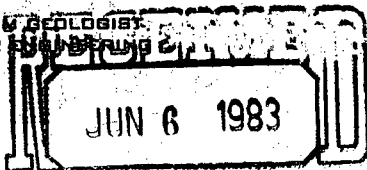


PETROLEUM GEOLOGIST
RESERVOIR ENGINEERING



OIL CONSERVATION COMMISSION
SANTA FE

JOHN C. BYERS
BYERS ENGINEERING CO.
LUBBOCK NATIONAL BANK BLDG.
SUITE 6E P. O. BOX 6308
LUBBOCK, TEXAS 79413

TELEPHONE
(806) 762-0489

June 1, 1983

The State of New Mexico
Oil Conservation Commission
Energy & Mineral Department
P.O. Box 1980
Hobbs, New Mexico 88240

Re: J. Markham State "36" No. 1 Well
Request to Down-hole Commingle
Blinebry and Drinkard Zones

Gentlemen:

This letter on behalf of Jack Markham, operator of the referenced well, is for the purpose of requesting approval under Rule 303-C to permit down-hole commingling of the Blinebry and Drinkard oil zones in the well bore of the Markham State "36" No. 1 well.

The referenced well was completed in September, 1975, with total depth of 6,831' through 5½" casing set at 6,825'. Perforations opposite the Drinkard zone in the interval 6,525' to 6,586' through thirty-three total holes. The well has been on continuous production since the date of completion.

During a twenty-four hour test on May 22, 1983, this well pumped fourteen (14) barrels of oil, a trace of water and 121.1 Mcf casinghead gas for a gas/oil ratio 8648/1.

It is the desire of the operator to open the Blinebry section through perforations in the interval 5,494' to 5,828' with approximately fifty (50) perforations, stimulate the Blinebry section and after clean up of stimulation commingle it down-hole with the existing Drinkard completion.

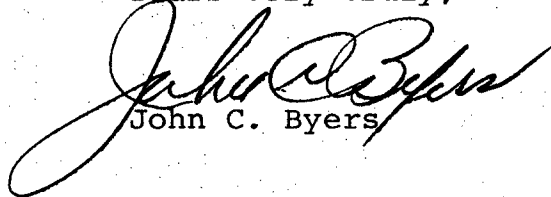
Test from numerous other wells which are commingled in the immediate area of the referenced well indicate that reservoir pressure in the Blinebry and Drinkard should be expected to be compatible. Furthermore, the fluids produced therefrom are compatible.

For the purpose of your evaluation of this request, we enclose Form C-103, outlining operations anticipated

in this well for the purpose of commingling the Blinebry and Drinkard. Also enclosed is Form C-116, outlining details of the test from the referenced well. In addition, we attach hereto a plat of the area, a diagramatic sketch of the down-hole configuration of this well in the event this application is approved and the work accomplished according to plans. We also enclose a production history curve covering the period 1979 to the most recent data of the referenced well from the Drinkard Pool. Also enclosed are production curves from the Hanson No. 2 Shell State, which is commingled in the Blinebry and Drinkard and is the West offset to the referenced well. The Gulf Mattern 4-F which is the Southwest diagonal offset to the lease which includes the well for which this request is made, and the Amarado Gill Deep No. 2 which is the East offset to the referenced well.

In view of the fact that down-hole commingling has been approved by the Commission on behalf of wells offsetting the referenced well numerous others within the Blinebry and Drinkard Pools, we respectfully request that the Commission grant administrative approval of the request made hereby to down-hole commingle Blinebry and Drinkard production from the Jack Markham State "36" No. 1 well, which is located in Unit I, S-36, T-21-S, R-36-E, Lea County, New Mexico.

Yours very truly,



John C. Byers

JCB:bp

Encl.

cc: Oil Conservation Commission,
Santa Fe, New Mexico
Amarado Hess Corporation
Hanson Corporation
Gulf Oil Corporation
ARCO Oil & Gas Company

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

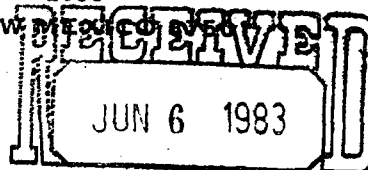
OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	



5a. Indicate Type of Lease	
State <input checked="" type="checkbox"/>	Fee <input type="checkbox"/>
5. State Oil & Gas Lease No.	
E 2523	

SUNDRY NOTICES AND REPORTS ON WELLS SANTA FE
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DEEPENING RESERVOIR.
USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. <input checked="" type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER-	7. Unit Agreement Name
2. Name of Operator Jack Markham	8. Farm or Lease Name State 36
3. Address of Operator Suite 1212, 1500 Broadway, Lubbock, Texas 79401	9. Well No. 1
4. Location of Well UNIT LETTER I 1980 FEET FROM THE South LINE AND 660 FEET FROM THE East LINE, SECTION 36 TOWNSHIP 21-S RANGE 36-E NMPM.	10. Field and Pool, or Wildcat Drinkard & Blinebry
15. Elevation (Show whether DF, RT, GR, etc.) 3482 GR., 3494 KB (datum)	12. County Lea

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	

OTHER Open Blinebry & commingle down- ☒
hole with existing Drinkard

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.

Total depth 6831' with 5½" casing cemented at 6826'; Drinkard completion 9/26/75 through perforations 6525-6586' (33 holes). Top cement 2500' temp.
Propose to: Set retrievable retainer at 6000' with sand on top.
Perforate Blinebry 5494-5828' with 50 jet holes
Run RTTS packer on 2 3/8" EVE tubing and seat packer at 5400'
Treat Blinebry with 3000 gal 15% NEFE acid followed by 30,000 gal gel KCl water and 12,000 lb. 100 mesh sand, 26,000 lb. 20/40 sand and 12,000 lb 10/20 mesh sand in two stages
After tubing pressure decreases to 100 psig + open well until dead.
Retrieve Bridge plug
Swab well to clean up
Run tubing, rods and pump to test well from commingled Blinebry and Drinkard
Return to production

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

SIGNED John C. Byrne TITLE Engineer DATE 5/25/83

APPROVED BY _____ TITLE _____ DATE _____

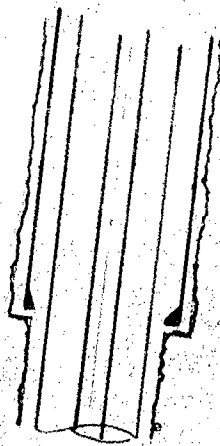
CONDITIONS OF APPROVAL IF ANY:

GAS-OIL RATIO TESTS

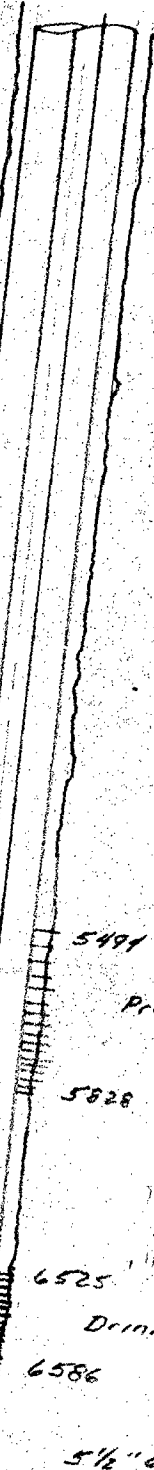
(Title)

J. Markham - State "36" No. 1
I 36 T215 R36E
Lee County NM.

Proposed Mechanical Airsealment
After down hole Blinistry -
Drinkard comingled completion



8 5/8" 1190' Cement circulated



5 1/2" Cemented 4950' to
Top cement 2500'

5494

Proposed Blinistry Perfs 5494-5828

5828

2 3/8" 6600'

6525

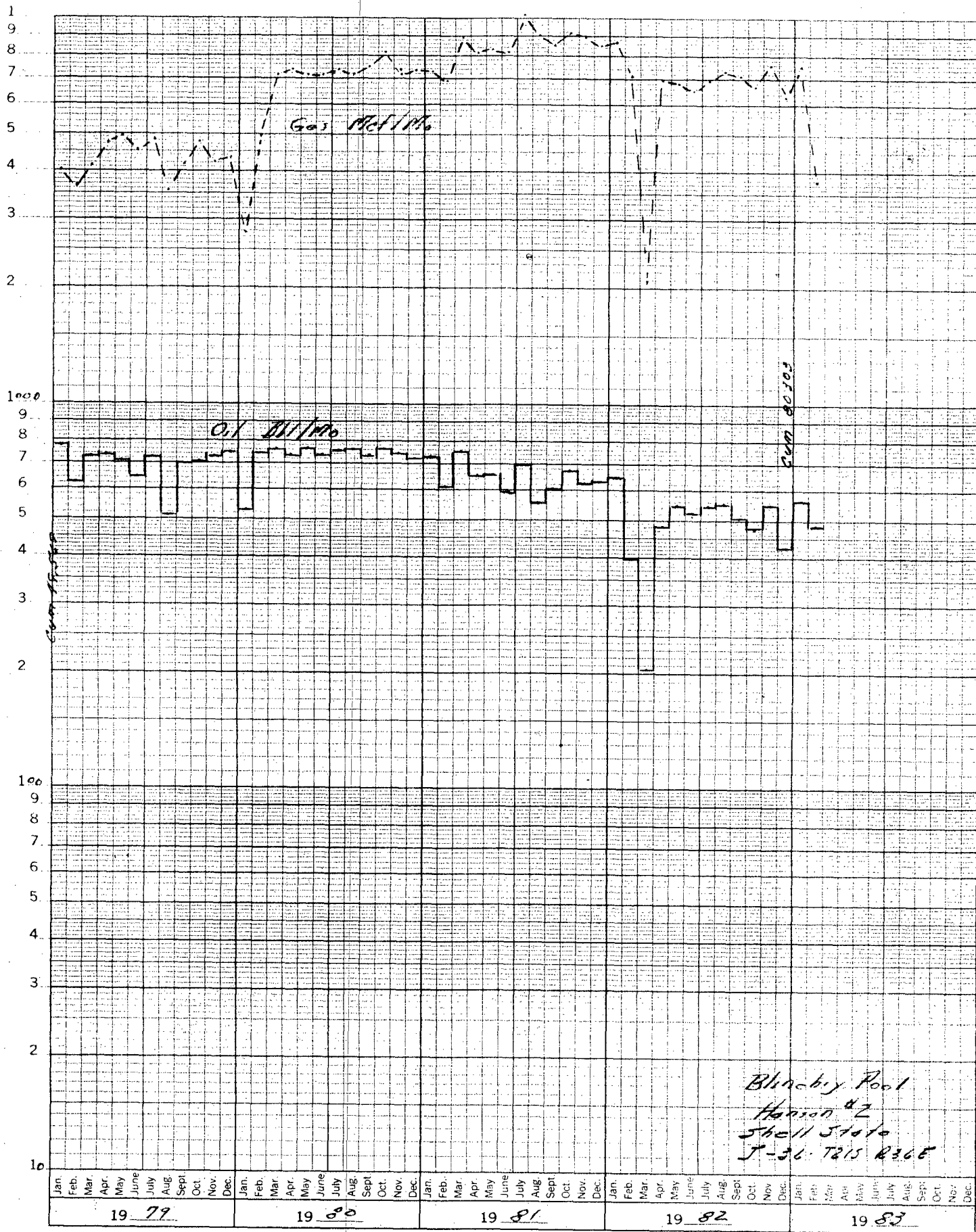
Drinkard Perfs 6525-86

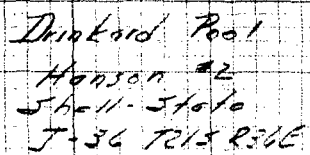
6586

5 1/2" 6826'
TD 6831'

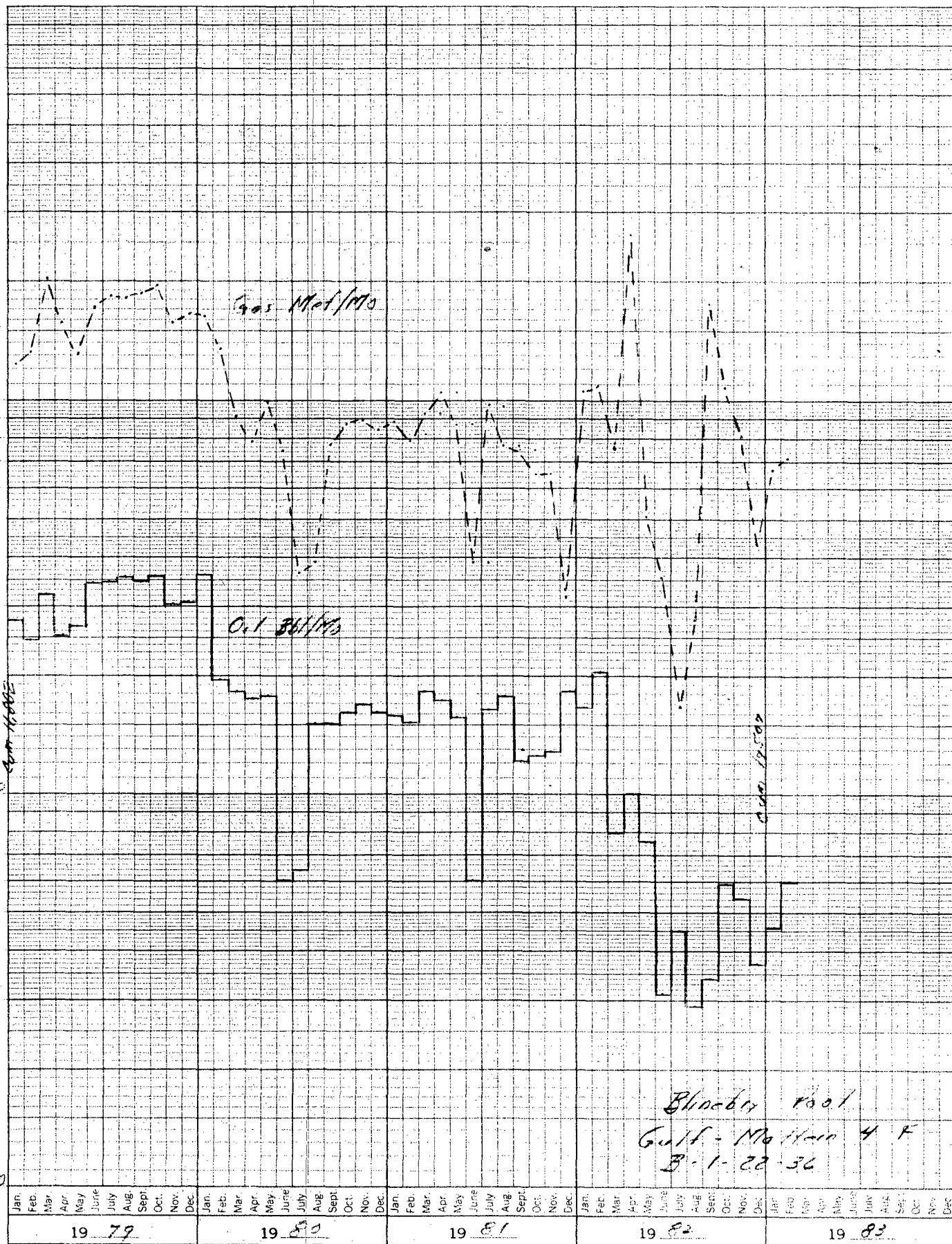


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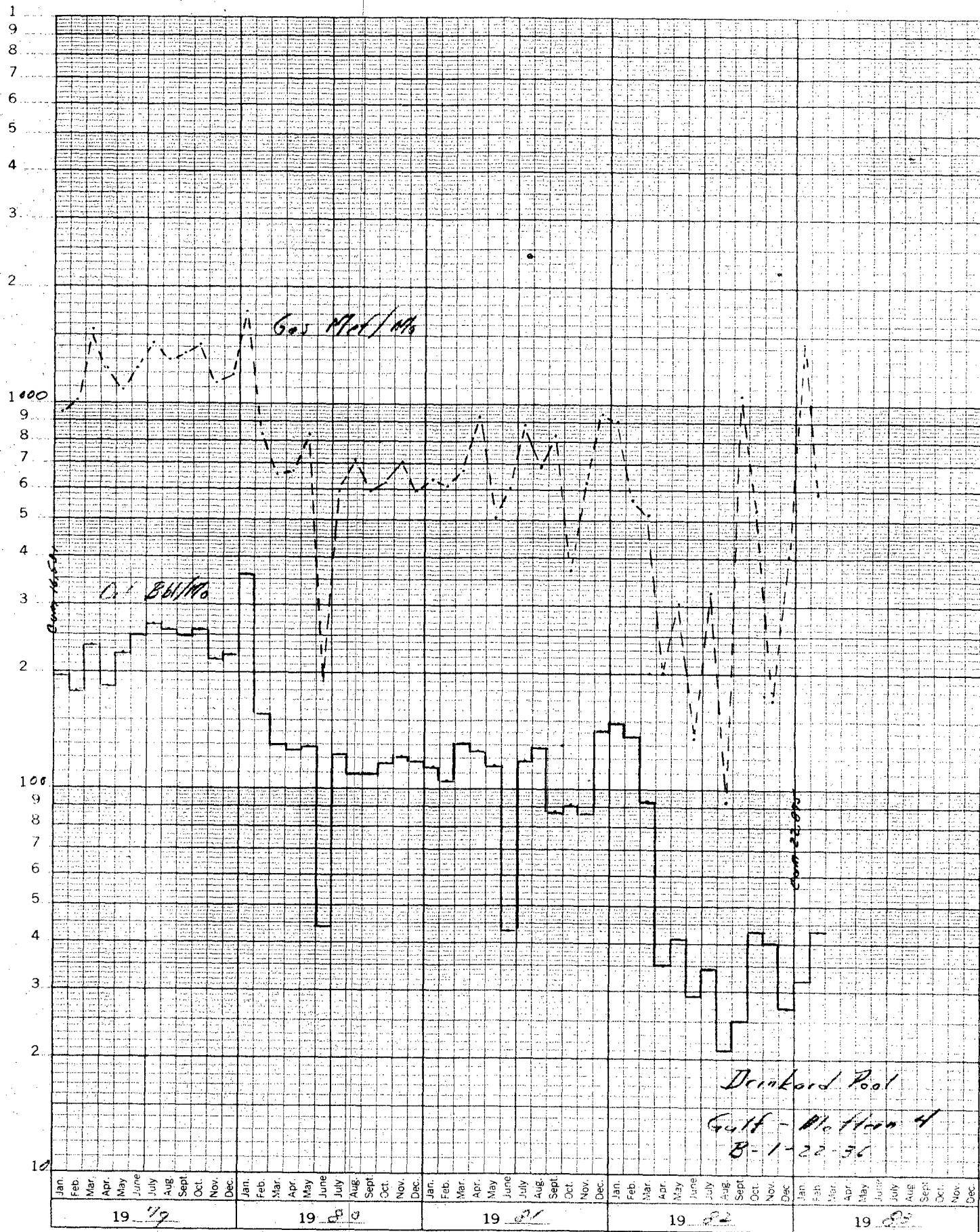




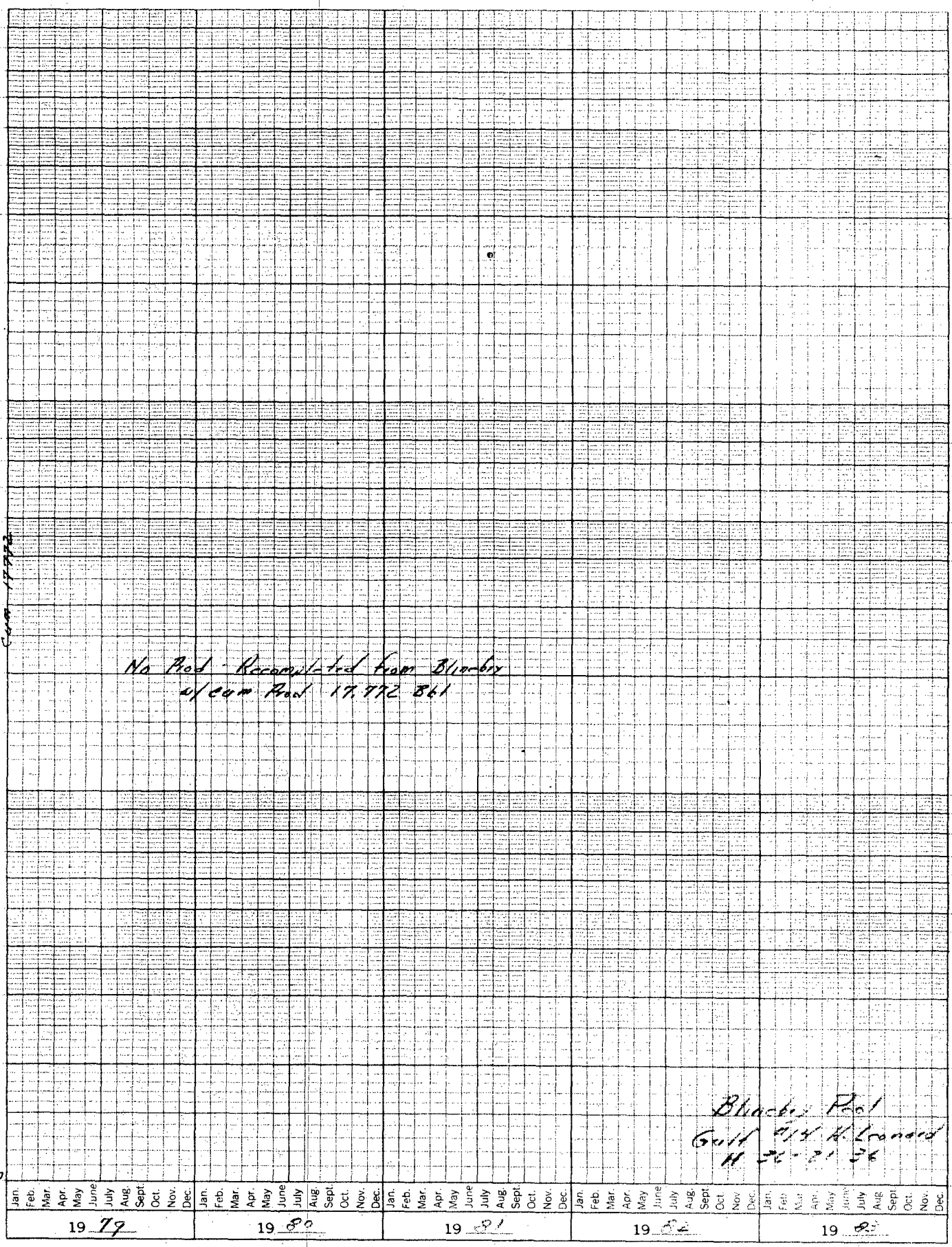
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46 6690



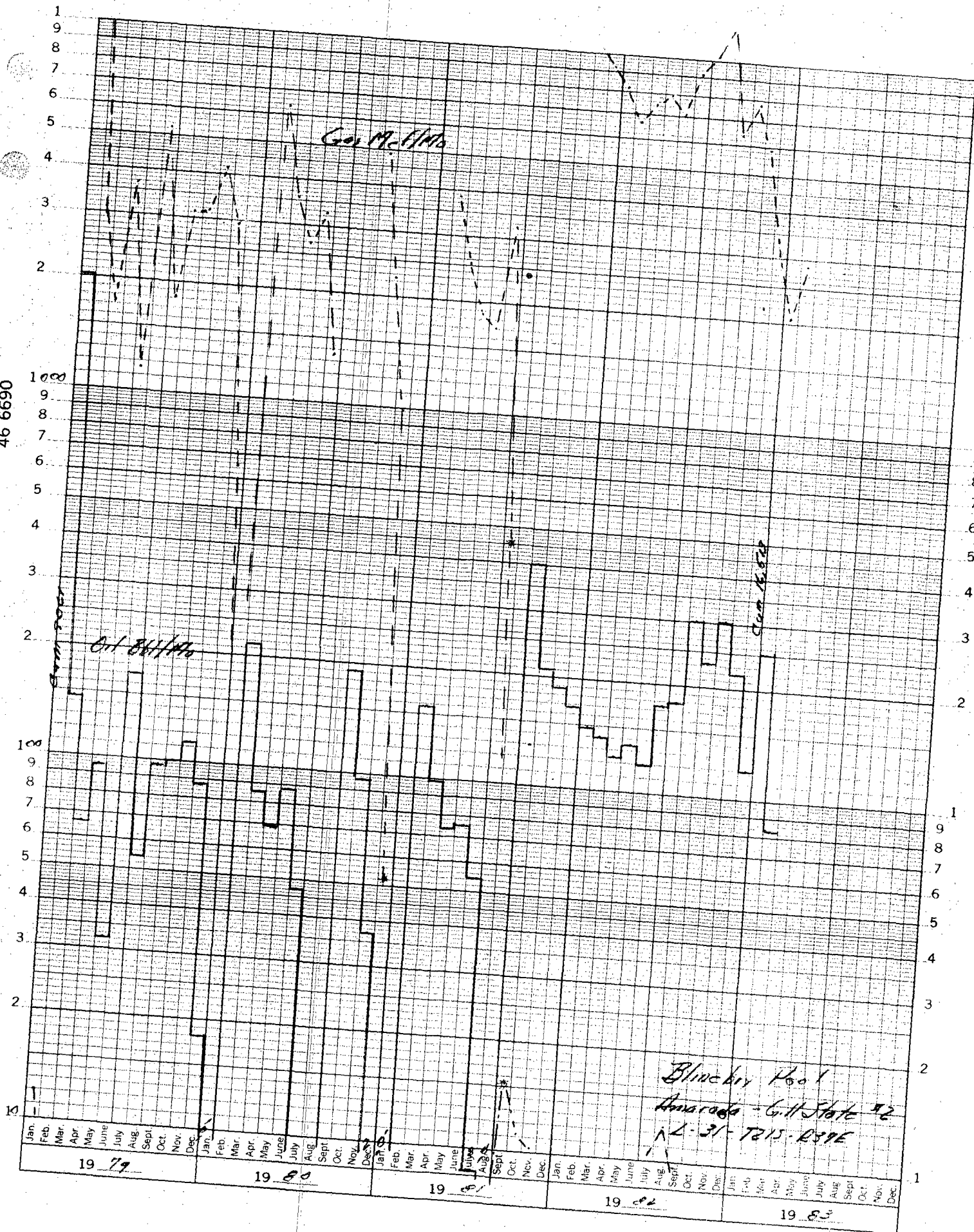
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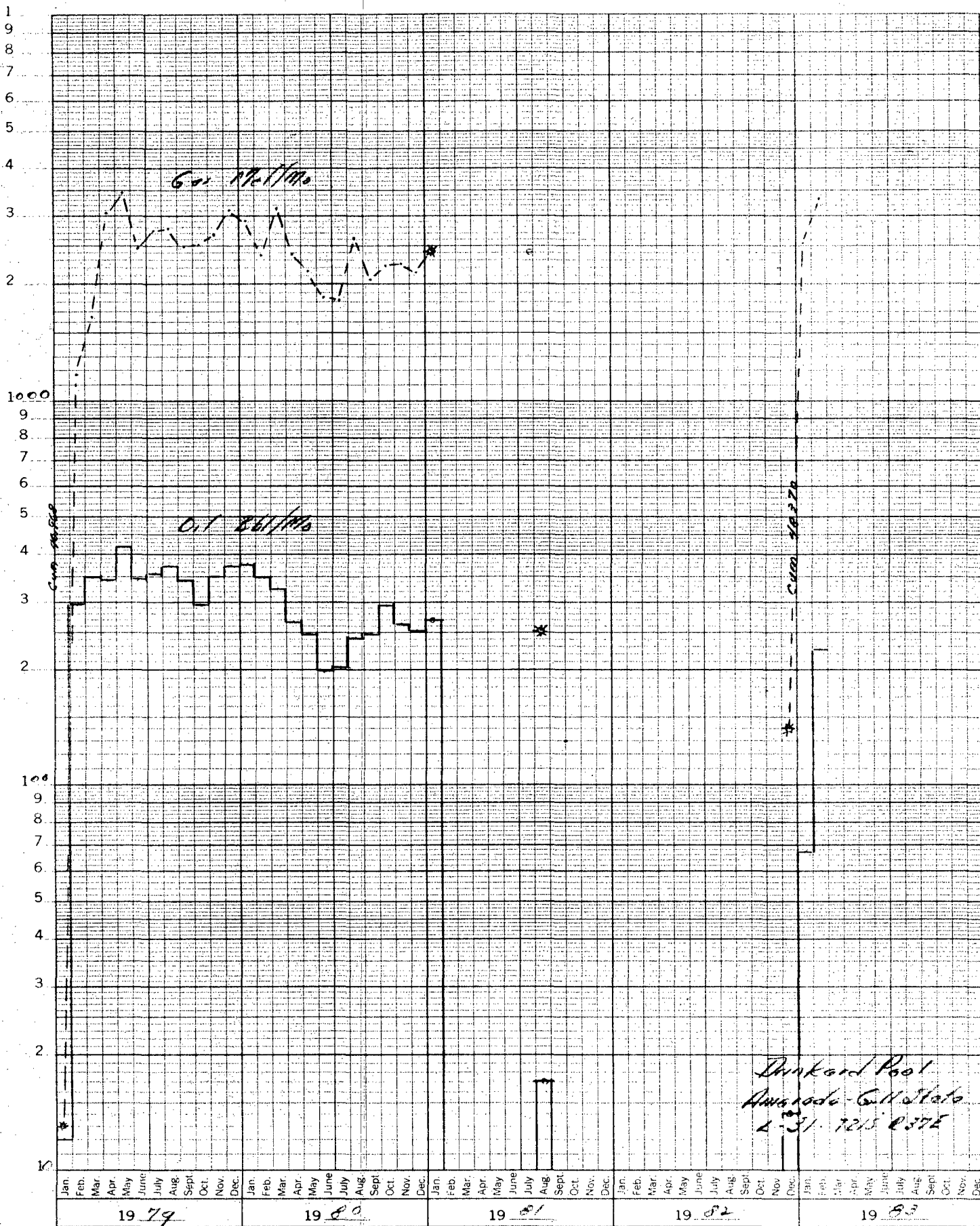
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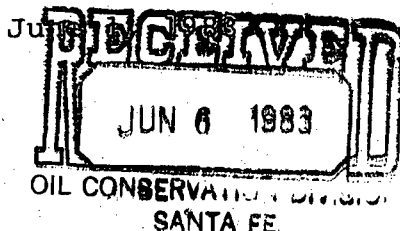
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PETROLEUM GEOLOGIST
RESERVOIR ENGINEERING

JOHN C. BYERS
BYERS ENGINEERING CO.
LUBBOCK NATIONAL BANK BLDG.
SUITE 6E P. O. BOX 6308
LUBBOCK, TEXAS 79413

TELEPHONE
(806) 762-0489



Gulf Oil Corporation
P.O. Drawer 1150
Midland, Texas 79702

Attention: Production-Technical Manager

RE: Application for authorization to down-hole commingle
from Blinebry and Drinkard formations in the Jack
Markham State "36" No. 1 Well

Gentlemen:

Pursuant to Rule 303-C of the State of New Mexico
Oil Conservation Commission Rules and Regulations Text,
Jack Markham is applying to the Oil Conservation Division
for permission to open the Blinebry in his State "36" No.
1 well, located in Unit I, S-36, T-21-S, R-36-E, Lea
County, New Mexico, and commingle production therefrom
with the Drinkard, which is presently producing from that
well.

Attached hereto is a copy of the application on behalf
of Jack Markham for the down-hole commingling of Blinebry
and Drinkard in this well. Also a waiver letter provided
for your convenience for transmittal to the State of New
Mexico Oil Conservation Division, if you have no objection
to this application.

We request that you as an offset operator, if you have
no objections to this application, execute the enclosed
letter of waiver and forward it directly to the Oil Conser-
vation Division, Santa Fe, New Mexico with a copy to Jack
Markham in Lubbock, Texas.

Yours very truly,

John C. Byers

JCB:bp

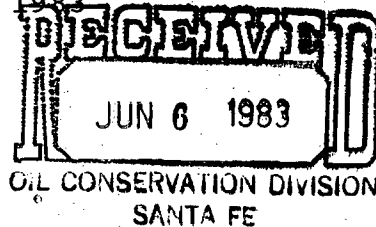
Encls.

PETROLEUM GEOLOGIST
RESERVOIR ENGINEERING

JOHN C. BYERS
BYERS ENGINEERING CO.
LUBBOCK NATIONAL BANK BLDG.
SUITE 6E P. O. BOX 6308
LUBBOCK, TEXAS 79413

TELEPHONE
(806) 762-0489

June 1, 1983



Hanson Oil Corporation
504 North Shipp
Hobbs, New Mexico 88240

RE: Application for authorization to down-hole commingle
from Blinebry and Drinkard formations in the Jack
Markahm State "36" No. 1 Well

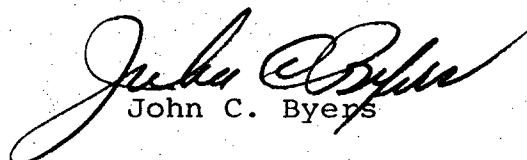
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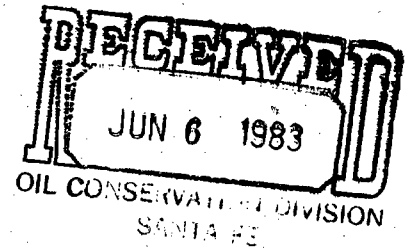
Encls.

PETROLEUM GEOLOGIST
RESERVOIR ENGINEERING

JOHN C. BYERS
BYERS ENGINEERING CO.
LUBBOCK NATIONAL BANK BLDG.
SUITE 6E P. O. BOX 6308
LUBBOCK, TEXAS 79413

TELEPHONE
(806) 762-0489

June 1, 1983



ARCO Oil & Gas Company
P.O. Box 1610
Midland, Texas 79701

Attention: Engineering-Production Dept.

RE: Application for authorization to down-hole commingle
from Blinebry and Drinkard formations in the Jack
Markham State "36" No. 1 Well

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John C. Byers

JCB:bp

Encls.

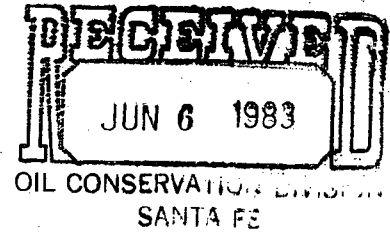
PETROLEUM GEOLOGIST
RESERVOIR ENGINEERING

JOHN C. BYERS
BYERS ENGINEERING CO.
LUBBOCK NATIONAL BANK BLDG.
SUITE 6E P. O. BOX 6308
LUBBOCK, TEXAS 79413

TELEPHONE
(806) 762-0489

June 1, 1983

Amarado Hess Corporation
P.O. Drawer "D"
Monument, New Mexico 88265



Attention: Petroleum Engineering Dept.

RE: Application for authorization to down-hole commingle
from Blinebry and Drinkard formations in the Jack
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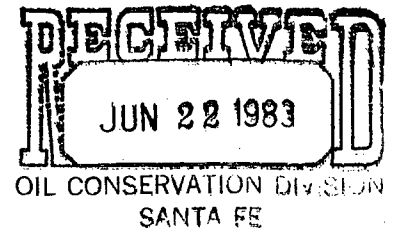
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Yours very truly,


John C. Byers

JCB:bp

Encls.



WAIVER OF OBJECTIONS

FILE DAC 404

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey, Director

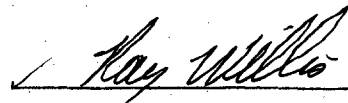
Gentlemen:

This is to advise the undersigned has been given due notice that Jack Markham is making application for authorization to down-hole commingle production from the Blinebry-Drinkard Fields in the well bore of his State "36" No. 1 well.

The well which Jack Markham has made application for down-hole commingling is located in Unit I, S-36, T-21-S, R-36-E, Lea County, New Mexico.

By this letter We wave objection to the granting of this application for the above designated well.

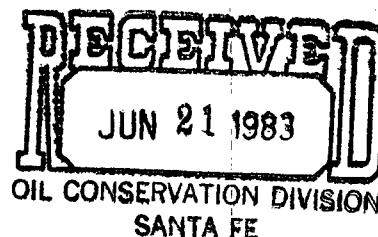
Yours very truly,



HANSON OPERATING COMPANY, INC.
Company Name

Ray Willis, Vice-President
Executed by:

June 20, 1983
Date:



WAIVER OF OBJECTIONS

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey, Director

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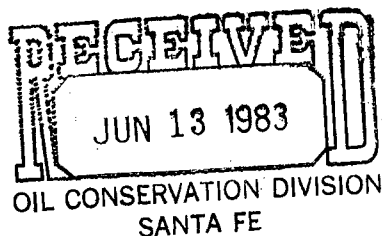
Yours very truly,

A handwritten signature in cursive script, appearing to read "J.R. Frank", written over a horizontal line.

GULF OIL CORPORATION
Company Name

A handwritten signature in cursive script, appearing to read "J.R. Frank", written over a horizontal line.
Executed by:

6.16.83
Date:



WAIVER OF OBJECTIONS

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

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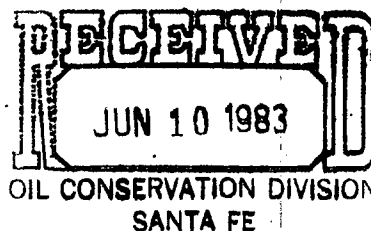
Yours very truly,

Amerada Hess Corp.
Company Name

J. W. Baum
Executed by:

6-8-83
Date:

OIL CONSERVATION DIVISION
DISTRICT 1



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

DHC
464

DATE June 6, 1983

RE: Proposed MC
Proposed DHC ☒
Proposed NSL
Proposed NSP
Proposed SWD
Proposed WFX
Proposed PMX

Gentlemen:

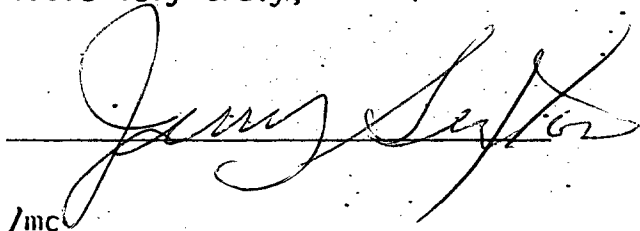
I have examined the application for the:

Jack Markham	State 36	No. 1-I	36-21-36
Operator	Lease and Well No.	Unit, S - T - R	

and my recommendations are as follows:

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

Yours very truly,


/mc