



PETROLEUM PRODUCTS

July 14, 1970

TEXACO INC.
DRAWER 728
HOBBS, NEW MEXICO 88240

DHC - 52
Wm Aug 4

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.

Re: Wellbore commingling
E.H.B. Phillips "B" Lease
Well No. 2
Monument Tubb and Skaggs Drinkard Pools
Lea County, New Mexico

Gentlemen:

TEXACO Inc. respectfully requests administrative approval under the provisions of Order No. R-3845 to commingle in the well bore oil production from the Monument Tubb Pool and Skaggs Drinkard Pool which are dually completed as permitted by Administrative Order No. MC-1523-A dated September 8, 1964 in Well No. 2 on the E.H.B. Phillips "B" Lease located in Section 10, Township 20-South, Range 37-East, Lea County, New Mexico.

The subject well for which wellbore commingling approval is requested qualifies under the provisions of Statewide Rule 303 C, which provides for administrative application and approval of wellbore commingling. Both zones are classified as oil zones and produce oil and gas at rates below the limits specified in the subject order. Both the Monument Tubb and the Skaggs Drinkard zones are produced by artificial lift; therefore, production after commingling will be artificially lifted. The Monument Tubb zone does not produce water, and the Skaggs Drinkard zone produces water below the limits specified. The fluids from these two reservoirs have been commingled on the surface in common storage for several years and are known to be compatible. There has been no evidence of undesirable scale or precipitates. Ownership of the mineral in both zones is common, and the value of the commingled fluids is not less than the total value of the fluids if they were marketed separately. Secondary recovery operations will not be jeopardized by approval of the application.

July 14, 1970

In further compliance with the above mentioned order, a data sheet is attached listing all required data for the two reservoirs that are productive in the well. Also attached is a production decline curve for each zone in the well which may be used for allocated production. Well tests are also attached as submitted on Form C-116. Copies are being mailed to each of the offset operators shown on the attached list.

Yours very truly,



W. E. Morgan
District Superintendent

JMG(KWH)/cr

DS

cc: VSP

All offset operators

LIST OF OFFSET OPERATORS

TEXACO Inc.
E.H.B. Phillips "B" Lease, Well No. 2
Lea County, New Mexico

Amerada Petroleum Corporation
P. O. Box 668, Hobbs, New Mexico 88240

Cities Service Oil Company
P. O. Box 69, Hobbs, New Mexico 88240

Continental Oil Company
P. O. Box 460, Hobbs, New Mexico 88240

Gulf Oil Corporation
P. O. Box 1938, Roswell, New Mexico 88201

Marathon Oil Company
P. O. Box 220, Hobbs, New Mexico 88240

Schermerhorn
P. O. Box 1841, Oklahoma City, Oklahoma 73101

DATA SHEET FOR WELLBORE COMMINGLING

Operator: **TEXACO Inc.**

Address: **P.O. BOX 728 - HOBBS, NEW MEXICO 88240**

Lease and Well No: **E.H.B. PHILLIPS "B" LEASE, WELL NO. 2**

Location: Unit 6 ; 1980 Feet from the North Line and
1980 Feet from East Line of Section 10 ;
Township 20-South , Range 37-East ; Lea County.

WELL DATA

	<u>Upper Pool</u>	<u>Lower Pool</u>
Name of Pool	Monument Tubb <i>4,000</i>	Skaggs Drinkard <i>2,000</i>
Producing Method	Pump	Pump
BHP	450 - 600 psi Intermediate	450 - 600 psi Intermediate
Type of Crude	Sweet	Sweet
Gravity	37.8	39.0
GOR Limit	4000	2000
Completion Interval	6540 - 6606	6839 - 6858
Current Test Date	7-3-70	7-4-70
Oil	10	5
Water	-	4
GOR	5667	820
Selling Price of Crude - \$/BBL.	3.30	3.34
Daily Income - \$/Day	33.00	16.70

COMMINGLED DATA:

Gravity of Commingled Crude 38.2
Selling Price of Commingled Crude - \$/BBL. 3.32
Daily Income - \$/Day 49.80
Net (Gain) (~~Loss~~) from Wellbore Commingling - \$/Day 0.10

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator		Pool		County											
TEXACO Inc.		MONUMENT TUBB AND SKAGGS DRINKARD		LEA											
Address		P.O. BOX 728 - HOBBS, NEW MEXICO 88240		Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>											
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	TYPE OF TEST - (X)	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST		GAS - OIL RATIO CU.FT./BBL.		
		U	S	T							R	WATER BBL.		GRAV. OIL BBL.	GAS M.C.F.
E.H.B. PHILLIPS "B"	2	6	10	20S	37E										
MONUMENT TUBB						7-3-70	P	-	3	24	0	37.8	10	56.7	5667
SKAGGS DRINKARD						7-4-70	P	-	5	24	4	39.0	5	4.1	820
THIS IS A TEST PRIOR TO DOWNHOLE COMMINGLING.															

No well will be assigned an allowable greater than the amount of oil produced on the official test.
 During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.
 Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.60.
 Report casing pressure in lieu of tubing pressure for any well producing through casing.
 Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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


(Signature)

Assistant District Superintendent

(Title)
July 13, 1970
(Date)

10,000

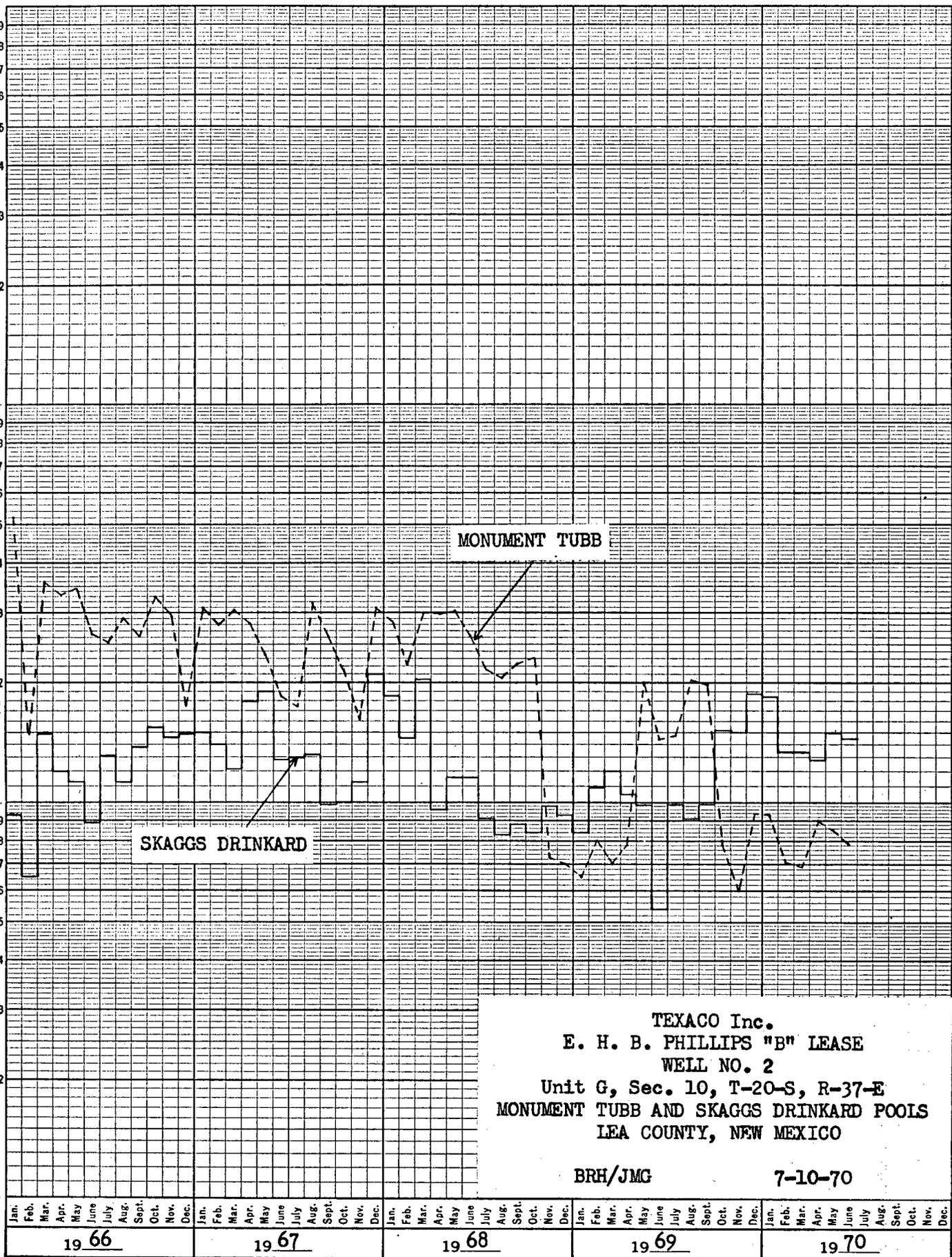
1,000

OIL PRODUCTION - BBL/MO.

100

10

5 YEARS BY MONTHS 46 6690
X 3 LOG CYCLES
MADE IN U.S.A.
KEUFFEL & ESSER CO.



TEXACO Inc.
 E. H. B. PHILLIPS "B" LEASE
 WELL NO. 2
 Unit G, Sec. 10, T-20-S, R-37-E
 MONUMENT TUBB AND SKAGGS DRINKARD POOLS
 LEA COUNTY, NEW MEXICO

BRH/JMG 7-10-70