

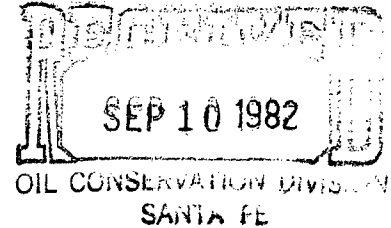


ALPHA TWENTY-ONE PRODUCTION COMPANY

POST OFFICE BOX 1206
JAL, NEW MEXICO 88252

505/395-3056

August 24, 1982



State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501

ATTN: Joe D. Ramey, Director

RE: Werta Federal No. 1
Sec. 35, T-19-S, R-38-E,
Lea County, New Mexico

Gentlemen:

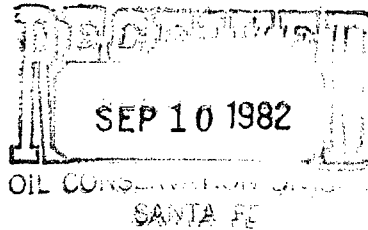
Alpha Twenty-One Production Company requests administrative approval to commingle, downhole, the Drinkard and Tubbs zones in the above referenced well. Both of the zones require artificial lift and neither zone produces more water than the combined oil limit. Enclosed you will find a copy of Form 116 for each of the above zones and a copy of Form C-102 for your files.

We started completing the well in January 1982 as follows:

- 1-23-82 Completed the Drinkard section by perforating from 7008 - 7072 with 14 perfs and acidized with 4150 gals. MOD-202 acid.
- 3-29-82 Frac well with 40,000 gals. frac fluid and 480 sx sand.
- 5-24-82 Set RBP @ 6900' and completed the Tubbs section by perforating from 6675 - 6775 with 17 perfs and acidized with 4100 gals. 15% NE acid.
- 6-30-82 Frac well with 50,000 gals. frac fluid and 300 SCF frac fluid with 765 sx sand.

We completed the Drinkard for 17 bbls oil, 120 MCF, and 24 bbls water per day; the Tubbs for 8.28 bbls oil, 40 MCF, and 20 bbls water per day. Estimated bottom hole pressure for the Drinkard is 278 PSI; for the Tubbs is 246 PSI.

Application to Commingle
Werta Federal No. 1
-Page 2-



August 24, 1982

Drinkard Oil

39 Gravity
\$36/bbl

Tubbs Oil

38 Gravity
\$36/bbl

Commingled Oil

38.67 Gravity
\$36/bbl

We propose to use the following formula in allocating our production:

- a.) Tubbs daily oil production divided by total daily oil production equals % of oil per day allocated to the Tubbs formation. Example: 8.28 BOPD divided by 24.98 BOPD equals 33.1% of oil produced per day allocated to the Tubbs formation.
- b.) Drinkard daily oil production divided by total daily oil production equals % of the BOPD allocated to the Drinkard formation. Example: 16.70 BOPD divided by 24.98 BOPD equals 66.9% of the oil produced daily allocated to the Drinkard formation.


The United States Geological Survey was notified, in writing, of our proposed commingling August 6, 1982. Also the following offset operators have been notified of our intent to commingle the Drinkard and Tubbs zones:

North American Royalties
Phillips Petroleum
Amoco

Exxon Company USA
MGF Oil Company
Getty Oil Company

If you desire anything further, please contact me.

Sincerely,


Steven J. McCormick
Technical Advisor

SJM/tic
Enclosures

cc: Oil Conservation Division
P.O. Box 1980
Hobbs, NM 88240
ATTN: Mr. J.T. Sexton

Pennzoil
P.O. Drawer 1828
Midland, TX 79702
ATTN: Deb Skelton

Alpha Twenty-One Corporation
2100 First National Bank Building
Midland, TX 79701
ATTN: Mr. Tom Phipps

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
P.O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-116
Revised 10-1-78

GAS-OIL RATIO TESTS

Operator		Pool		County		Lea									
Alpha Twenty-One Production Co.		House Drinkard													
P.O. Box 1206, Jal, NM 88252				TYPE OF TEST - (X)		20-30 Day Compliance <input checked="" type="checkbox"/> Special <input type="checkbox"/>									
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	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.	CRAV. OIL BBL'S.		GAS MC.F.	
Werta Federal	1	0	35	19S	38E	7-17-82	32/64	pump	17	24	25.05	39	16.70	155	9281/1
Amended and corrected copy															

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 allowable when authorized by the Division.
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 Division in accordance with Rule 101 and appropriate pool rules.

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

TO: PUNPS (Signature)
Executive Vice President

August 6, 1982 (Title)

RECEIVED

8-11-82

BY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-116
Revised 10-1-78

GAS-OIL RATIO TESTS

Operator	Pool	County
Alpha Twenty-One Production Company	Undesignated Tubbs	Lea
Address		
P.O. Box 1206, Jal, NM 88240		

LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW. ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT/BBLS
		U	S	T	R					WATER BBL'S.	GRAV. OIL	OIL BBL'S.	GAS M.C.F.	
Werta Federal	1	0	35	19S	38E	7-20-82	P 32/64	Pump	Request 24	20	38	8.28	40	4831/1

Completion ☒ XX Special ☐

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 Division.

Gas volumes must be reported in MCF measured at a pressure base of 15.013 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 Division 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.

Steve McCormick
Steve McCormick (Signature)
Technical Advisor

(Title)

August 24, 1982
(Date)

All distances must be from the outer boundaries of the Section.

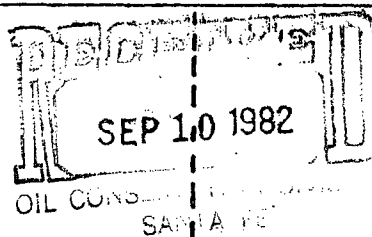
Operator Alpha Twenty-One Production Company II			Lease Werta Federal		Well No. 1
Unit Letter 0	Section 35	Township 19-S	Range 38-E	County Lea	
Actual Footage Location of Well: 2310 feet from the East line and 330 feet from the South line					
Ground Level Elev. 3577' GL	Producing Formation Drinkard/Tubbs		Pool House Drinkard/Undesig. Tubbs	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

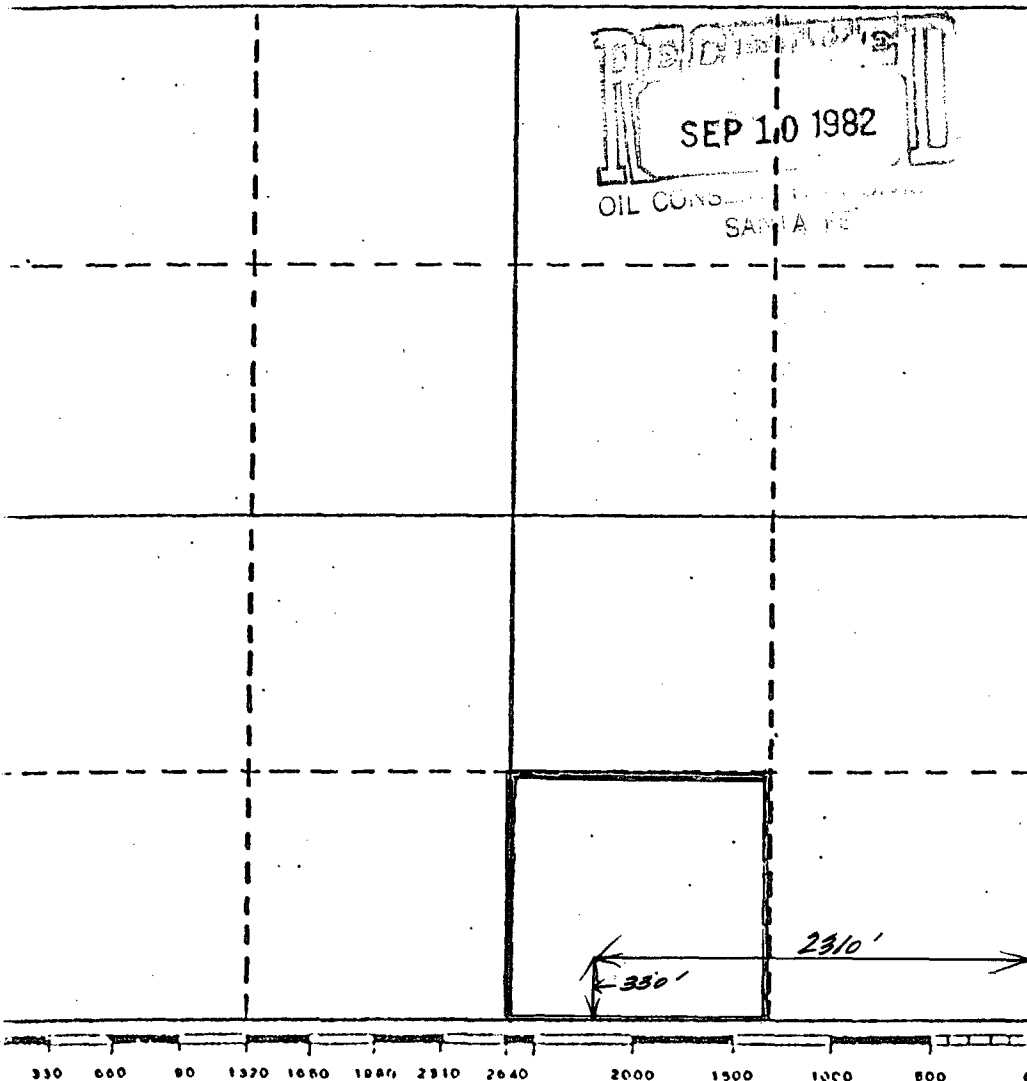
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Steve McCormick
Name Steve McCormick
Technical Advisor
Position
Alpha Twenty-One Prod. Co.
Company
August 24, 1982
Date

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
Registered Professional Engineer and/or Land Surveyor

Certificate No.

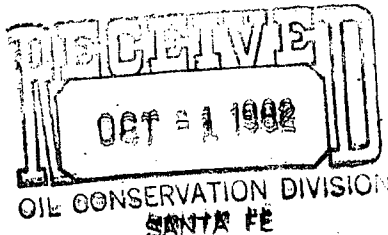


OIL CONSERVATION DIVISION
DISTRICT I

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

DATE September 28, 1982

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



Gentlemen:

I have examined the application for the:

Alpha Twenty-One Production Co. Werta Federal #1 0 35-19-38
Operator Lease and Well No. Unit, S - T - R

and my recommendations are as follows:

O.K.----J.S.

Yours very truly,

Jerry Sutton
me

/mc