



## ALPHA TWENTY-ONE PRODUCTION COMPANY

POST OFFICE BOX 1206  
JAL, NEW MEXICO 88252

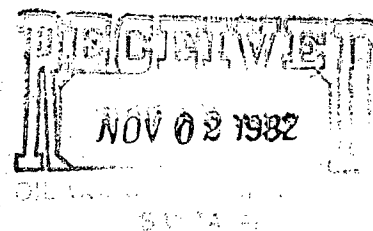
505/395-3056

October 18, 1982

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

ATTN: Joe D. Ramey, Director

RE: Toni No. 2  
2310' FSL & 480' FEL,  
Sec. 22, 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 C-116 for each of the above zones and a copy of Form C-102 for your files.

We started completing the well in June 1982 as follows:

- |        |   |
|--------|---|
| 6-1-82 | Acidize with 5,000 gals. 15% HCL across 6622 - 6914, 35 perfs.  |
| 8-5-82 | Acid frac with 924 bbls 28% acid and gelled frac water--<br>1st stage 6796 - 6914 with 354 bbls; 2nd stage 6622 - 6738 with 570 bbls. |

We completed the Drinkard for 18 bbls oil, 320 MCF, and 10 bbls water per day, and the Tubbs for 14 bbls oil, 149 MCF, and 4 bbls water per day. Estimated bottom hole pressure for the Drinkard - 328 PSI; for the Tubbs - 243 PSI.

Application to Commingle  
Toni No. 2  
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October 18, 1982

<u>Drinkard Oil</u>	<u>Tubbs Oil</u>	<u>Commingle Oil</u>
39 Gravity \$34/bbl	38 Gravity \$34/bbl	38.67 Gravity \$34/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: 2 bbls oil divided by 7 BOPD equals 29% of oil per day allocated to the Tubbs formation.
- b.) Drinkard daily oil production divided by total daily oil production equals % of oil per day allocated to the Drinkard formation. Example: 5 bbls oil divided by 7 BOPD equals 71% of oil per day allocated to the Drinkard formation.

The United States Geological Survey has been sent a copy of our "Intent to Commingle". Also the following offset operators have been notified of our intent to commingle the Drinkard/Tubbs zones:

Southland Royalty Co.	Kenai Oil & Gas, Inc.
Union Seaboard Corp.	North American Royalties
Energy Reserves Group, Inc.	Texaco, Inc.
Adobe Oil & Gas Corp.	

If you desire anything further, please contact me.

Sincerely,



Steven J. McCormick  
Technical Advisor

cc: Kenai Oil & Gas Inc.  
One Barclay Plaza  
1675 Larimer St., Suite 50  
Denver CO 80202

Kirby Exploration Company  
P.O. Box 1745  
Houston, TX 77477

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

Challenger Minerals, Inc.  
701 Petroleum Building  
Midland, TX 79701

North American Royalties  
200 Wilco Building  
Midland, TX 79701  
ATTN: Mr. Bill Stewart

Oil Conservation Division  
P.O. Box 1980  
Hobbs, NM 88240

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

## GAS-OIL RATIO TESTS

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

During gas-well rate 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 15.025 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 Division in accordance with Rule 303 and appropriate pool rules.

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

Steven McCormick *(Signature)*  
Technical Advisor

(Tides)

September 30, 1982

(b)(7)(C)

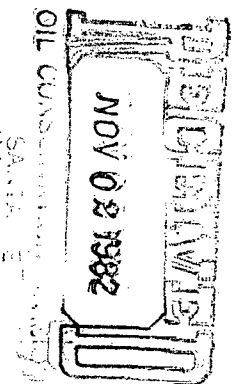
STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION  
P. O. BOX 2018  
SANTA FE, NEW MEXICO 87501

Form C-116  
Revised 10-1-78

GAS-OIL RATIO TESTS

Operator		Pool		County											
Alpha Twenty-One Production Company		Drinkard		Lea											
Address		TYPE OF TEST		SCHEDULED		COMPLETION		SPECIAL							
P.O. Box 1206, Jal, NM 88252		TEST - (X)		<input type="checkbox"/>		<input checked="" type="checkbox"/>		<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 BBLs.	GRAV. OIL BBLs.		GAS M.C.F.	
Toni	2	I	22	19-S	38-E	9-24-82	P 32/64	110	Request	24	7	39	5	180	36000/1



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 301 and appropriate pool rules.

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

*Steven McCormick*  
Steven McCormick (Signature)

Technical Advisor

(Title)

September 30, 1982

(Date)



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

December 14, 1982

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

Alpha Twenty-One Production Company  
P.O. Box 1206  
Jal, New Mexico 88252

ATTENTION: Steven J. McCormick  
Technical Advisor

RE: Application for Administrative Approval  
to Downhole Commingle Production on The  
Toni Well No. 2, NE/4 SE/4 of Section 22,  
Township 19 South, Range 38 East, Lea  
County

Dear Mr. McCormick:

We may not process the subject application for downhole commingling until the required information and plats listed below are submitted:

- 1) Is the ownership (including working interest, royalty, and overriding royalty) of the commingled zones common (Rule 303 C.I. (a)(6));
- 2) Please submit a plat of the area showing the acreage dedicated to the well and the ownership of all off-setting leases (Rule 303 C.2.(c));
- 3) How was the bottom hole pressures of both zones estimated;
- 4) Please submit a description of the fluid characteristics from each zone showing that the fluids will not be incompatible in the well-bore (Rule 303 C. 2. (h)).

If you have any questions concerning this matter, please contact me.

Sincerely,

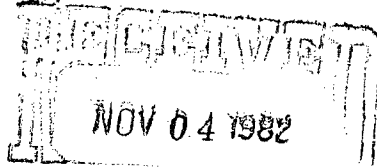
A handwritten signature in cursive script that reads "Michael E. Stogner".

Michael E. Stogner  
Petroleum Engineer

MES/dp

OIL CONSERVATION DIVISION  
DISTRICT I

OIL CONSERVATION DIVISION  
P. O. BOX 2078  
SANTA FE, NEW MEXICO 87501



OIL CONSERVATION  
SANTA FE

DATE November 1, 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 Prod. Co.      Toni      No. 2-I      22-19-38

Operator      Lease and Well No      Unit, S - T - R

and my recommendations are as follows:

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

Yours very truly,

A handwritten signature in dark ink, appearing to be "J. S. Smith" or similar, written in a cursive style. The signature is written over a horizontal line.

/s/