	803,770	4.0					
Sep.	190	107,341	817	804,587	4.3					
Oct.	183	107,524	678	805,265	3.7					
Nov.	119	107,643	432	805,697	3.6					
Dec.	171	107,814	425	806,122	4.5					
Total	2467		9106							
1983										
Jan.	151	107,971	467	806,589	2.9					
Feb.	81	108,052	72	806,661	.9					
Mar.	0	108,052	0	806,661	-			2513.2		3-8
Apr.	66	107,119	-0-	806,661	-					
May	173	108,291	461	807,122	2.66					
Jun.	160	108,451	549	807,671	3.43					
Jul.	124	108,575	1980	809,651						
Aug.	78	108,653	1714	811,365						
Sep.	113	108,766	-0-	811,365						
Oct.	HR 61	108,227	3564	814,929						
Nov.										
Dec.										
Total										
Jan.										
Feb.										
Mar.										
Apr.										
May										
Jun.										
Jul.										
Aug.										
Sep.										
Oct.										
Nov.										
Dec.										
Total										

FEDERAL

Plugged back to normal
7/22/83 - HRP

Plugged back to normal
10/27/83 - PLW

PRODUCTION STATISTICS

PLUGGED BACK TO

OPERATOR THE PETROLEUM CORP. OF DELAWARE

FORMATION DEVONIAN

WELL TENNECO FEDERAL #1 15222

PERFORATIONS _____

FIELD DUBLIN - DEVONIAN

FIRST PRODUCTION 10/27/83

COUNTY LEA DISTRICT I. HOBBS

INTEREST _____ (EXPN) _____ (REV) _____

STATE NEW MEXICO

Devonian

1983	OIL/COND. BBLs.	CUM. OIL/COND. BBLs.	GAS SALES MCF	CUM. GAS MCF	RATIO		WTR %	PRESSURE, psig.			DATE DAYS ON
					MCF/B	B/MM		FTP	SITP	SIBH	
Jan.											
Feb.											
Mar.											
Apr.											
May											
Jun.											
Jul.											
Aug.											
Sep.											
Oct.											
Nov.	82	82	31,969	31,969	390	2.6					
Dec.	15	97	41,716	73,685	278	0.4					
Total	97		73,685								
1984											
Jan.	293	390	36,616	110,301	125	8.0					
Feb.	174	564	30,664	140,965	176	5.7	-0-	500 pi	20/27	10 ⁶⁰	1059 MCF
Mar.	116	680	24,419	165,384	211	4.7			0-water		3/22/84
Apr.	95	775	28,321	193,705	298	3.4					
May	53	828	25,854	219,559	488	2.0					
Jun.	41	869	25,273	244,832	616.4	1.6					
Jul.	33	902	24,230	269,062	734.2	1.4					
Aug.	25	927	20,036	289,098	801.4	1.2					
Sep.	14	941	21,652	310,750	1547	0.6					
Oct.	30	971	19,112	329,862	598.1	1.7					
Nov.	22	993	19,594	348,086	881.5	1.1					
Dec.	11	1,004	18,727	366,813	1702.	0.6					
Total	907		293,128								
1985											
Jan.	9	1,013	17,216	384,029	1913	0.5	-0-				31
Feb.	-0-	1,013	15,835	399,864	-	-0-	-0-				28
Mar.	-0-	1,013	12,863	412,727	-	-0-	-0-				23
Apr.	5	1,018	4,277	417,004	855	1.2	39				6
May	-0-	1,018	19,323	436,327	-	-0-	-0-				31
Jun.	-0-	1,018	15,822	452,149	-	-0-	-0-				30
Jul.	-0-	1,018	15,209	467,358	-	-0-	-0-				31
Aug.	-0-	1,018	13,545	480,903	-	-0-	-0-				27
Sep.	-0-	1,018	10,146	491,049	-	-0-	-0-				22
Oct.	-0-	1,018	1,319	492,368	-	-0-	124				8
Nov.	-0-	1,018	7,441	499,809	-	-0-	207				30
Dec.	-0-	1,018	10,524	510,333	-	-0-	102				31
Total	14		143,520				472				