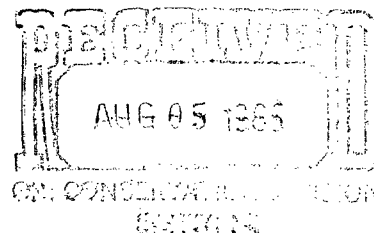


Release August 26, 1985

By Dec



August 1, 1985



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

Attention: Richard Staments

RE: Application to Downhole Commingle
Bravo #1 Owens Unit "E"
Sec. 14, T-21-S, R-37-E
Lea County, New Mexico

Dear Mr. Staments:

Bravo Energy, Inc. respectfully requests administrative approval for an exception to Rule 303-A, to permit the downhole commingling of the production from the Blinebry and Drinkard formations in the above referenced well.

1. Tests of each zone results in the following:

Blinebry	3 BOPD	15 MCF	0 Water	9-01-82	C-116
Drinkard	3 BOPD	40 MCFG	0 Water	4-20-83	C-116

See attached C-116 reports.

2. The Blinebry zone produced a trace of water averaging less than one bbl. per day. The Drinkard does not produce any water.

3. Both zones require artificial lift and will utilize a rod pumping system.

4. Surface commingling of produced fluids does not result in a reduction of quality. The authority to commingle fluids from both zones at the surface was given by administrative order #PC-93 dated September 5, 1962. Commingling fluids downhole will not reduce the value since both zones have the same properties as to API gravity, and fluids have been commingled at surface since 1963 with no reduction in quality.

5. Ownership of minerals and working interests are the same for each reservoir.

6. Commingling of these zones will not jeopardize the effectiveness of any future secondary recovery projects. Currently there are no active secondary recovery projects in the area.

7. A plat showing the Bravo Energy, Inc.'s Owen #1 well's proration unit is enclosed.

8. No BHPs were run in this well recently; however, in 1985 the well was shut in for a 24 hour period, and the following pressures were:

SITP Drinkard was 200 psi, SITP Blinebry was 175 psi.

No cross flow is expected since the well will be maintained in a pumped off condition.

9. The proposed allocation of production for each reservoir is based on actual production and tests in 1983 and 1984 and are as follows:

	<u>OIL</u>	<u>GAS</u>
Blinebry	60%	51%
Drinkard	40%	49%

We recommend that the above allocation be adopted.

10. The following attachments are enclosed for your information:

1. Plat of area showing unit for Owen #1
2. List of offset operators
3. Copy of certified mail receipts for evidence that all offset operators were notified
4. C-116s for Owen #1
5. Copy of Administrative Order #PC-93 and its amendments
6. Production graphs

Bravo Energy, Inc. requests administrative approval to commingle these two reservoirs downhole to facilitate pumping this well and in so doing prevent waste.

Blinebry
5794-5828
6555-Drinkard

Sincerely yours,

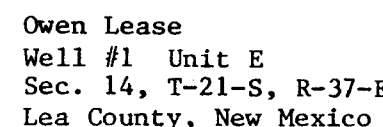
Joe T. Janica
Joe T. Janica, P.E.
NRE, Agents for
Bravo Energy, Inc.

Enclosures

cc: file
 chrono
 K. McPeters - BE
 G. Quintana - OCD
 J. Sexton - OCD
 Offset Operators

OFFSET OPERATORS

1. Getty Oil Company
Two Midland National Bank Center
Midland, TX 79701
2. Conoco Oil Company
P. O. Box 460
Hobbs, NM 88240
3. Shell Western E & P, Inc.
Attention: Alvie Fore
Woodcreek #4434
P. O. Box 991
Houston, TX 77001
4. J. R. Cone
1423 N. Avenue P
P. O. Box 10217
Lubbock, TX 79408
5. Marathon Oil Company
Attention: Bill Holmes
P. O. Box 2409
Hobbs, NM 88240



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1423 N. Avenue P
P. O. Box 10217
Lubbock, TX 79408
5. Marathon Oil Company
Attention: Bill Holmes
P. O. Box 2409
Hobbs, NM 88240

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery
2. ☐ Restricted Delivery.

3. Article Addressed to:

J. R. Cone
1423 Avenue P
P. O. Box 10217
Lubbock, TX 79408

4. Type of Service:

- ☐ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail

Article Number

P 497 960 858

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature - Addressee

X

6. Signature - Agent

X

7. Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)

DOMESTIC RETURN RECEIPT

PS Form 3811, July 1983 447-845

DOMESTIC RETURN RECEIPT

SENDER: Complete items 1, 2, 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. <u>The return receipt fee will provide you the name of the person delivered to and the date of delivery.</u> For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.	
1. ☐ Show to whom, date and address of delivery.	
2. ☐ Restricted Delivery.	
3. Article Addressed to: Getty Oil Company Two Midland National Bank Center Midland, TX 79701	
4. Type of Service: ☐ Registered ☐ Insured ☐ Certified ☐ COD ☐ Express Mail	Article Number P 497 960 855
Always obtain signature of addressee or agent and <u>DATE DELIVERED.</u>	
5. Signature - Addressee X	
6. Signature - Agent X	
7. Date of Delivery	
8. Addressee's Address (ONLY if requested and fee paid)	

PS Form 3811, July 1983 447-845

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1. ☐ Show to whom, date and address of delivery.	
2. ☐ Restricted Delivery.	
3. Article Addressed to: Marathon Oil Company Attention: Bill Holmes P. O. Box 2409 Hobbs, NM 88240	
4. Type of Service: ☐ Registered ☐ Insured ☐ Certified ☐ COD ☐ Express Mail	Article Number P 497 960 859
Always obtain signature of addressee or agent and <u>DATE DELIVERED.</u>	
5. Signature - Addressee X	
6. Signature - Agent X	
7. Date of Delivery	
8. Addressee's Address (ONLY if requested and fee paid)	

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1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:
Shell Western E & P Inc.
Attention: Alvie Fore
Woodcreek #4434 P. O. Box 991
Houston, TX 77001

4. Type of Service:	Article Number
☐ Registered ☐ Insured ☐ Certified ☐ COD ☐ Express Mail	P 497 960 857

Always obtain signature of addressee or agent and **DATE DELIVERED.**

5. Signature — Addressee

X

6. Signature — Agent

X

7. Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)

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1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:
Conoco Oil Company
P. O. Box 460
Hobbs, NM 88240

4. Type of Service:	Article Number
☐ Registered ☐ Insured ☐ Certified ☐ COD ☐ Express Mail	P 497 960 854

Always obtain signature of addressee or agent and **DATE DELIVERED.**

5. Signature — Addressee

X

6. Signature — Agent

X

7. Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)

DOMESTIC RETURN RECEIPT

GAS-OIL RATIO TESTS

Operator		Pool		County												
MORANCO		BLINEBRY		LEA												
Address		TYPE OF TEST - (X)		Scheduled ☒ Special ☐												
P.O. Box 1860, Hobbs, New Mexico 1, 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./EE			
		U	S	T						R	WATER BBLs.	GRAV. OIL		OIL BBLs.	GAS M.C.F.	
OWEN	1	E	14	21	37	9-1-82	P	2"	120	5	24	0	39	3	15	5,000
	2	D	14	21	37	9-2-82	P	2"	30	22	24	7	39	15	80	5,667

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

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 15.025 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.

K. D. McPeter

K. D. McPeter, Engineer

October 8, 1982

GAS-OIL RATIO TESTS

Operator Bravo Energy Inc.		Pool LEA		County LEA										
Address P.O. Box 758 - Hobbs, New Mexico 88240				TYPE OF TEST - (X)	Scheduled ☒ XX	Completion ☐	Special ☐							
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	PROD. DURING TEST			GAS -		
		U	S	T					R	WATER BBLs.	GRAV. OIL	OIL BBLs	GAS M.C.F.	GAS - CU.FT.
OWEN	1	E	14	21	37	4-20-83	F 1/2	80	2	0	39	3	40	1330
	2	D	14	21	37	4-21-83	F 1/2	120	15	0	39	10	55	5500

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.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Division in accordance with Rule 331 and appropriate pool rules.

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

K. D. McPeters
(Signature)

K. D. McPeters, Engineer

1

CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

HOBBBS

1962 SEP 7 PM 2:25

September 5, 1962

C Moran Oil Producing & Drilling Corporation
P. O. Box 1718
Hobbs, New Mexico

O Attention: Mr. K. D. McPeters

Administrative Order PC-93

Gentlemen:

P
Y
Reference is made to your application dated August 30, 1962, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of the production from the Drinkard and Blinebry Oil Pools on your Owen Lease located in Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, by metering the production from the Drinkard Pool and determining the Blinebry production by means of the subtraction method.

By the authority vested in me under the provisions of Rule 303 (b) of the Commission Rules and Regulations, you are hereby authorized to commingle the production from the aforesaid pools on said lease in the above-described manner. Provided however, that the installation shall be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities."

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission - (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

April 10, 1970

Moran Oil Producing & Drilling Corporation
P. O. Box 1919
Hobbs, New Mexico 88240

Attention: Mr. K. D. McPeters

AMENDMENT
Administrative Order PC-93

Gentlemen:

Reference is made to your letter dated March 25, 1970, wherein you advise that both zones currently being commingled on your Owen Lease pursuant to the provisions of Administrative Order PC-93 are now of marginal nature. You therefore request that the metering requirement contained in said order be deleted.

Administrative Order PC-93 is hereby amended to delete the requirement for metering the Drinkard production and determining the Blinbry production by means of the subtraction method. Henceforth you will be authorized to allocate the production to the two pools on this lease by means of periodic well tests, provided however, that you shall notify the Commission at such time as any well on said lease becomes capable of top allowable production.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/esr

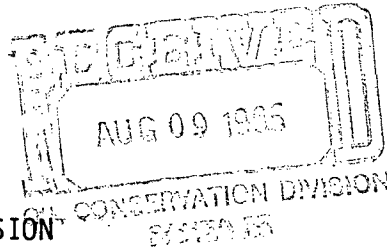
cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE
August 5, 1985

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:

Bravo Energy, Inc.	Owen	No.-1-E	14-21-37
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