

SHELL OIL COMPANY

P. O. BOX 1509
MIDLAND, TEXAS 79701

December 28, 1971

Subject: Application for Downhole Commingling
Argo No. 3
Drinkard Field, Section 15, T-215
Lea County, New Mexico

DHC-105

Rec Jan 23

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

Attention Mr. A. L. Porter, Jr., Secretary Director

Gentlemen:

RECEIVED

JAN - 3 1972

OIL CONSERVATION COMM.
SANTA FE

Shell Oil Company respectfully requests administrative approval under provisions of Order No. R-3845 to commingle in the wellbore production from the Blinebry and Drinkard pools in its Argo No. 3, located in Unit K of Section 15, T-21-S, R-37-E, Lea County, New Mexico. This dual completion was authorized by Administrative Order No. MC1356 dated July 22, 1963. The attached plat depicts the Argo lease as outlined in red and the No. 3 well as indicated by the red circle.

The attached Form C-116 shows the results of production tests taken within the last 30 days on both the Blinebry and Drinkard Zones. Both the Blinebry and Drinkard Zones are currently produced by intermittent flow up 2 1/16" OD tubing. The Static bottom hole pressures are estimated at 750 and 850 psi for the Blinebry and Drinkard Zones, respectively.

The attached production curves depict the production history for each zone and an estimate of future performance as shown by the dashed line. We propose to allocate production from each zone by means of this curve extension.

Production from the Blinebry and Drinkard formations has been commingled at the tank battery for a number of years with no indication of fluid incompatibility. Since the crudes are commingled at the tank battery before being sold, no difference in value should result by commingling the production within the wellbore.

A copy of this application is being furnished at all offset operators. Your further handling of approval of this application will sincerely be appreciated.

Yours very truly,

B.A. Lowrey
For: Jack L. Mahaffey
Production Manager
Mid-Continent Division

RRS:VJ

Attachments

cc - Offset Operators (Per Attached List)

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

OFFSET OPERATORS TO
ARGO NO. 3
LEA COUNTY, NEW MEXICO

Amerada Hess Corporation
Western United Life Building
P. O. Box 591
Midland, Texas 79701

Cities Service Oil Company
800 Vaughn Building
Midland, Texas 79701

Gulf Oil Company - U. S.
P. O. Box 1150
Midland, Texas 79701

Marathon Oil Company
P. O. Box 552
Midland, Texas 79701

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator		Pool		County		TYPE OF TEST - (X)		Completion		Spectral										
Shell Oil Company		Drinkard		Lea		<input type="checkbox"/> Scheduled <input type="checkbox"/> Completion		<input type="checkbox"/> Spectral <input checked="" type="checkbox"/>												
Address		WELL NO.		LOCATION		DATE OF TEST		CHOKES		TBG. PRESS.		DAILY ALLOWABLE		LENGTH OF TEST HOURS		PROD. DURING TEST		GAS - OIL RATIO		
				U	S	T	R	SIZE		PRESS.		ABLE		HOURS		WATER BBL.S.	GRAV. OIL	OIL BBL.S.	GAS M.C.F.	CU.FT./BBL.
Argo		3		K	15	21	37	32/64		200		14		24		0	39.0	10	100	10,000

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.

R. A. Halverson
 (Signature)
 R. A. Halverson
 (Title)
 Product Accounting Supervisor
 December 27, 1971
 (Date)

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator		Pool		County											
Shell Oil Company		Blinebry Oil		Lea											
Address		P. O. Box 1509, Midland, Texas 79701													
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKER SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT./BBL		
		U	S	T						R	WATER BBLs.	GRAV. OIL		OIL BBLs.	GAS M.C.F.
Argo	3	K	15	21	37	12-17	HL 32/64	-	18	24	0	38	19	382	20105

Completion Special

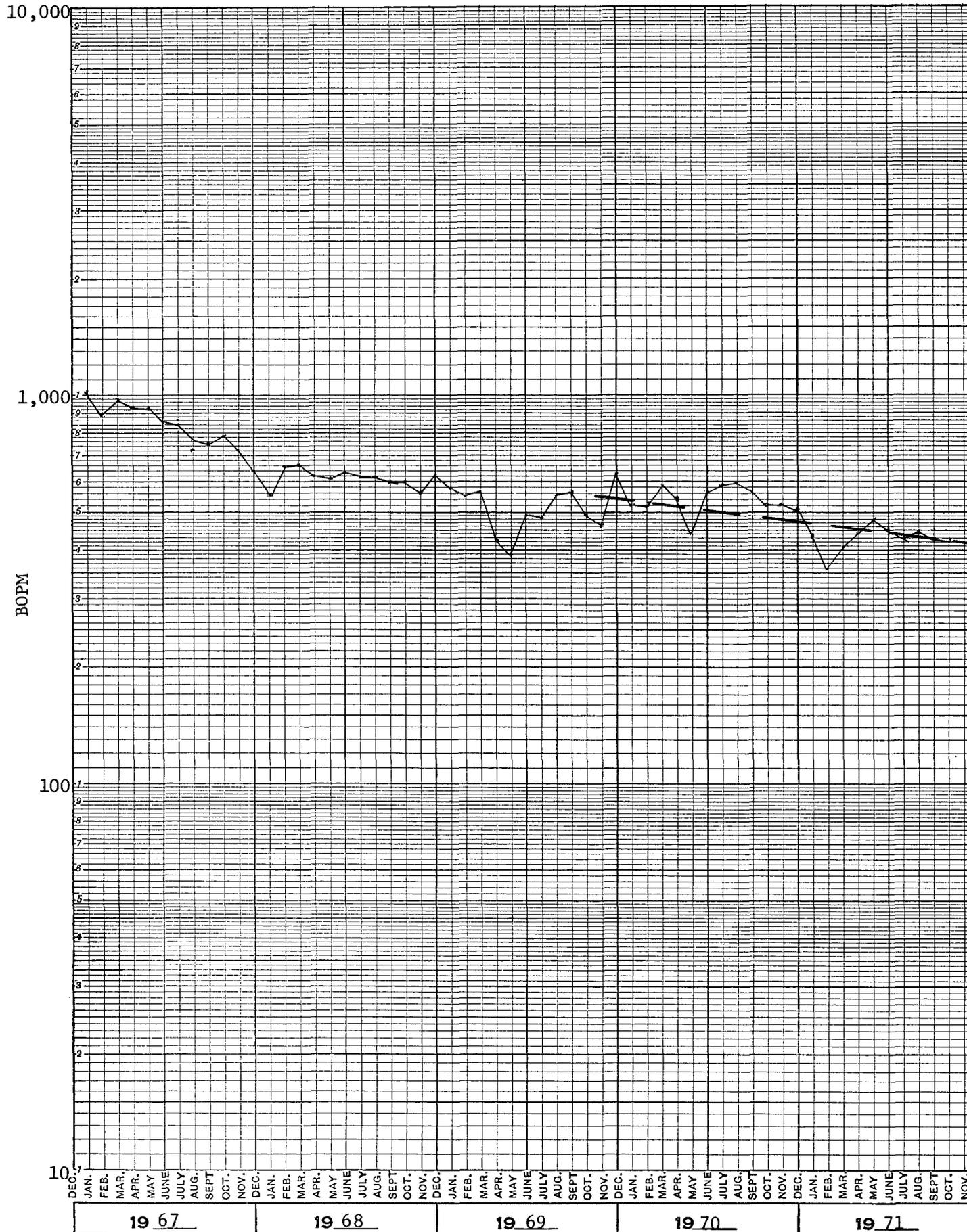
Scheduled

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

R. A. Halverson
 (Signature)
 R. A. Halverson
 (Title)
 Product Accounting Supervisor

12-21-77
 (Date)



NO. 4257. TEN YEARS BY MONTHS X 3 3-INCH CYCLES RATIO RULING

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MONTHLY OIL PRODUCTION

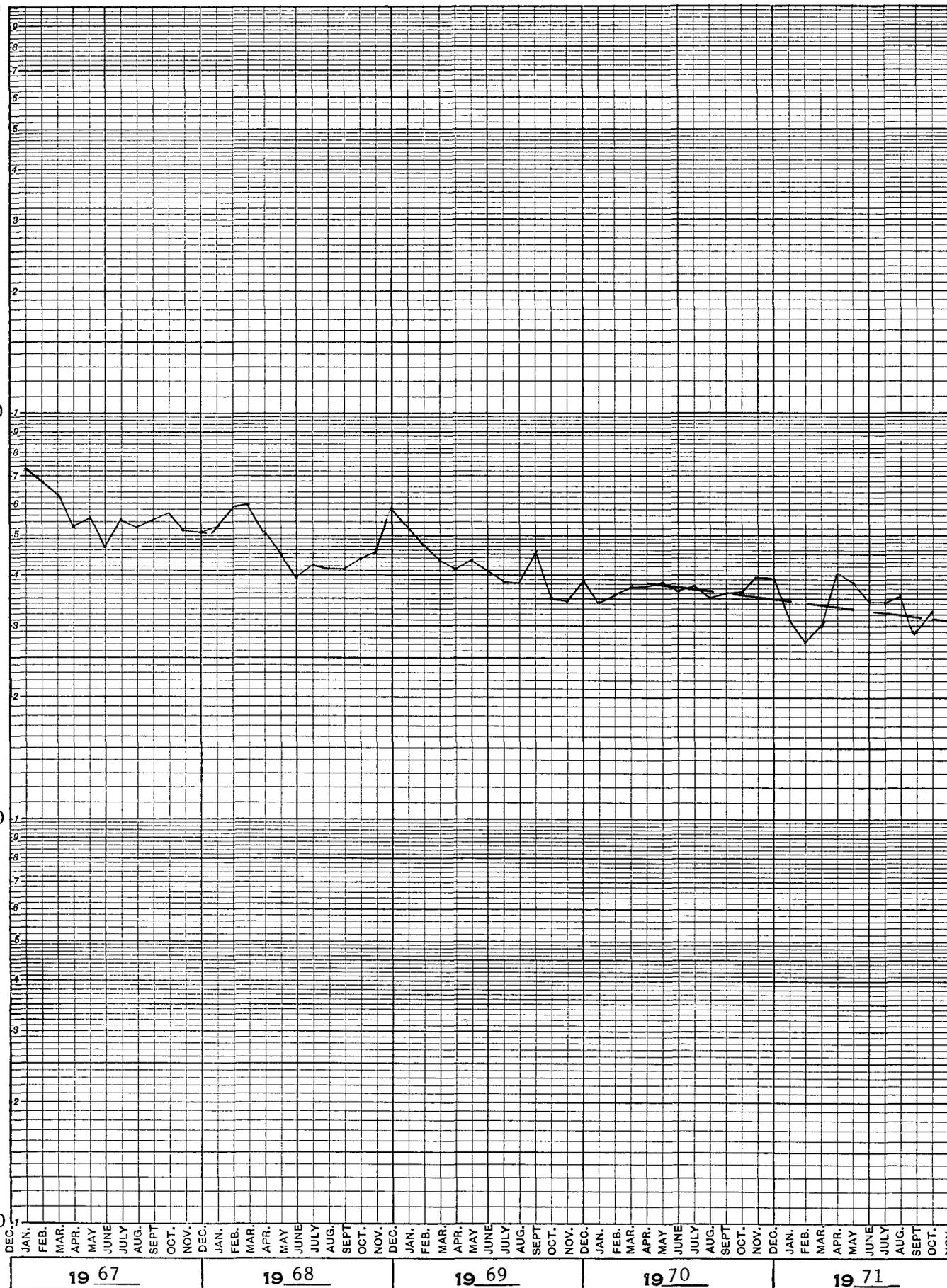
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BOPM



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