

IMPERIAL-AMERICAN RESOURCES FUND, INC. - DEBTOR

215 MID-AMERICA BUILDING
MIDLAND, TEXAS 79701

January 14, 1977



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

Attention: Mr. Joe Ramey

*Blinchby Oil & Gas Pool
Adj. to Drinkard "
Wantz - Abo "*

Re: Request for Exception to Rule 303-A
Royalty Holding Lease, Well No. 3
Unit H, Section 25, T-21-S, R-37-E
Lea County, New Mexico
Drinkard and Wantz Abo Pools

Gentlemen:

Imperial-American requests administrative approval for downhole commingling of the subject well in the Drinkard and Wantz Abo Pools. Imperial-American further requests that production from this well be prorated only in the Drinkard Pool. The request for downhole commingling has a precedent on the subject lease inasmuch as the Royalty Holding No. 1 and Royalty Holding No. 2 have commingling permit. Our request for total allocation to the Drinkard Pool is caused by the following facts: The well was originally completed from the Abo and Drinkard. The Abo completion was apparently of minimal economic significance, and no production was ever filed for the Abo zone. The Drinkard was completed and was tested on August 5, 1969 for 31 barrels of oil per day, together with 64 barrels of water and 27 MCF of gas. The well was temporarily abandoned on August 22, 1969 and remained in shut-in status until August of 1976. In August of 1976 the tubing was pulled, and each zone was tested under a packer. The Abo zone from 7187-7466' swabbed at the rate of 8 barrels of fluid per hour, cut 5% crude oil. Upon continuation of swabbing, the oil cut decreased to a very minor amount. Following the test of the Abo, the Abo and Drinkard were tested together--the Drinkard zone from 6643-7073'. Both zones together tested 10 barrels of fluid per hour, cut 90% oil. It was apparent that the crude was being produced from the Drinkard.

Following this swab test the well was placed on pump and returned to production. Since that time Imperial-American has reported this well in the Drinkard zone. We believe that 98%, or better, of the crude produced by this well is being produced from the Drinkard, although a small amount may be originating in the Abo.

We attach copies of Form C-103 and C-104 covering this well, together with a copy of C-116 indicating the results of swab test. We also attach copies of Form C-116 indicating the most recent test available on this well. At the present time the well produces approximately 5 barrels per day total.

We appreciate your consideration of this matter and hereby request administrative approval.

Yours very truly,

IMPERIAL-AMERICAN RESOURCES FUND, INC.

Richard S. Guenther
RICHARD S. GUENTHER

RSG:fab

Attachments

cc w/atchs: Mr. Sexton - NMOCC - Hobbs, NM
Mr. Ben Smith - IARF - Houston, TX

From Well File

Drilled 1969 as Solar Oil Co.

Comp. in Drinkard & Abo 4/20/69

SI 8/22/69, BP@ 5500'

Pf Blinbury @ 5574-5670 - no report of results

No Record of a Dual Completion.

No record of any separation between zones.

No " " any production.

JDR - Give it 94% & 6%

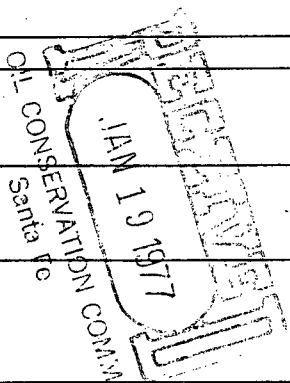
no land plat - rec'd 2/2/77
offset operations notified? - " " "

Bottom of 7466'
max prod: 50 BOPD

**NEW MEXICO OIL CONSERVATION COMMISSION
GAS - OIL RATIO TESTS**

C-116
Revised 1-1-65

Operator IMPERIAL-AMERICAN RESOURCES FUND, INC.		Pool See below		County Isla County												
Address 215 Mid America Building, Midland, TX 79701				TYPE OF TEST - (X) <input checked="" type="checkbox"/> TEST - (X)												
				Schedul <input type="checkbox"/> Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>												
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT./BBL.
		U	S	T	R							WATER BBL.S.	GRAV. OIL	OIL BBL.S.	GAS M.C.F.	
<u>Swab Test</u> <u>ROYALTY HOLDING</u> <u>WANTZ ABO</u> <u>DRINKARD</u>	3	H	25	21	37		S			0	10	80	35	4	-	-
										0	6	63	35	56	-	-



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]
RICHARD S. GUENTHER
Agent

1-17-77

(Date)

**NEW MEXICO OIL CONSERVATION COMMISSION
GAS - OIL RATIO TESTS**

C-116
Revised 1-1-65

Operator IMPERIAL-AMERICAN RESOURCES FUND, INC.		Pool Drinkard		County Isla County												
Address 215 Mid America Building, Midland, TX 79701		TYPE OF TEST - (X)		Completion <input type="checkbox"/> Special <input type="checkbox"/>												
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE 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 BBLs.	OIL BBLs.	GAS M.C.F.	
Royalty Holding	3	H	25	21	37	12-16-76		-	-	-	24	16	35	5	10200	2040

RECEIVED
JAN 19 1977
OIL CONSERVATION COMM.
Cand. Es.

No well will be assigned an allowable greater than the amount of oil produced on the official test.

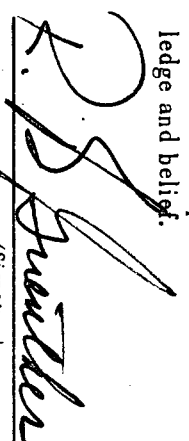
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Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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


RICHARD S. GUENTHER
 Agent

1-17-77
 (Date)

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LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease	
State <input type="checkbox"/>	Fee <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.	

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.
USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <input type="checkbox"/>		7. Unit Agreement Name
2. Name of Operator IMPERIAL-AMERICAN RESOURCES FUND, INC.		8. Farm or Lease Name Royalty Holding
3. Address of Operator 215 Mid America Building, Midland, TX 79701		9. Well No.
4. Location of Well UNIT LETTER <u>H</u> , <u>1980</u> FEET FROM THE <u>North</u> LINE AND <u>660</u> FEET FROM THE <u>East</u> LINE, SECTION <u>25</u> TOWNSHIP <u>21S</u> RANGE <u>37E</u> NMPM.		10. Field and Pool, or Wildcat Drinkard
15. Elevation (Show whether DF, RT, GR, etc.) 3406 GR		12. County Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐
TEMPORARILY ABANDON ☐
PULL OR ALTER CASING ☐
OTHER ☐

PLUG AND ABANDON ☐
CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒
COMMENCE DRILLING OPNS. ☐
CASING TEST AND CEMENT JOB ☐
OTHER ☐

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

1. Pulled rods and tubing.
2. Swab tested Abo zone 7187'-7466', 8.0 BFPH, 5% oil. Oil cut decreased to nil.
3. Swab tested Abo and Drinkard 6643'-6818', 6926'-7073', 7187'-7466', 10 BFPH, 90% oil.
4. Placed on pump for production from Drinkard zone.

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

SIGNED RICHARD S. GUENTHER TITLE Agent DATE 1-17-77

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104
Supersedes Old C-104 and C-110
Effective 1-1-65

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LAND OFFICE	
TRANSPORTER	OIL
	GAS
OPERATOR	
PRORATION OFFICE	

I. Operator
IMPERIAL-AMERICAN MANAGEMENT COMPANY
Address
215 Mid America Building, Midland, TX 79701
Reason(s) for filing (Check proper box)
New Well ☐ Change in Transporter of:
Recompletion ☐ Oil ☐ Dry Gas ☐
Change in Ownership ☐ Casinghead Gas ☐ Condensate ☐
Other (Please explain)
Return of well to producing status.
If change of ownership give name and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name ROYALTY HOLDING	Well No. 3	Pool Name, including Formation Drinkard	Kind of Lease State, Federal or Fee Fee	Lease No.
Location Unit Letter H ; 1980 Feet From The North Line and 660 Feet From The East Line of Section 25 Township 21S Range 37E , NMPM, County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> The Permian Corporation	Address (Give address to which approved copy of this form is to be sent) Box 3119, Midland, TX 79701			
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/> Skelly Oil Corporation	Address (Give address to which approved copy of this form is to be sent) Box 1650, Tulsa, OK 74102			
If well produces oil or liquids, give location of tanks. Unit B/G Sec. 25 Twp. 21 Rge. 37	Is gas actually connected? Yes		When	

If this production is commingled with that from any other lease or pool, give commingling order number: _____

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
Date Spudded	Date Compl. Ready to Prod.		Total Depth		P.B.T.D.			
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay		Tubing Depth			
Perforations					Depth Casing Shoe			
TUBING, CASING, AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			

V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

(Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

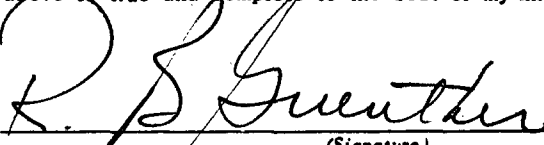
Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	Tubing Pressure (shut-in)	Casing Pressure (shut-in)	Choke Size

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.


RICHARD S. GUENTHER (Signature)
Agent (Title)
1-17-77 (Date)

OIL CONSERVATION COMMISSION

APPROVED _____, 19 _____
BY _____
TITLE _____

This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for allowable on new and recompleted wells.
Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.
Separate Forms C-104 must be filed for each pool in multiply completed wells.

IMPERIAL-AMERICAN RESOURCES FUND, INC. - DEBTOR
215 MID-AMERICA BUILDING
MIDLAND, TEXAS 79701

TELEPHONE 684-8241
AREA CODE 915

January 31, 1977

New Mexico Oil Conservation Commission
State Land Office Building
P. O. Box 2088
Santa Fe, NM 87501

Re: Imperial-American Management Company
Royalty Holding No. 3-H
Section 25, T-21-S, R-37-E
Lea County, New Mexico
Downhole Commingling Permit
Drinkard and Wantz Abo Pools

Attn: Mr. Ulvog

Gentlemen:

We enclose two copies of land plat covering the referenced property. This plat is to be attached to our Application for Downhole Commingling. We also enclose copies of notifications of our request to all offset operators with our request for a waiver of their objections.

We understand that our request for 100% allocation of this commingling is not permissible; we, therefore, amend our request so that 4% of the production will be allocated to the Wantz Abo Pool and 96% to the Drinkard.

If you need any further information, please do not hesitate to call.

Yours very truly,

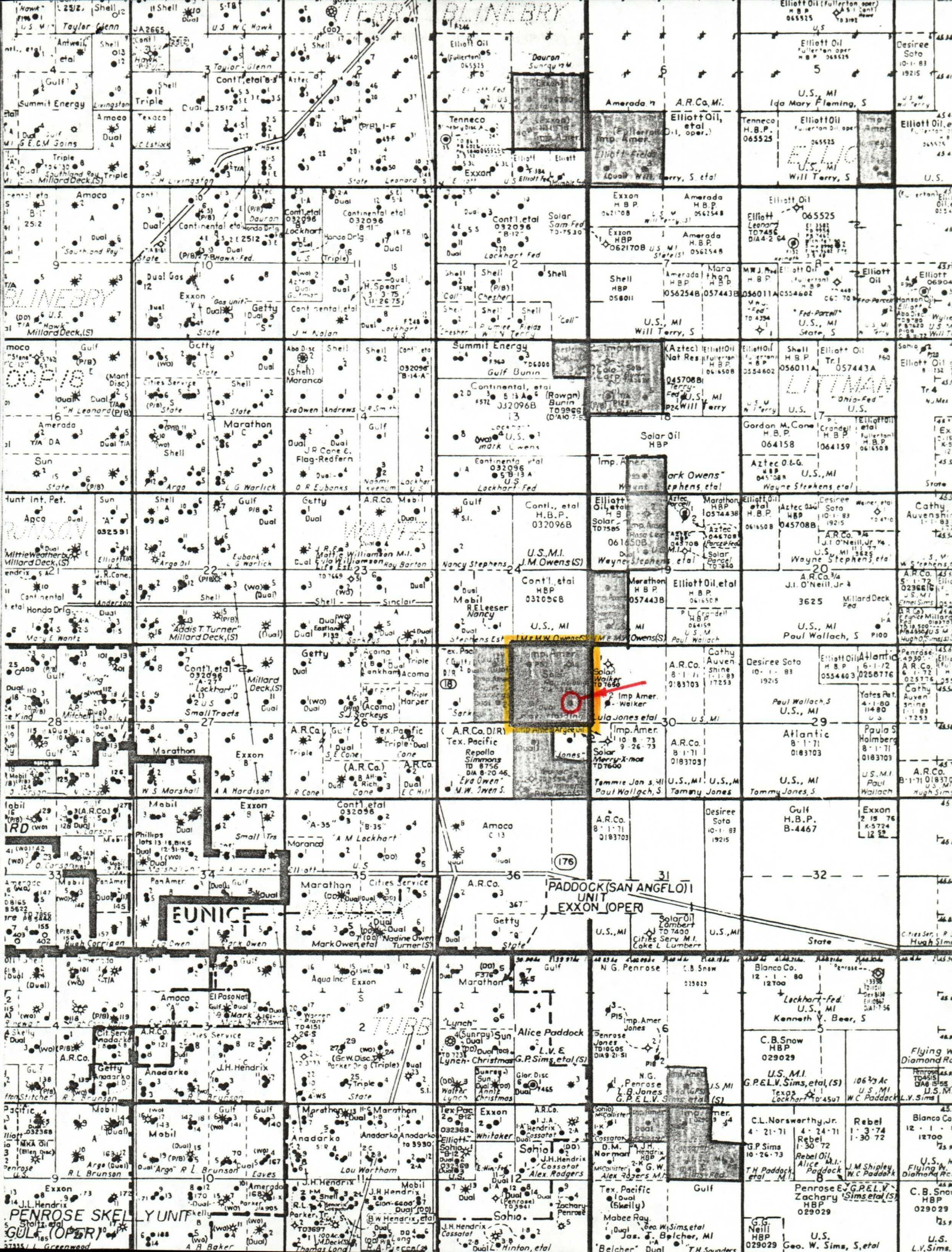
IMPERIAL-AMERICAN MANAGEMENT COMPANY


R. S. GUENTHER

RSG:fab

Enclosures

cc: Mr. Ben Smith - IARF - Houston, TX
w/atchs Mr. Sexton - NMOCC - Hobbs, NM



IMPERIAL-AMERICAN RESOURCES FUND, INC. - DEBTOR
215 MID-AMERICA BUILDING
MIDLAND, TEXAS 79701

TELEPHONE 684-8241
AREA CODE 915

January 31, 1977

Texas Pacific Oil Company
1509 West Wall
Midland, TX 79701

Argee Oil Company
219 Mid America Building
Midland, TX 79701

Mr. Russell Leaser
1390 Ridge Road
Littleton, CO 80120

Continental Oil Company
P. O. Box 460
Hobbs, NM 88240

Re: Imperial-American Management Company
Royalty Holding No. 3-H
Section 25, T-21-S, R-37-E
Lea County, New Mexico
Downhole Commingling Permit
Drinkard and Wantz Abo Pools

Gentlemen:

Imperial-American Management Company, nominee for Imperial-American Resources Fund, Inc., has requested a downhole commingling permit for the subject well. Copies of correspondence with the New Mexico Oil Conservation Commission concerning the application are attached. By this letter we request your waiver of objection to this application. If you have no objection, we would appreciate your signing as provided on page two and sending one copy to the Commission in the envelope provided.

If you have any questions about this request, you may contact the undersigned at (915) 684-8241.

Yours very truly,

IMPERIAL-AMERICAN MANAGEMENT COMPANY


R. S. GUENTHER

RSG:fab

Attachments

We waive objection to the application.

COMPANY

BY

TITLE

DATE

Re: Imperial-American Management Company
Royalty Holding No. 3-H
Section 25, T-21-S, R-37-E
Lea County, New Mexico
Downhole Commingling Permit
Drinkard and Wantz Abo Pools

We waive objection to the application.

Texas Pacific Oil Company, Inc.

COMPANY

R. J. Womack

BY R. J. Womack

TITLE Regional Manager

February 2, 1977

DATE

Re: Imperial-American Management Company
Royalty Holding No. 3-H
Section 25, T-21-S, R-37-E
Lea County, New Mexico
Downhole Commingling Permit
Drinkard and Wantz Abo Pools

We waive objection to the application.

Arges Oil Company
COMPANY

R. B. Smenter
BY TITLE

1/31/77
DATE

FEB - 2 1977
OIL CONSERVATION COMM.
Santa Fe

Re: Imperial-American Management Company
Royalty Holding No. 3-H
Section 25, T-21-S, R-37-E
Lea County, New Mexico
Downhole Commingling Permit
Drinkard and Wantz Abo Pools

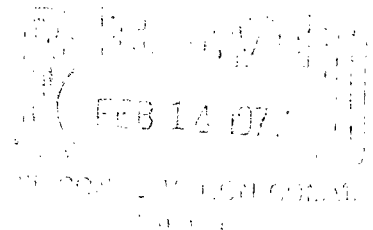
We waive objection to the application.

Russell S. Kern
COMPANY

Sam
BY

TITLE

2/8/77.
DATE



Re: Imperial-American Management Company
Royalty Holding No. 3-H
Section 25, T-21-S, R-37-E
Lea County, New Mexico
Downhole Commingling Permit
Drinkard and Wantz Abo Pools

We waive objection to the application.

Continental Oil Co.

COMPANY

BY L P Thompson

Div. Mgr

TITLE

Feb. 3, 1977

DATE

Re: Imperial-American Management Company
Royalty Holding No. 3-H
Section 25, T-21-S, R-37-E
Lea County, New Mexico
Downhole Commingling Permit
Drinkard and Wantz Abo Pools

OIL CONSERVATION COMMISSION
Hobbs DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE January 19, 1977

RE: Proposed MC _____
Proposed DHC X _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated _____
for the Imperial American Management Co. Royalty Holding Co. #3-H 25-21-37
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.S.

Yours very truly,

Jerry Sexton