



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

AMENDED COMMINGLING ORDER PC-210

Texaco Exploration and Production, Inc.
P.O. Box 730
Hobbs, NM 88241-0730

Attention: Monte C. Duncan

LEASE NAME: S.J. Sarkeys Lease
DESCRIPTION: NW/4 Section 26, Township 21 South, Range 27 East, NMPM, Lea County,
New Mexico.

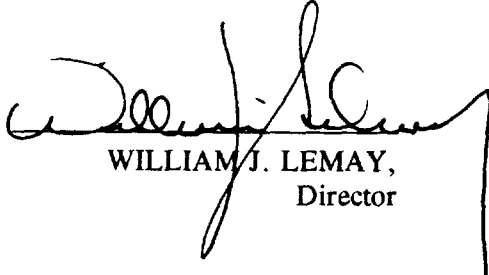
The above-named company is hereby authorized to commingle Drinkard, Wantz-Abo, Blinebry, Tubb and Penrose Skelly Grayburg Pool production in a common tank battery and to determine the production from each pool by well tests. (If this method is to be authorized, all commingled production must be of marginal nature; further, the operator shall notify the Santa Fe office of the Division in the event any well in the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate.)

FURTHER: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: This amendment authorizes the addition of Penrose Skelly Grayburg Pool production to be commingled with the previously authorized Drinkard, Wantz-Abo, Blinebry and Tubb production.

DONE at Santa Fe, New Mexico, on this 10th day of November, 1993.


WILLIAM J. LEMAY,
Director

cc: Oil Conservation Division-Hobbs
Oil Conservation Division-Data Processing (Donna McDonald)



N/P
PC-AMEND

RECEIVED OIL CONSERVATION DIVISION
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1993 OCT 13 PM 9 02

October 13, 1993

New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504

Attn: Mr. William J. LeMay
Chairman and Director, Oil Conservation Division

RE: REQUEST TO AMEND SURFACE COMMINGLING ORDER PC-210
S. J. Sarkeys Lease (FEE)
NW/4 Sec. 26, T-21-S, R-27-E, Lea County, New Mexico

Gentlemen:

Texaco Exploration and Production Inc. requests permission to amend Surface Commingling Order PC-210. TEPI would like to add the Penrose Skelly Grayburg pool to the list of pools authorized to commingle production on this FEE lease. The order currently allows commingling of production from the Blinebry, Drinkard, Tubb, and Wantz Abo formations. The S.J. Sarkeys #3 has recently been recompleted into the Penrose Skelly Grayburg. The well's current production is approximately fourteen barrels of oil per day. It is anticipated that this well's production will continue to be of a marginal nature.

In addition to this well, five other wells produce into this battery. The production from these five wells is also of a marginal nature. The six wells, the average daily production, and the present completions are as follows:

<u>WELL</u>	<u>OIL</u>	<u>WATER</u>	<u>GAS</u>	<u>FORMATION</u>
#1	5	3	442	Tubb Oil & Gas
#2	10	4	120	Blinebry O & G
#3 (current test)	14	122	TSTM	Grayburg
#4	3	3	57	Blinebry O & G
#5	2	3	3	Wantz Abo
#6	0	0	1	Drinkard Wantz Abo

Mr. William LeMay

-2-

October 13, 1993

The oil transporter for the battery is Texas New Mexico Pipeline Company. The gas is sold to Texaco Exploration and Production Inc.'s Gas Division. Water is disposed into the Rice Engineering Disposal System.

Attached for your review is a plat showing the location of the wells and the battery. Also attached is a schematic of the battery where monthly tests will be accurately measured on a per well basis through meters on a test separator. Each well will be tested several times during the month. Total monthly production will then be allocated to each well based on these well tests by the subtraction method.

If you have any questions concerning this request, please contact me at 397-0418 or 393-7191. The engineer assigned to this lease is Scott Warhover. His phone number is 397-0419. Thank you for your assistance in this matter.

Yours very truly,



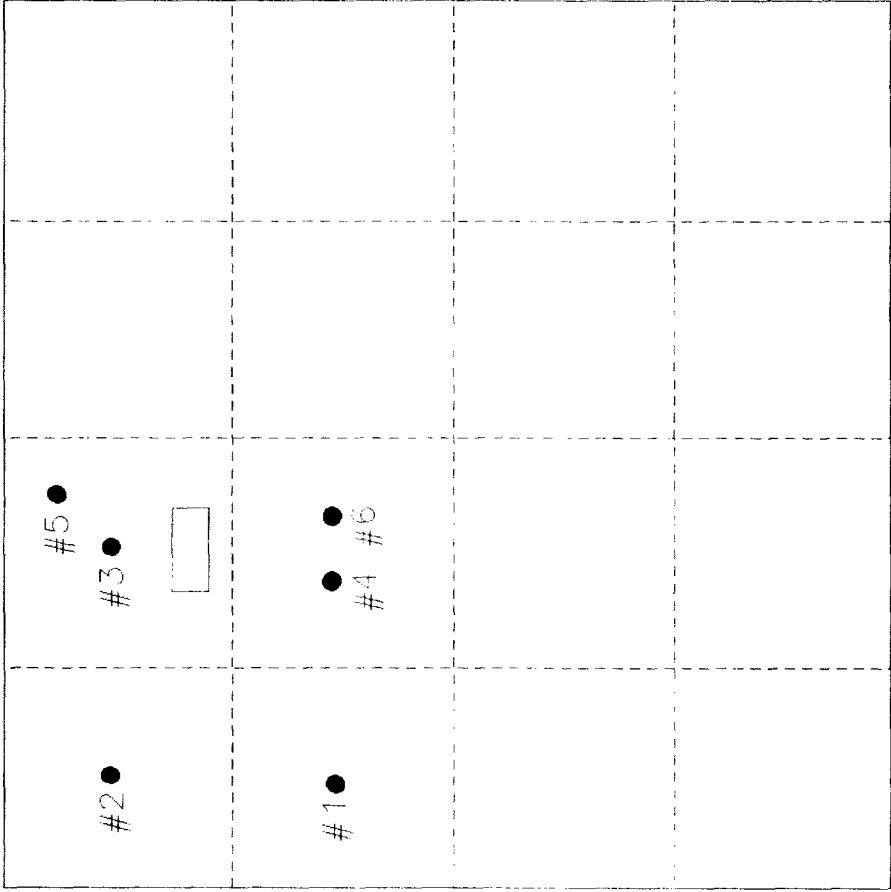
Monte C. Duncan
Engineer's Assistant

/mcd
Chrono
Attachments

cc: New Mexico Oil Conservation Division
P.O. Box 1980
Hobbs, New Mexico 88240
Attn: Mr. Jerry Sexton

Mr. Terry Frazier, Hobbs Area Manager
Texaco Exploration and Production Inc.

Mr. Odis Henley, Monument Subarea Supervisor
Texaco Exploration and Production Inc.



TEXACO EXPLORATION AND PRODUCTION INC.

S. J. SARKEYS LEASE

NW/4 SEC 26, T-21-S, R-37-E

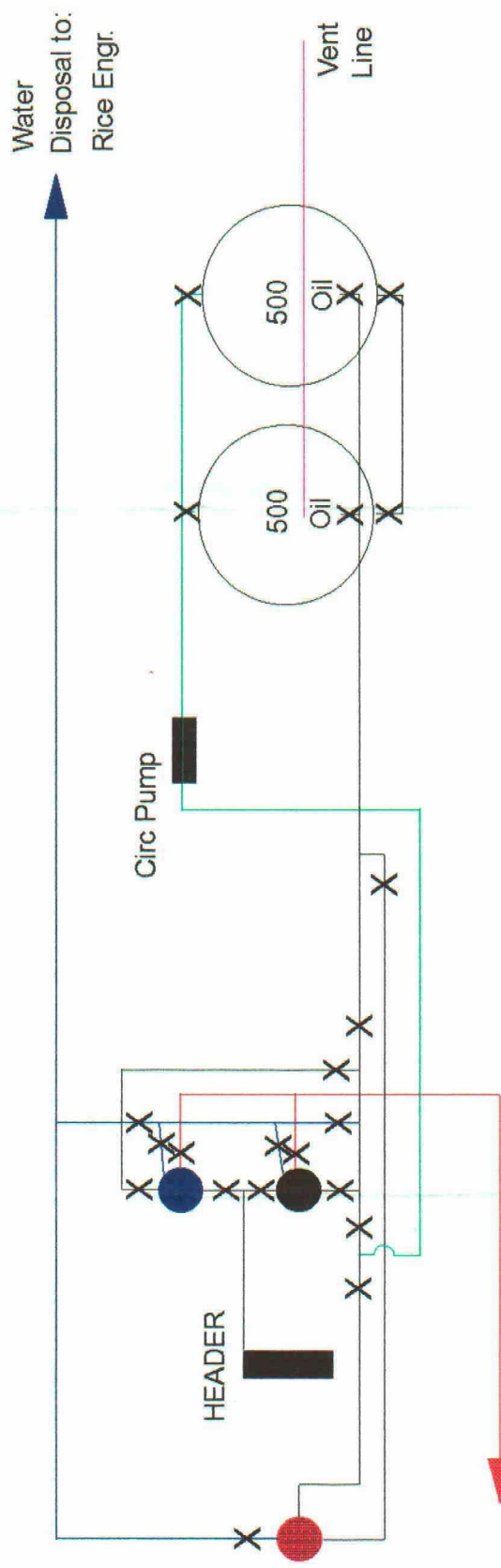
LEA COUNTY, NEW MEXICO



BATTERY



PRODUCING WELLS

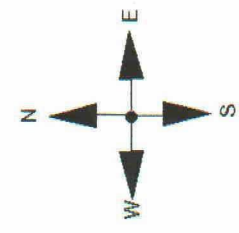


Gas to:
Texaco E&P

Oil Transporter:
Texas - New Mexico Pipeline Co.

Gas Transporter:
Texaco E&P

- Prod Separator
- Test Separator
- Heater Treater
- Oil Lines
- Water Lines
- Gas Lines
- Circ Lines
- Vent Line



TEXACO EXPLORATION AND PRODUCTION INC.

S. J. SARKEYS BATTERY

Ltr C, Sec 26, T-21-S, R-37-E

Lea County, New Mexico