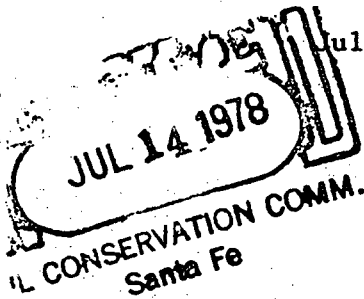


Gulf Oil Exploration and Production Company

C. D. Borland
PRODUCTION MANAGER, HOBBS AREA



July 12, 1978

DHC - 251

P. O. Box 670
Hobbs, NM 88240

Due - 8/4/78

Re: H. T. Mattern (NCT-D) No. 12,
Section 6-22S-37E; H. T. Mattern
(NCT-D) No. 14, Section 6-22S-37E;
H. T. Mattern (NCT-D) No. 16,
Section 7-22S-37E; H. T. Mattern
F (NCT-D) No. 17, Section 7-22S-37E,
Lea County, New Mexico
Request for Administrative Approval
to Downhole Commingle the Blinebry
and Drinkard Pools

*Not in or adj to Blinebry
In Drinkard.*

Mr. Joe D. Ramey
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Dear Sir:

Your administrative approval is requested for an exception to Rule 303-A to permit downhole commingling of production in the subject wells from the Blinebry and Drinkard pools. Production from the same two pools is presently being commingled downhole in Gulf's H. T. Mattern (NCT-D) No. 8, per Order No. R-5114 dated November 17, 1975. There is no evidence of fluid incompatibility and we do not expect any reservoir damage due to downhole commingling in the well bore. Ownership of the two pools is common and correlative rights will not be violated.

Currently, Wells No. 12, 14, 16 and 17 each utilize a single pumping unit installation producing from the Drinkard pool. Upon approval to downhole commingle, we will isolate the Drinkard zone and perforate and stimulate the Blinebry zone. The Blinebry will then be tested separately. At that time Gulf will submit to the District Supervisor of the Energy and Minerals Department of the Oil Conservation Division, separate stabilized well tests from the Blinebry pool for computing an allocation formula as provided under the guidelines of Order No. R-5114.

We propose to tube the wells to the Drinkard zone and utilize the pumping equipment on the Drinkard in each of the wells to lift the fluids from the commingled zones. Based upon offsetting wells on the H. T. Mattern (NCT-D) lease, it is our expectation that the Blinebry zone in Wells No. 12, 14, 16 and 17 will need to be artificially lifted.



July 12, 1978

Upon approval of this application and in the event that the Blinbry does not require artificial lift, Gulf will postpone downhole commingling until such time both zones require artificial lift and the total daily production from both zones, before commingling, does not exceed 40 barrels per day.

Additional information concerning this application as outlined in Rule 303-C is attached for your consideration.

Yours very truly,



C. D. BORLAND

Attachments
LBI/dch

cc: Energy and Minerals Department
Oil Conservation Commission
P. O. Box 1980
Hobbs, NM 88240

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

Getty Oil Company
P. O. Box 249
Hobbs, NM 88240

Larry L. Yarborough
P. O. Box 1001
Eunice, NM 88231

Sohio Petroleum Company
P. O. Box 3000
Midland, TX 79702

Petro-Lewis Corporation
P. O. Box 509
Levelland, TX 79336

Atlantic Richfield Company
P. O. Box 1610
Midland, TX 79701

Texas Pacific Oil Company, Inc.
P. O. Box 4067
Midland, TX 79701

El Paso Natural Gas Company
600 Building of the Southwest
Midland, TX 79701

Amerada Hess Corporation
P. O. Box 840
Seminole, TX 79360

Shell Oil Company
P. O. Box 1509
Midland, TX 79702

H. T. MATTERN (NCT-D) NO. 17

- (1) Gulf Oil Corporation
P. O. Box 670
Hobbs, NM 88240
- (2) Lease and Well No.: H. T. Mattern (NCT-D) No. 17
Unit F, 1650'FNL & 1720'FWL Section 7-22S-37E,
Lea County, New Mexico
- (3) Decline Curve: Attached (Drinkard Oil)
- (4) Well History: Well No. 17 was drilled to a total depth of 6735', with 5-1/2" production casing set @ 6734'. Current PBTD is 6698'. The Drinkard zone was perforated with 4 - 1/2" JHPF (6488-6654') on 10-7-75. Stimulation was with 2800 gal 15% NE HCL and 30,000 gal gelled brine containing 1 - 2# 20-40 SPG. Well was equipped to pump on 10-21-75 and pumped 86 BOPD and 120 BWPD at completion on 10-23-75.
- (5) Bottom Hole Pressure Data:
(Midpoint casing perforations)
Blinebry 550 psi at a subsea depth of -2126'*
Drinkard 670 psi at a subsea depth of -3107'*
*Estimates based on most recent available average BHP data within vicinity of well and fluid level test.
- (6) Fluid Characteristics: Blinebry and Drinkard are presently being commingled downhole in Gulf's H. T. Mattern (NCT-D) No. 8, Order No. R-5114 dated 11-17-75. There has been no evidence of fluid incompatibility.
- (7) Value of commingled Fluids: Blinebry and Drinkard production are presently being surface commingled on this lease. Since production is already being commingled on the surface, downhole commingling will not affect the price.
- (8) Current Production Test: See attached C-116.
- (9) All offset operators have been furnished a copy of this application.

Continental Oil Company, P. O. Box 460, Hobbs, NM 88240
Getty Oil Company, P. O. Box 249, Hobbs, NM 88240
Larry L. Yarborough, P. O. Box 1001, Eunice, NM 88231
Sohio Petroleum Company, P. O. Box 3000, Midland, TX 79702
Petro-Lewis Corporation, P. O. Box 509, Levelland, TX 79336
Atlantic Richfield Company, P. O. Box 1610, Midland, TX 79701
Texas Pacific Oil Company, Inc., P. O. Box 4067, Midland, TX 79701
El Paso Natural Gas Company, 600 Building of the Southwest, Midland, TX 79701
Amerada Hell Corporation, P. O. Box 840, Seminole, TX 79360
Shell Oil Company, P. O. Box 1509, Midland, TX 79701

Lease H.T. Mattem (NET-A) Well No. 17 Pool Drk
Location 1650 FNL, 1720 FWL 7-22S-37E County Lea State NM

GLE: 3450

KDB: 3464
H = 13.6

Initial Comp. Date: 10-23-75
Producing Formation: Drk

| Zone | Comp. Date | Date Aban |
|------------------|-----------------|-----------|
| <u>6988-6654</u> | <u>10-23-75</u> | |
| | | |
| | | |
| | | |

8 5/8" OD 24 # Grade A-55

Set @ 1090' w/ 500 sxs
Top of Cmt @ (Cmt in) by:

Tbg String
2 3/8" 4.70 # EUE 8RD Tbs
5 1/2" x 2 3/8" Guib Type TM @ 6353
2 3/8" tbg, SN @ 6449, 1jt w/
scalloped collar on btm. Btm + tbg
6482

Treatment History: (Current Zone)
(10-7-75) Perf'd 6988-6654 Drk

2800 gal 15% NEA, 30,000 gal 9.2 #
gal br cont. 1-2 #SPG
IP 86 BD 120 BW
(10-21-75) Equip. to pump

Producing History:

Formation: _____

| Month or Year | Oil | Wtr | Gas |
|---------------|-----|-----|-----|
| | | | |
| | | | |
| | | | |
| | | | |

Last Test Dated: _____

BOFD

BHPD

FL: _____ Calc. Ppg. Eff: _____

Cum. Oil _____ Cum. Gas _____

Remarks and Recommendation:

5 1/2" OD 15.50 # Grade A-55

Set @ 6734' w/ 700 sxs

Top of Cmt @ 2230 by: TS
300SX CL 2' + 15' 1/6 Gel + 2' 1/6
NACL + 2' 1/6 CFR-2
400SX CL H + 5' 1/6 CFR-2

Prepared By: ABd

6-31-78

Lease/well H.T. Mattern (Net-D) #17
Pool Drinkard

MCF
BBL
per
month

10,000

9000

8000

7000

6000

5000

4000

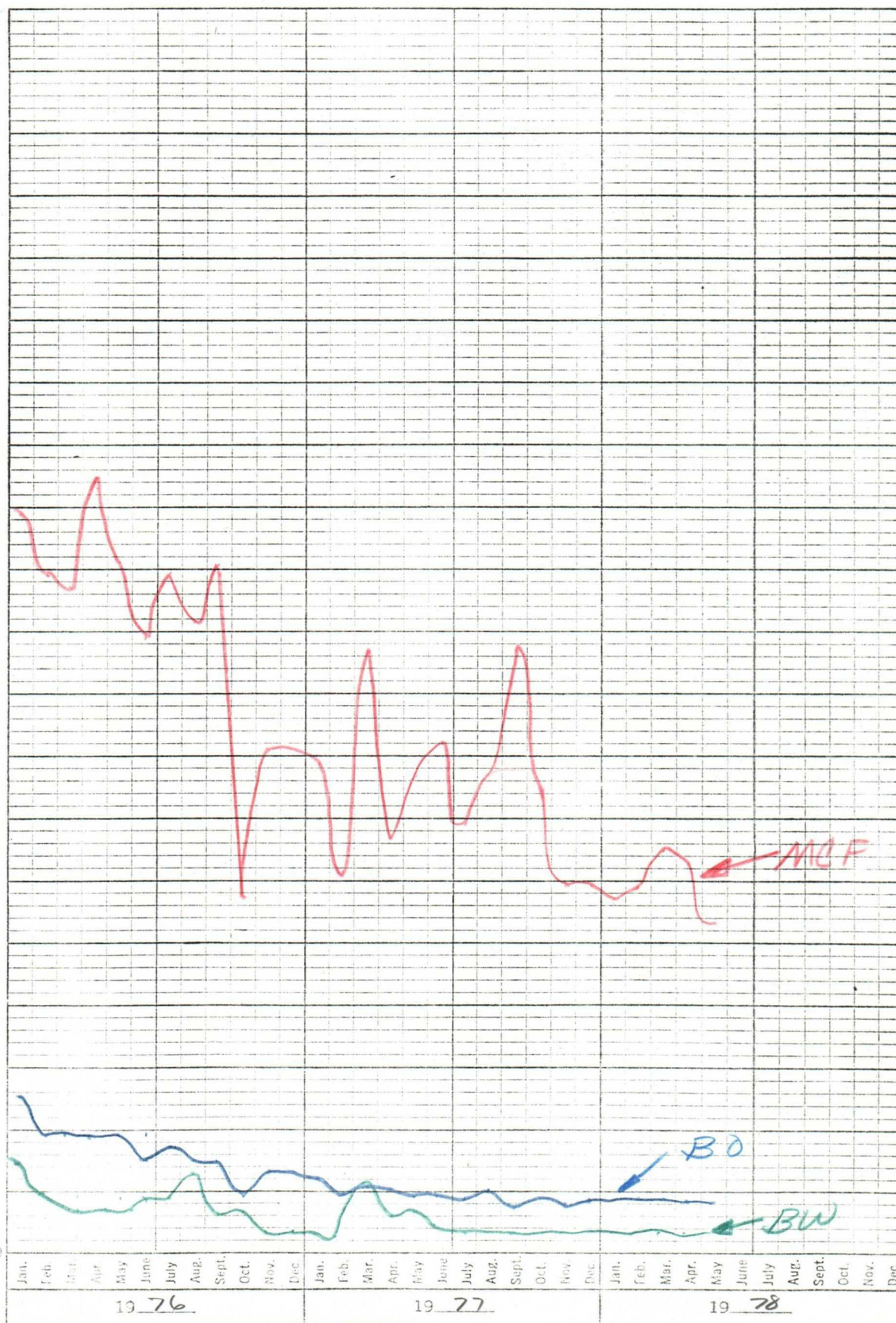
3000

2000

1000

0

Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec. 19 76 19 77 19 78



353-180
3 YEARS BY MONTHS
X 100 DIVISIONS
KUFFEL & FISHER CO.
MADE IN U.S.A.

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

C-116
Revised 1-1-65

| | | | | | |
|--|--|--|--|----------------------------------|--|
| Operator Gulf Oil Corporation | | Pool Drinkard | | County Lea | |
| Address P. O. Box 670, Hobbs, NM 88240 | | TYPE OF TEST - (X) <input checked="" type="checkbox"/> TEST - (X) | | Schedul <input type="checkbox"/> | |
| LEASE NAME H. T. Mattem (NCT-D) | | WELL NO. 17 | | LOCATION F 7 22 37 | |
| | | DATE OF TEST 6-21-78 | | CHOKE SIZE 2 1/4" w/o | |
| | | TBG. PRESS. 30 | | DAILY ALLOW-ABLE 25 | |
| | | LENGTH OF TEST 24 | | WATER BBLs. 6 | |
| | | GRAV. OIL BBLs. 37.8 | | OIL BBLs. 8 | |
| | | GAS M.C.F. 39.0 | | GAS - OIL RATIO 4875 | |

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.

Well 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]
Well Tester
(Signature)

July 12, 1978 (Time)