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October 23, 1995

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco
Santa Fe, New Mexico 87503

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OCT 23 1995

Oil Conservation Division

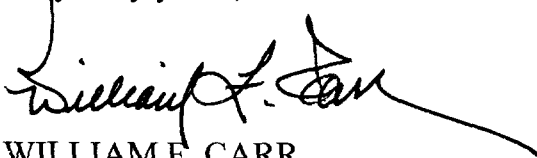
11429

Re: Application of Texaco Exploration and Production Inc., for Downhole
Commingling, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Texaco Exploration and Production Inc., in the above-referenced case as well as a legal advertisement. Texaco Exploration and Production Inc., respectfully requests that this matter be placed on the docket for the November 16, 1995 Examiner hearings.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO EXPLORATION AND PRODUCTION INC.
WFC:mlh

Enclosures

cc: Mr. David Sleeper (w/enclosures)
Texaco Exploration and Production Inc.

BEFORE THE
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF TEXACO EXPLORATION AND
PRODUCTION INC. FOR
DOWNHOLE COMMINGLING,
LEA COUNTY, NEW MEXICO.

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Oil Conservation Division CASE NO. _____

APPLICATION

TEXACO EXPLORATION AND PRODUCTION INC. ("Texaco"), through its undersigned attorneys, hereby seeks exception from Division General Rule 303 (C) to establish on an area-wide basis authorization for downhole commingling of production from the Delaware formation, West Triste Draw-Delaware Pool, and the Bone Springs formation, South Sand Dunes-Bone Springs Pool, in the wellbores of existing or future wells drilled on certain lands located in Lea County, New Mexico, and in support thereof states:

1. Texaco owns interests and operates wells in the following described lands in Lea County, New Mexico (hereinafter referred to as the "Development Area"):

Township 23 South, Range 32 East, NMPM

Section 31: W/2 E/2, E/2 W/2

containing 320-acres, more or less.

2. Texaco seeks approval for downhole commingling of production from the Delaware formation, and the Bone Springs formation in the wellbores of existing or future

wells drilled in the Development Area described in paragraph 1 of this application.

3. Granting this application will result in the most efficient production of hydrocarbons from the Development Area and will not damage the reservoirs involved.

4. Granting this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

5. Notice of this application will be provided to all offsetting operators in accordance with Oil Conservation Division Rules.

WHEREFORE, Texaco Exploration and Production Inc. requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on November 16, 1995 and that, after notice and hearing as required by law, the Division enter its Order granting this application.

Respectfully submitted,

CAMPBELL, CARR & BERGE, P.A.

By:



WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR TEXACO EXPLORATION
AND PRODUCTION INC.

CASE _____: Application of Texaco Exploration and Production Inc. for downhole commingling, Lea County, New Mexico. Applicant in the above-styled cause seeks exceptions from Division General Rule 303 (C) to establish an area-wide basis authorization for downhole commingling of Delaware and Bone Springs in the wellbores of existing or future wells drilled anywhere with the W/2 E/2 and the E/2 W/2 of Section 31, Township 23 South, Range 32 East, NMPM, said production being from portions of the West Triste Draw-Delaware Pool and the South Sand Dunes-Bone Springs Pool. The center of said ares is located approximately ____ miles _____ of _____, New Mexico.

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