



PETROLEUM PRODUCTS

TEXACO
U.S.A.
A DIVISION OF TEXACO INC.
P. O. BOX 728
HOBBS, NEW MEXICO 88240
(505) 393-7191

August 2, 1984

AUG 6 1984
RECEIVED

DOWNHOLE COMMINGLING

L. R. KERSHAW WELL NO. 10
UNIT F, SECTION 13, T-20-S, R-37-E
MONUMENT TUBB & SKAGGS DRINKARD FIELDS
LEA COUNTY, NEW MEXICO

State of New Mexico
Department of Energy and Minerals
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Michael E. Stogner
Petroleum Engineer

Gentlemen:

Texaco Inc. respectfully requests Administrative approval to commingle production from the Monument Tubb and Skaggs Drinkard pools in the wellbore of the L. R. Kershaw No. 10 in accordance with NMOCD Rule 303-C. The Monument Tubb and Skaggs Drinkard have previously been approved for downhole commingling in our E.H.B. Phillips "B" Well No. 2.

This well meets all prerequisites for downhole commingling, as described in NMOCD Rule 303-C,1(a-h). The ownership of these zones is common, including working interest, royalty, and overriding royalty. These zones have been surface commingled on this lease, and no incompatibility of the fluids has been found.

Allocation of these oil zones will be as follows:

Monument Tubb	44.44%
Skaggs Drinkard	55.56%

New pay will be opened in the Tubb and Drinkard zones in conjunction with the proposed work. Therefore, a segregated test will be performed on each pay, and the zone allocation may be adjusted, if needed.

State of New Mexico
Dept. of Energy & Minerals

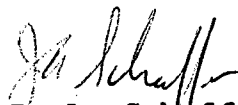
- 2 -

August 2, 1984

Conoco, Inc., the Offset Operator, has been notified of this application by copy of this letter.

Yours very truly,

TEXACO INC.
PRODUCING DEPARTMENT-UNITED STATES



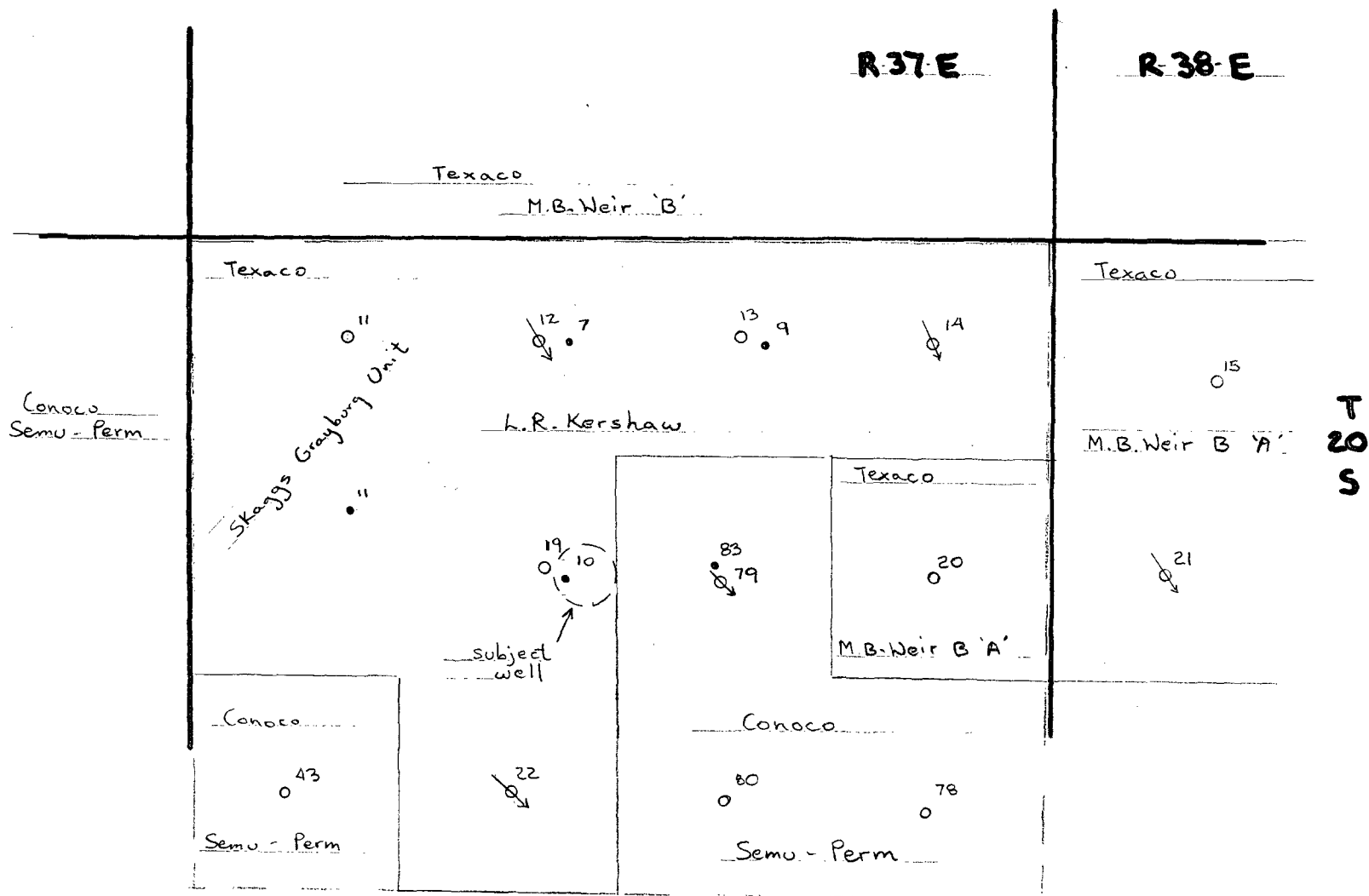
J. A. Schaffer
Assistant District Manager

TLT:JEB

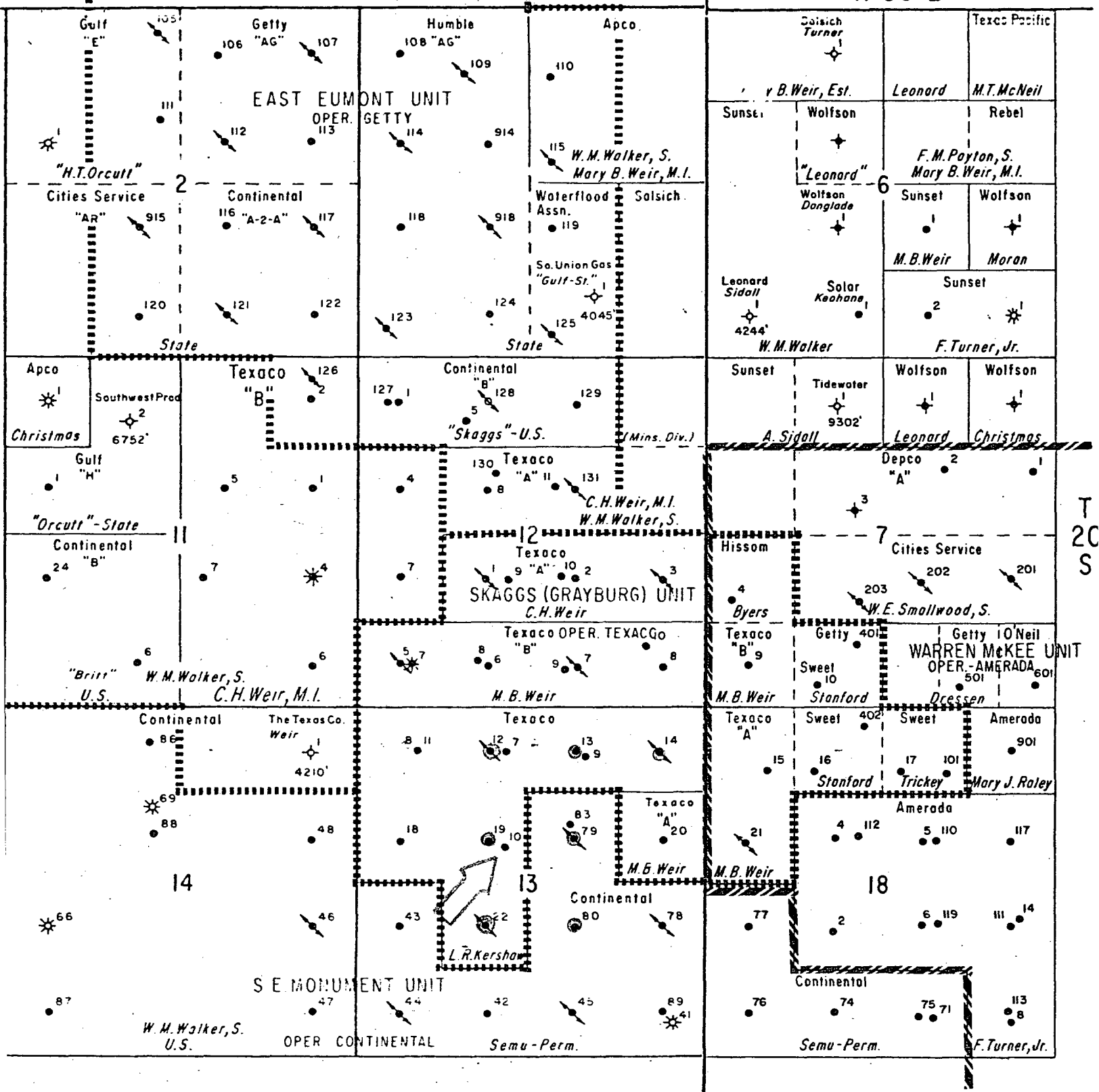
Attachments

Copies to: Department of Energy & Minerals
Oil Conservation Division
Post Office Box 1980
Hobbs, New Mexico 88240

Conoco, Inc.
P. O. Box 460
Hobbs, New Mexico 88240



- L.R. Kershaw lease wells
- Skaggs Grayburg Unit wells



③ Skaggs Grayburg Unit Wells

DATA SHEET FOR WELLBORE COMMINGLING

Operator: TEXACO INC.

Address: P. O. BOX 728, HOBBS, NEW MEXICO 88240

Lease and Well No.: L. R. KERSHAW WELL NO. 10

Location: UNIT F; 2310' FROM THE WEST LINE AND 2080' FROM THE NORTH LINE
OF SECTION 13, TOWNSHIP 20-S, RANGE 37-E, LEA COUNTY, NEW MEXICO

WELL DATA

	<u>Upper Pool</u>	<u>Middle Pool</u>	<u>Lower Pool</u>
Name of Pool	<u>MONUMENT TUBB</u>		<u>SKAGGS DRINKARD</u>
Producing Method	<u>PUMPING</u>		<u>FLOWING</u>
BHP	<u>1300 PSI</u>		<u>1500 PSI</u>
Type Crude	<u>SOUR</u>		<u>SOUR</u>
Gravity	<u>35.4</u>		<u>35.4</u>
GOR Limit	<u>4,000</u>		<u>10,000</u>
Completion Interval	<u>AFTER WORKOVER</u> <u>6359 - 6654</u>		<u>AFTER WORKOVER</u> <u>6658 - 6883</u>
Current Test Data	<u>7-2-84</u>		<u>7-3-84</u>
Oil	<u>3</u>		<u>1</u>
Water	<u>3</u>		<u>5</u>
GOR	<u>5000</u>		<u>8000</u>
Selling Price of Crude - \$/BBL.	<u>28.31</u>		<u>28.31</u>
Daily Income - \$/Day	<u>84.93</u>		<u>28.31</u>

COMMINGLED DATA:

Gravity of Commingled Crude 35.4

Selling Price of Commingled Crude - \$/BBL. 28.31

Daily Income - \$/Day 254.79

Net (Gain) (Loss) from Wellbore Commingling - \$/Day 141.55
based on current producing rates.

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator Texaco Inc.		Pool Monument Tub		County LEA												
Address Box 728, Lordsburg, New Mexico 88020		TYPE OF TEST - (X) <input checked="" type="checkbox"/> TEST - (X)		Scheduled <input type="checkbox"/> Completion <input type="checkbox"/> Spectral <input checked="" type="checkbox"/>												
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKESIZE	T.B.G. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT/BBL.	
		U	S	T	R							WATER BBL.	GRAV. OIL	OIL BBL.		GAS M.C.F.
L. R. KERSNAW	10 -	F	13	20s	37E	7-2-84	P			3	24	3	35.4	3	15	5000

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)

(Title)

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

C-116
Revised 1-1-65

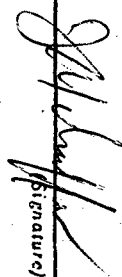
Operator TEXACO Inc.		Pool SKAGGS DRINKARD		County LEA									
Address Box 728 Hobbs New Mexico 88240		Type of Test - (X) <input checked="" type="checkbox"/> TEST - (X)		Scheduled <input type="checkbox"/>									
LEASE NAME L. R. KERSHAU	WELL NO. 10 - F	LOCATION U S T R			DATE OF TEST 7-3-84	CHOKE SIZE 1"	TBG. PRESS. 60	DAILY ALLOW-ABLE 1	LENGTH OF TEST HOURS 24	Completion <input type="checkbox"/>			Special <input checked="" type="checkbox"/>
		PROD. DURING TEST								GAS - OIL RATIO CU. FT./BBL.			
											WATER BBL'S.	GRAV. OIL	OIL BBL'S.
										5	35.4	1	8
													8000

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.

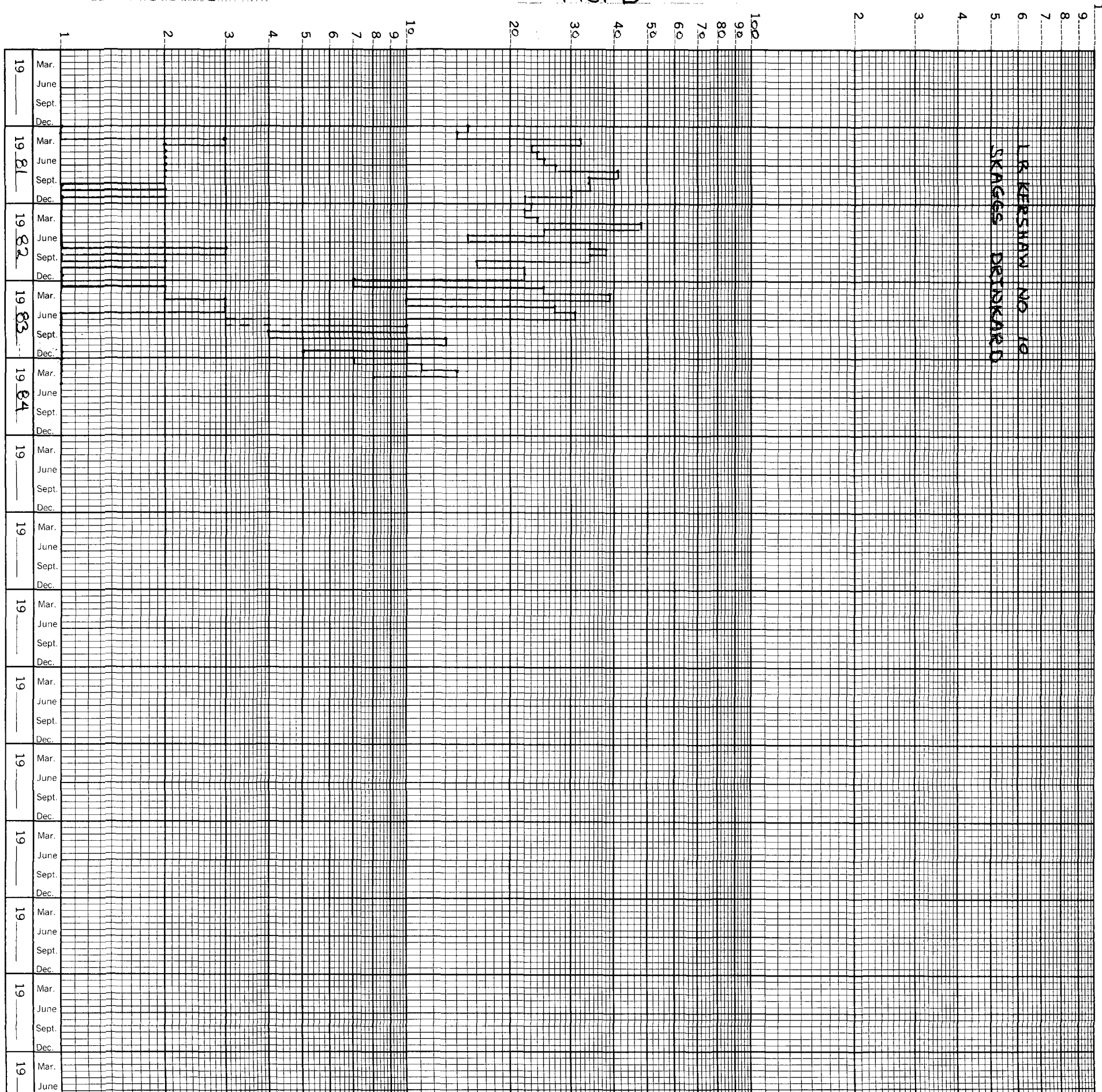
I hereby certify that the above information is true and complete to the best of my knowledge and belief.


(Signature)

(Title)

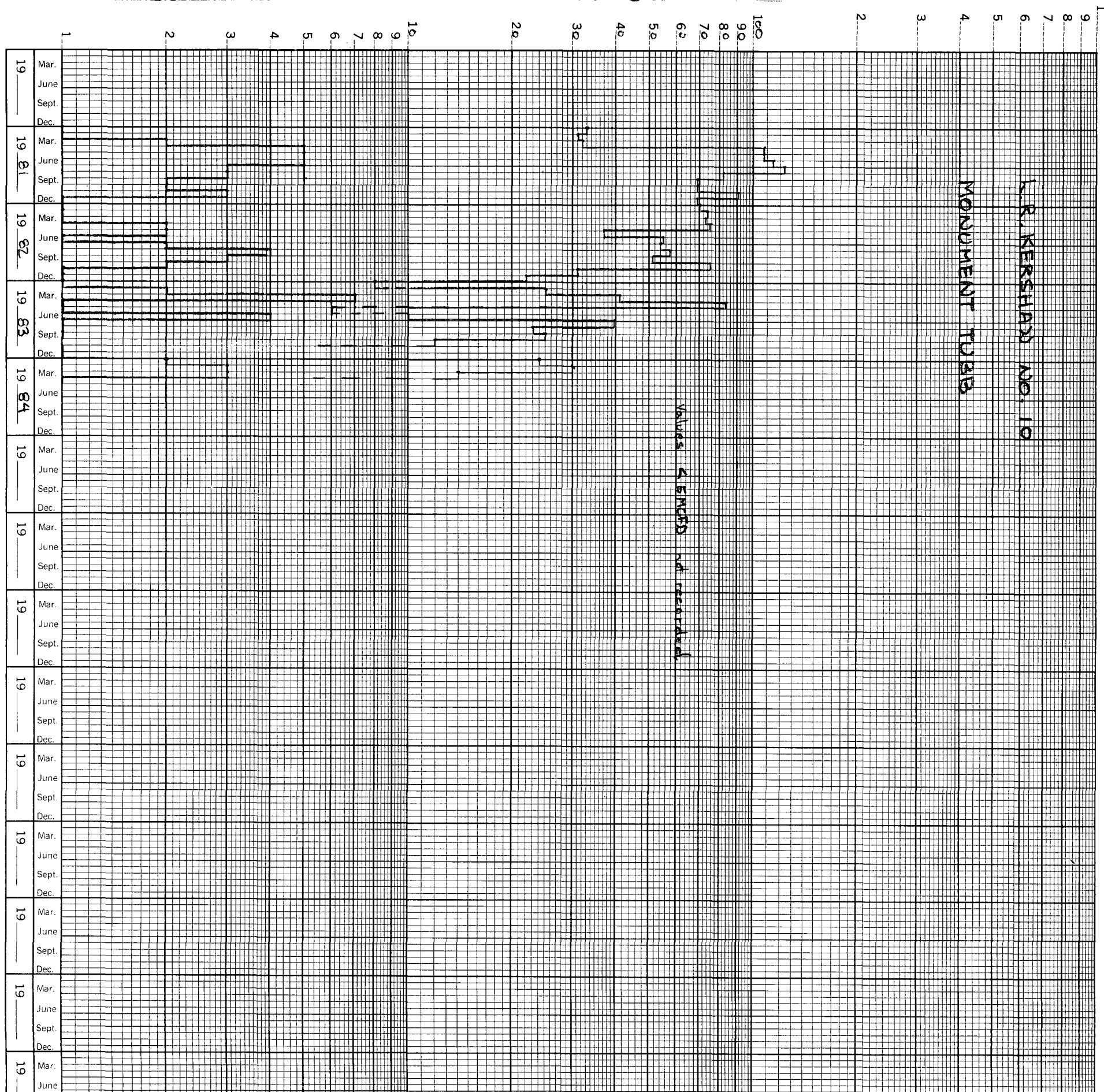
BOPD

MCFD



BOPD

MCFO





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE
August 7, 1984

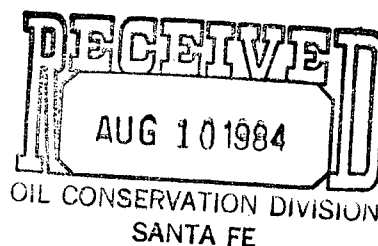
TONEY ANAYA
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161

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

RE: Proposed:

MC	_____
DHC	_____ X _____
NSL	_____
NSP	_____
SWD	_____
WFX	_____
PMX	_____



Gentlemen:

I have examined the application for the:

Texaco Inc.	L. R. Kershaw	No. 10-F	13-20-37
Operator	Lease & Well No.	Unit	S-T-R

and my recommendations are as follows:

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

Yours very truly,

Jerry Sexton
Supervisor, District 1

/mc