STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

November 9, 1992

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

Marathon Oil Company
P.O. Box 2409
Hobbs, NM 88240

Attn: S.P. Guidry

RE: J. L. Muncy #1-P
Sec. 24, T22S, R37E (Tubb and South Brunson Drinkard/Abo Pools)

Gentlemen:

Your request to produce the above-referenced well which failed the second packer leakage test until you have obtained approval to down-hole commingle is hereby approved for 30 days.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

ed

P.S. Please copy of your downhole commingle application to this office.

Houston Division
Production Operations, United States

Marathon Oil Company

P.O. Box 2409
Hobbs, New Mexico 88240
Telephone 505/393-7106

November 2, 1992

Oil Conservation Division
District I
Mr. Jerry Sexton
PO Box 1980
Hobbs, NM 88240

RE: Downhole Commingling
J.L. Muncy No. 1
Drinkard Field
Lea County, New Mexico

Dear Mr. Sexton:

The J.L. Muncy No. 1 failed its second packer leakage test on October 23, 1992. Marathon is currently preparing an application to downhole commingle the Tubb and Drinkard/Abo zones. Marathon requests temporary approval to produce the well in a downhole commingled fashion until the application has been submitted and approved.

The upper completion of the well is a Tubb gas zone with the lower zone being a Drinkard/Abo oil completion. The Tubb zone currently flows +/- 55 MCFD with the Drinkard/Abo zone dead. The proposed method of producing this well is to remove the existing packer and run in with the necessary tubing assembly to rod pump the well. The gas zone will be produced up the tubing until the application to commingle has been approved. After approval, rods will be run and the well rod pumped.

If you have any questions or need additional data, please contact Rick Gaddis at (505) 393-7106.

Sincerely,

S.P. Guidry

S.P. Guidry

SPG:RDG/9220/kc

Submit 3 Copies to Appropriate Dist. Office

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Revised 1-1-89

INSTRUCTIONS ON REVERSE SIDE

This form is not to be used for reporting packer leakage tests in Northwest New Mexico

SOUTHEAST NEW MEXICO PACKER LEAKAGE TEST

RETEST

Operator			Lease		Well No.
MARATHON OIL COMPANY			J. L. MUNCY		1
Location of Well	Unit P	Sec. 14	Twp 22S	Rge 37E	County LEA

	Name of Reservoir or Pool	Type of Prod. (Oil or Gas)	Method of Prod. Flow, Art Lift	Prod. Medium (Tbg. or Csg)	Choke Size
Upper Compl	TUBB.	GAS	FLOW	CSG.	—
Lower Compl	S. BRUNSON, DRINKARD - ABO.	OIL	FLOW	TBG.	—

FLOW TEST NO. 1

Both zones shut-in at (hour, date): 10 AM - 10/19/92

Well opened at (hour, date): 9:30AM - 10/20/92

	Upper Completion	Lower Completion
Indicate by (X) the zone producing	X	
Pressure at beginning of test	435	538
Stabilized? (Yes or No)	NO.	YES
Maximum pressure during test	435	538
Minimum pressure during test	230	495
Pressure at conclusion of test	230	495
Pressure change during test (Maximum minus Minimum)	205	43
Was pressure change an increase or a decrease?	DECREASE	DECREASE

Well closed at (hour, date): 1PM - 10/21/92 Total Time On Production 27.5 HOURS

Oil Production During Test: 0 bbls; Grav. _____ Gas Production During Test 72 MCF; GOR _____

Remarks _____

FLOW TEST NO. 2

Well opened at (hour, date): 2PM - 10/23/92

	Upper Completion	Lower Completion
Indicate by (X) the zone producing		X
Pressure at beginning of test	458	510
Stabilized? (Yes or No)	YES	YES
Maximum pressure during test	458	510
Minimum pressure during test	440	30
Pressure at conclusion of test	440	30
Pressure change during test (Maximum minus Minimum)	18	480
Was pressure change an increase or a decrease?	DECREASE	DECREASE

Well closed at (hour, date) 7PM - 10/23/92 Total time on Production 5 HOURS

Oil production During Test: 0 bbls; Grav. _____; Gas Production During Test 2 MCF; GOR _____

Remarks _____

OPERATOR CERTIFICATE OF COMPLIANCE

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

MARATHON OIL COMPANY
Operator

Mike Greenough
Signature

MIKE GREENOUGH - ENG. TECH.
Printed Name Title

10/26/92 505-393-7106
Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved _____

By _____

Title _____

INSTRUCTIONS FOR SOUTHEAST NEW MEXICO PACKER LEAKAGE TEST

1. A packer leakage test shall be commenced on each multiply completed well within seven days after actual completion of the well, and annually thereafter as prescribed by the order authorizing the multiple completion. Such test shall also be commenced on all multiple completions within seven days following recompletion and/or chemical or fracture treatment, and whenever remedial work has been done on a well during which the packer or the tubing have been disturbed. Tests shall also be taken at any time that communication is suspected or when requested by the Division.

2. At least 72 hours prior to the commencement of any packer leakage test, the operator shall notify the Division in writing of the exact time the test is to be commenced. Offset operators shall also be so notified.

3 The packer leakage test shall commence when both zones of the dual completion are shut-in for pressure stabilization. Both zones shall remain shut-in until the well-head pressure in each has stabilized and for minimum of two hours thereafter, provided, however, that they need not remain shut-in more than 24 hours.

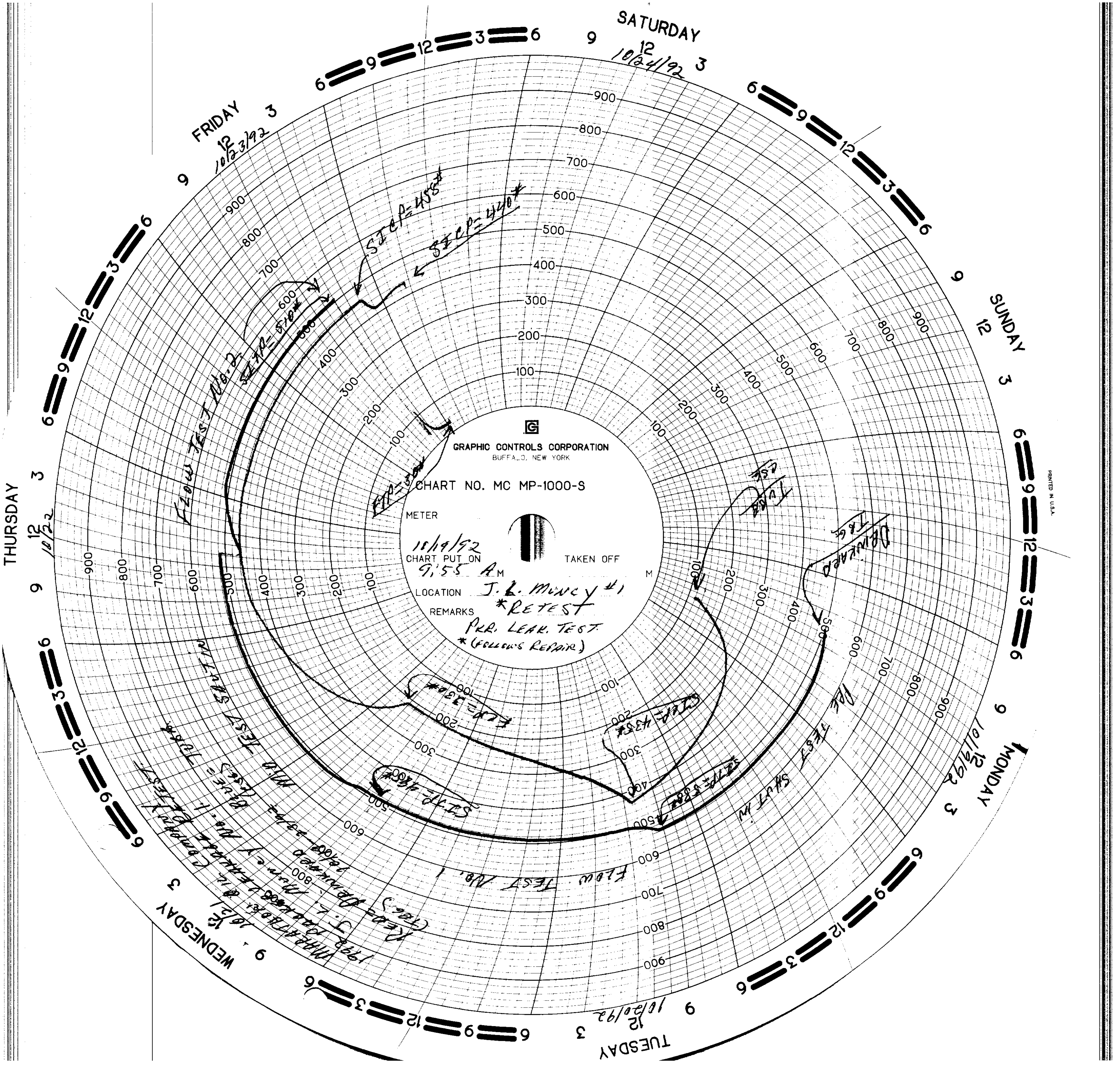
4. For Flow Test No. 1, one zone of the dual completion shall be produced at the normal rate of production while the other zone remains shut-in. Such test shall be continued until the flowing wellhead pressure has become stabilized and for minimum of two hours thereafter, provided however, that the flow test need not continue for more than 24 hours.

5. Following completion of Flow Test No. 1, the well shall again be shut-in, in accordance with Paragraph 3 above.

6. Flow Test No. 2 shall be conducted even though no leak was indicated during Flow Test No. 1. Procedure for Flow Test No. 2 is to be the same as for Flow Test No. 1 except that the previously produced zone shall remain shut-in while the previously shut-in zone is produced.

7. All pressures, throughout the entire test, shall be continuously measured and recorded with recording pressure gauges, the accuracy of which must be checked with deadweight tester at least twice, once at the beginning and once at the end, of each flow test.

8. The results of the above-described tests shall be filed in triplicate within 15 days after completion of the test. Tests shall be filed with the appropriate District Office of the New Mexico Oil Conservation Division on Southeast New Mexico Packer Leakage Test Form Revised 1-1-89, together with the original pressure recording gauge charts with all the deadweight pressures which were taken indicated thereon. In lieu of filing the aforesaid charts, the operator may construct a pressure versus time curve from each zone of each test, indicating thereon all pressure changes which may be reflected by the gauge charts as well as all deadweight pressure readings which were taken. If the pressure curve is submitted, the original chart must be permanently filed in the operator's office. Form C-116 shall also accompany the Packer Leakage Test Form when the test period coincides with a gas-oil ratio test period.



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
CHART NO. MC MP-1000-S
METER
10/19/92
CHART PUT ON
9:55 AM
TAKEN OFF
M
LOCATION J. L. MUNCY #1
*RETEST
REMARKS PKR. LEAK TEST
*(FOLLOWS REPAIR)
PRINTED IN U.S.A.
MONDAY
TUESDAY
WEDNESDAY
THURSDAY
FRIDAY
SATURDAY
SUNDAY
10/19/92
10/20/92
10/22
10/23/92
10/24/92
FLOW TEST NO. 1
FLOW TEST NO. 2