



Texaco E & P

205 E. Bender Blvd.
Hobbs NM 88240
505 393 7191

DHC 10/18/99

September 24, 1999

GOV-STATE AND LOCAL GOVERNMENTS
EXCEPTION TO NMOCD Rule 303(A)

Application to DHC

Teague Tubb North Assoc. and Teague Drinkard-Abo North Assoc.

B.F. Harrison "B" #4

Unit Letter D, Sec. 9, T23S, R37E

660' FNL and 800' FWL

Lea County, NM

SEP 27 1999

State of New Mexico
Energy and Minerals Department
Oil conservation Commission
2040 South Pacheco
Santa Fe, NM 87505

Attention: Mr. Ben Stone

Texaco Exploration and Production Inc., respectfully requests approval to downhole commingle the North Teague Tubb (Assoc.) and the North Teague Drinkard-Abo (Assoc.) pool within the subject wellbore. The Teague Tubb interval will be added upon approval of the DHC. (It is also requested that a simultaneous dedication with B.F. Harrison B #17 in the North Teague Tubb (Assoc.) and North Teague Drinkard-Abo (Assoc.) pools be granted.)

(Not necessary, All oil wells.)

The royalty is common in all zones. The proposed downhole commingling will provide a more economical means of production. It will allow complete development of the productive capacity on the subject lease by allowing both intervals to be artificially lifted simultaneously. This will extend the productive life of both completions, thereby preventing waste.

The subject well meets all of the requirements as set forth by rule 303 (C). In addition, it should be noted that all produced fluids have entered a common production facility with no fluid compatibility problems.

It is requested that the allocation of production for each zone be based on well tests obtained from the Drinkard/Abo Pool before DHC and all additional production allocated to the Tubb Pool.

If you have any questions concerning this application, please contact Denise Leake at (505) 397-0404 or Denise Wann at (505) 397-0425.

Yours truly,

Denise Wann

Denise Wann
Production Engineer
Eunice FMT

Attachments

EXHIBIT "B" - CASE NO. 11353, ORDER NO. R-10470-A

DISTRICT I

P.O. 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, New Mexico 87505-6429

Form C-107-A
New 3-12-96

APPROVAL PROCESS:

Administrative Hearing

EXISTING WELLBORE

YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Texaco Exploration & Producing Inc. 205 East Bender Hobbs, New Mexico 88240
Operator Address

B.F. Harrison B 4 D Sec 9, T23S, R37E Lea
Lease Well No. Unit Ltr. - Sec - Tws - Rge County

OGRID NO. 022351 Property Code 30-025-31200 Spacing Unit Lease Types: (check 1 or more)
API NO. Federal State (and/or) Fee

The following facts are submitted in support of downhole commingling:	Zone to be added		
	Lower Zone	Intermediate Zone	Upper Zone
1. Pool Name and Pool Code	Teague Drinkard Abo North Assoc.		Teague Tubb North Assoc.
2. Top And Bottom of Pay Section (Perforations)	6335-7056'		6072-6224'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Pumping (Current)		
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	500# (Original)	a.	420# est
	b.	b.	b.
6. Oil Gravity (* API) or Gas BTU Content			
7. Producing or Shut-In? Production Marginal? (yes or no)	Producing		
* 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 60 days)	Date: Rates:		
	Date: 9-13-99 Rates: 15 BO, 6 BW, 129 MCF		Estimated 10 BO, 2 BW, 370 MCF
8. Fixed Percentage Allocation Formula -% for each zone	Oil: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

9. If allocation Formula is based upon something other than current or past production, or is based upon some other method, after submit attachments with supporting data and/or explaining method and providing rate projections or other required data. tests

10. Are all working, overriding, and royalty interests identical in all commingled zones? Yes X 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 X 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 other? X Yes No

13. Will the value of production be decreased by commingling? Yes X No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Land or the United States Bureau of Land Management has been notified in writing of this application. X 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 deication Simultaneous dedication w/B.F. B #17 in Tubb & Abo-Drk
- * Production curve for each zone for at lease one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * 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 Denise Wann TITLE Engineer DATE
TYPE OR PRINT NAME Denise Wann TELEPHONE NO. (505)

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico**Energy, Minerals and Natural Resources Department****OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30 025 31200	² Pool Code 96313	³ Pool Name Teague Drinkard Abo North
⁴ Property Code 10960	⁵ Property Name HARRISON, B.F. "B"	⁶ Well No. 4
⁷ OGRID Number 022351	⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.	⁹ Elevation GR-3318, KB-3336'

¹⁰ Surface Location

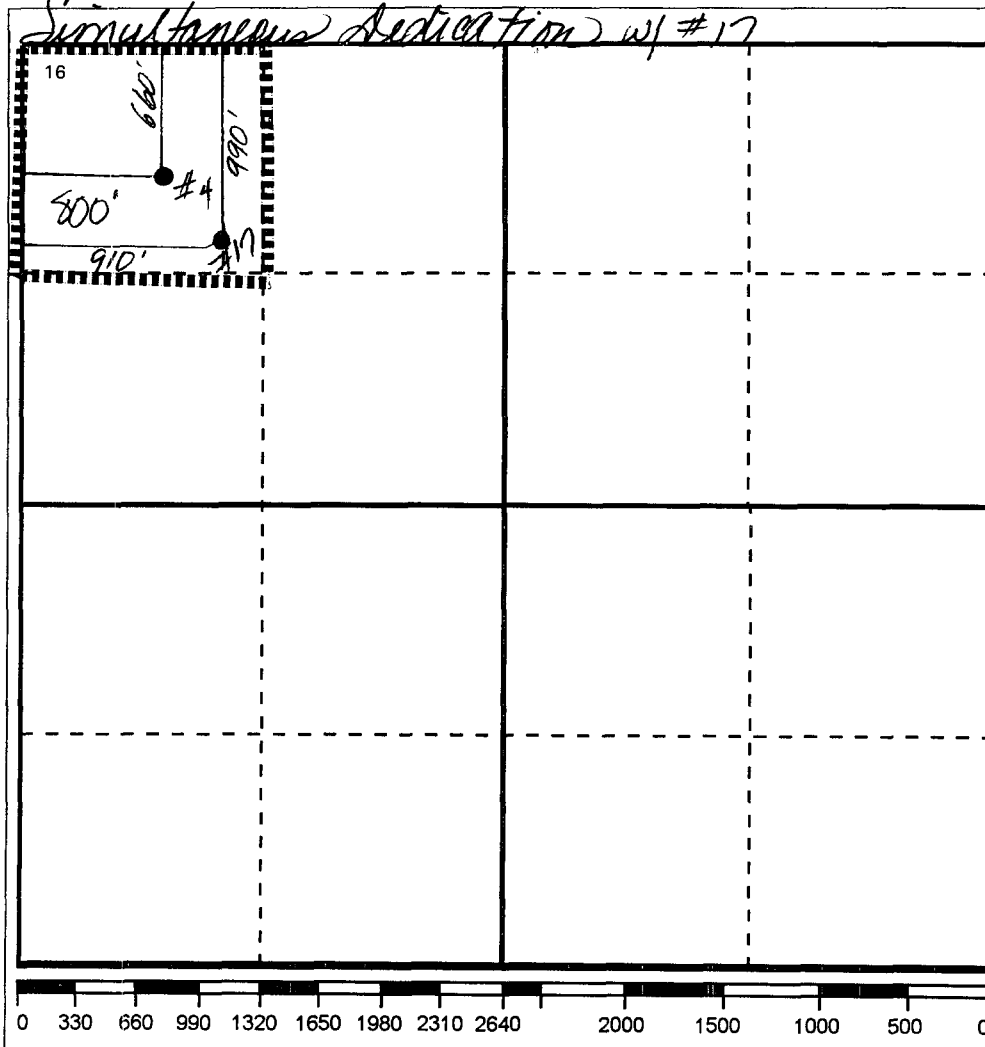
Ul or lot no. D	Section 9	Township 23S	Range 37E	Lot.Idn	Feet From The 660	North/South Line NORTH	Feet From The 800	East/West Line WEST	County LEA
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¹¹ Bottom Hole Location If Different From Surface

Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
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¹² Dedicated Acres 40	¹³ Joint or Infill No	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
Signature <i>J. Denise Leake</i>
Printed Name J. Denise Leake
Position Engineering Assistant
Date 09/24/1999
18 SURVEYOR CERTIFICATION 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
Signature & Seal of Professional Surveyor
Certificate No.

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State of New Mexico

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Revised February 10, 1994

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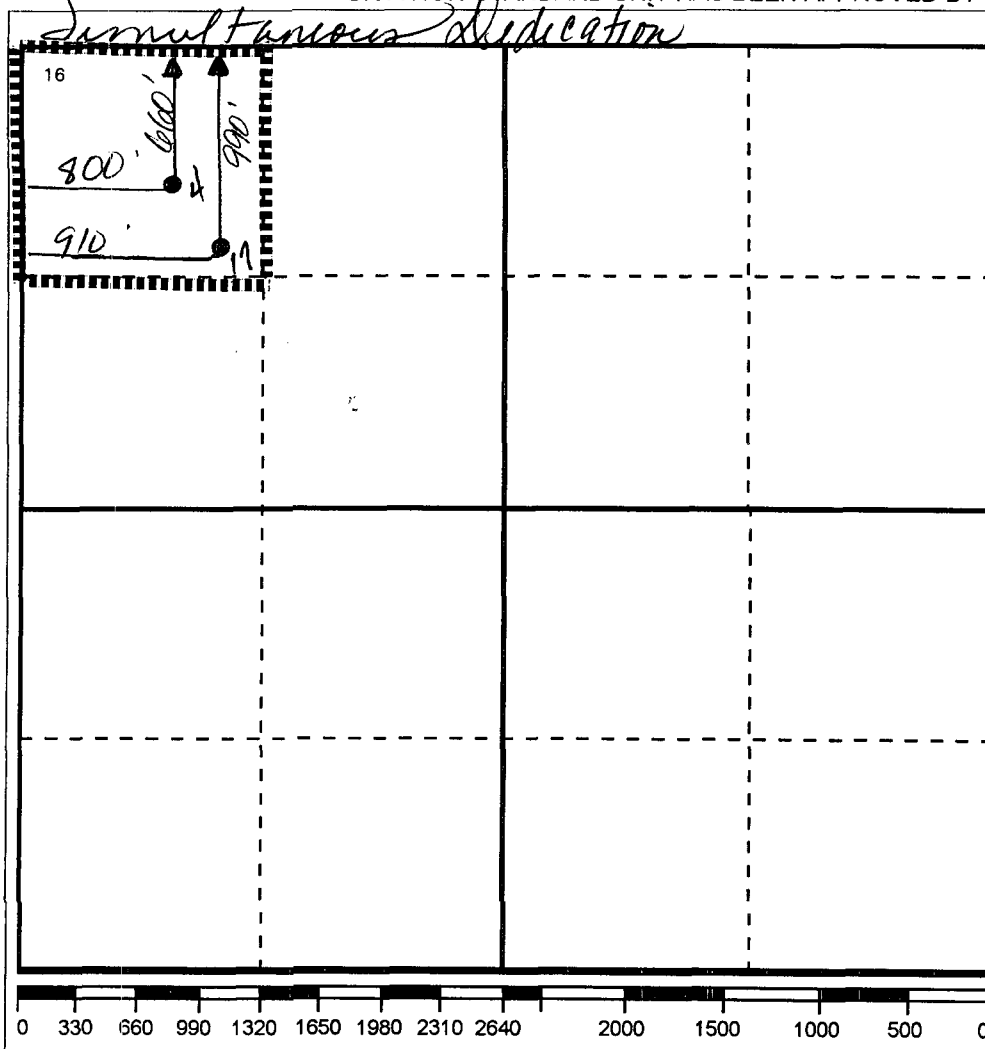
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I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature

Printed Name

J. Denise Leake

Position

Engineering Assistant

Date

09/24/1999

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Signature & Seal of
Professional Surveyor

Certificate No.