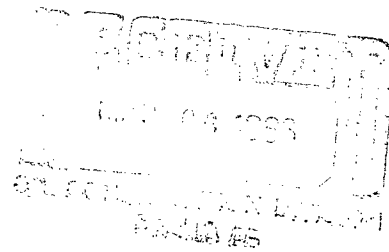




Texaco USA

P O Box 728
Hobbs NM 88240
505 393 7191

March 3, 1986



State of New Mexico
Department of Energy & Minerals
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87503

Attention: Mr. R. L. Stamets
Division Director

RE: DOWNHOLE COMMINGLING
NEW MEXICO "O" STATE NCT-1 NO. 11
UNIT F, SECTION 36, T-17-S, R-34-E
VACUUM FIELD
LEA COUNTY, NEW MEXICO

Dear Sir:

Texaco Inc. respectfully requests Administrative approval to commingle production from the Abo, Wolfcamp and Penn pools in the wellbore of the New Mexico "O" State NCT-1 Well No. 11 in accordance with NMOCD Rule 303-C. The Abo, Wolfcamp and Penn have previously been approved for downhole commingling in the Vacuum Pool.

This well meets all prerequisites for downhole commingling, as described in NMOCD Rule 303-C, 1a (1-7). The ownership of these zones is common, including working interest, royalty, and overriding royalty. These zones have been commingled on adjacent leases and no incompatibility of the fluids have been found. New perforations in the Wolfcamp (10,003'-10,045') and Penn (10,123'-10,170') will be commingled with existing perforations in the Abo (9140'-9241') and Wolfcamp (9601'-9974').

All Offset Operators (list attached) have been notified of this application by copy of this letter. Required data by NMOCD Rule 303-C,2 for Administrative approval to downhole commingle is

Mr. R. L. Stamets
Division Director

-2-

March 3, 1986

attached. Allocation of production from the well will be submitted with the potential test after commingling.

Yours very truly,



W. B. CADE
District Operations Manager

LDR:JRB

Attachments

cc: Department of Energy & Minerals
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

Offset Operators
(List Attached)

NEW MEXICO "O" STATE NCT-1
OFFSET OPERATORS

Amerada Hess Corporation
Box 840
Seminole, Texas 79360

Conoco Incorporated
Box 460
Hobbs, New Mexico 88240

Marathon Oil Company
Box 552
Midland, Texas 79702

Mobil Producing Texas &
New Mexico Incorporated
Nine Greenway Plaza
Suite 2700
Houston, Texas 77046

Phillips Petroleum Co.
4001 Penbrook
Odessa, Texas 79762

Santa Fe Energy Co.
7200 I-40 West
Amarillo, Texas 79106

Shell Oil Company
Box 2463
Houston, Texas 77001

Texaco Producing Inc.
P. O. Box 728
Hobbs, New Mexico 88240

DATA SHEET FOR WELLBORE COMMINGLING

Operator: Texaco Inc.

Address: P. O. Box 728, Hobbs, New Mexico 88240

Lease and Well No.: New Mexico "O" State NCT-1 Well No. 11

Location: Unit F, 1980' FNL & 1780' FWL, Section 36, T-17-S, R-34-E

WELL DATA

	<u>Upper Pool</u>	<u>Middle Pool</u>	<u>Lower Pool</u>
Name of Pool	North Vacuum Abo	Vacuum Wolfcamp	Vacuum Upper Penn
Producing Method	Pump	Flowing before shut-in 1-31-81 (stopped flowing)	Not Pumped
BHP	Data not available	3980 based on WC string currently standing full of oil.	Data not available
Type Crude	Sweet	Sweet	Sweet
Gravity	37.7	37.7	37.7
GOR Limit	2000	2000	2000
Completion Interval	*9140 - 9241	*9601 - 9974 **10,003 - 10,045	**10,123 - 10,170
Current Test Date	12-31-85	Shut-In	
Oil	22	***	***
Water	13	***	***
GOR	1000	***	***
Selling Price of Crude - \$/BBL.	\$20.00	\$20.00	\$20.00
Daily Income - \$/Day	\$440.00	\$0.00	\$0.00

COMMINGLED DATA:Gravity of Commingled Crude 37.7****Selling Price of Commingled Crude - \$/BBL. \$20.00Daily Income - \$/Day \$740.00 (Based on 15 BOPD estimated increase)Net (Gain) (~~Loss~~) from Wellbore Commingling - \$/Day \$300.00
based on current producing rates.

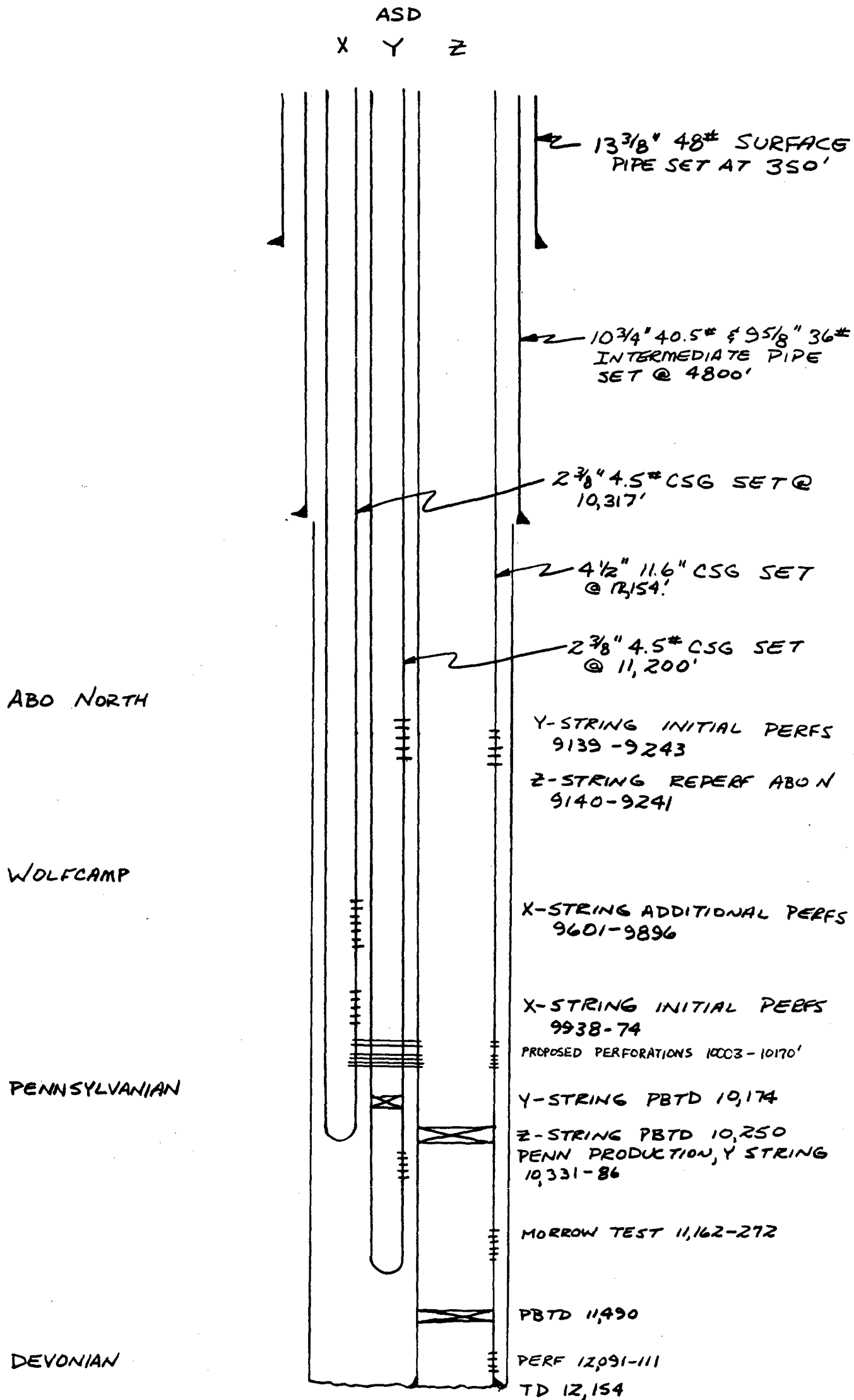
****Production from these zones are currently surface commingled from other wells on this lease so there will be no change in value of the oil due to downhole commingling.

***Data not yet available, commingling proposed.

*Existing perfs

**New (proposed) perfs

FIGURE 2



TEXACO, INC
NEW MEXICO 'O' STATE (NCT-1)
WELL No 11
WELL BORE DIAGRAM

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

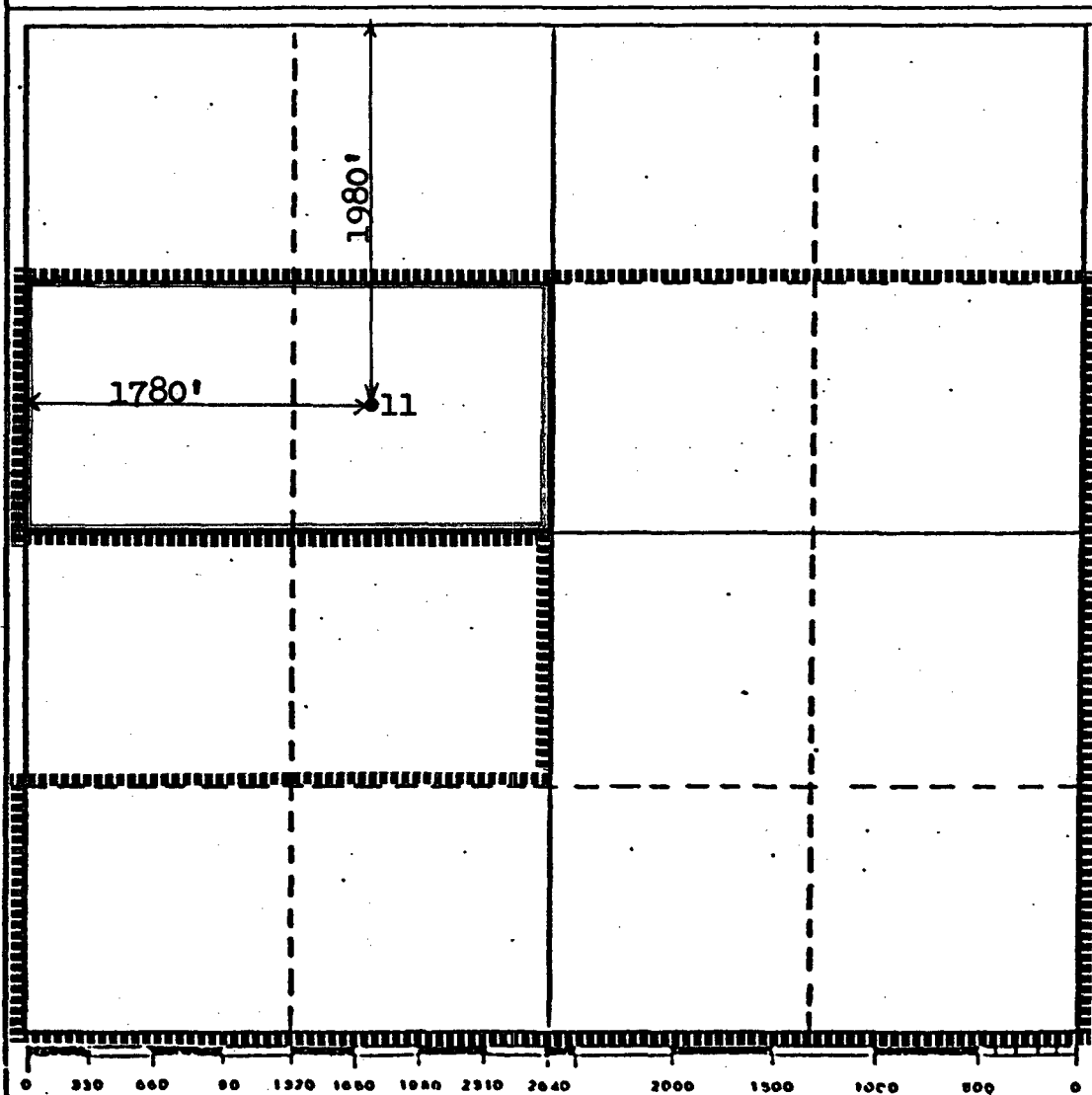
Operator Texaco Inc.			Lease New Mexico "O" State NCT-1		Well No. 11
Unit Letter F	Section 36	Township 17-S	Range 34-E	County Lea	
Actual Postage Location of Well: 1980 feet from the North line and 1780 feet from the West line					
Ground Level Elev. 4003 GR	Producing Formation *See Attached		Pool **See Attached		Dedicated Acreage: 80 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.

W. B. CADE

Name

W. B. CADE

Position

District Oper. Manager

Company

Texaco Inc.

Date

March 3, 1986

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.

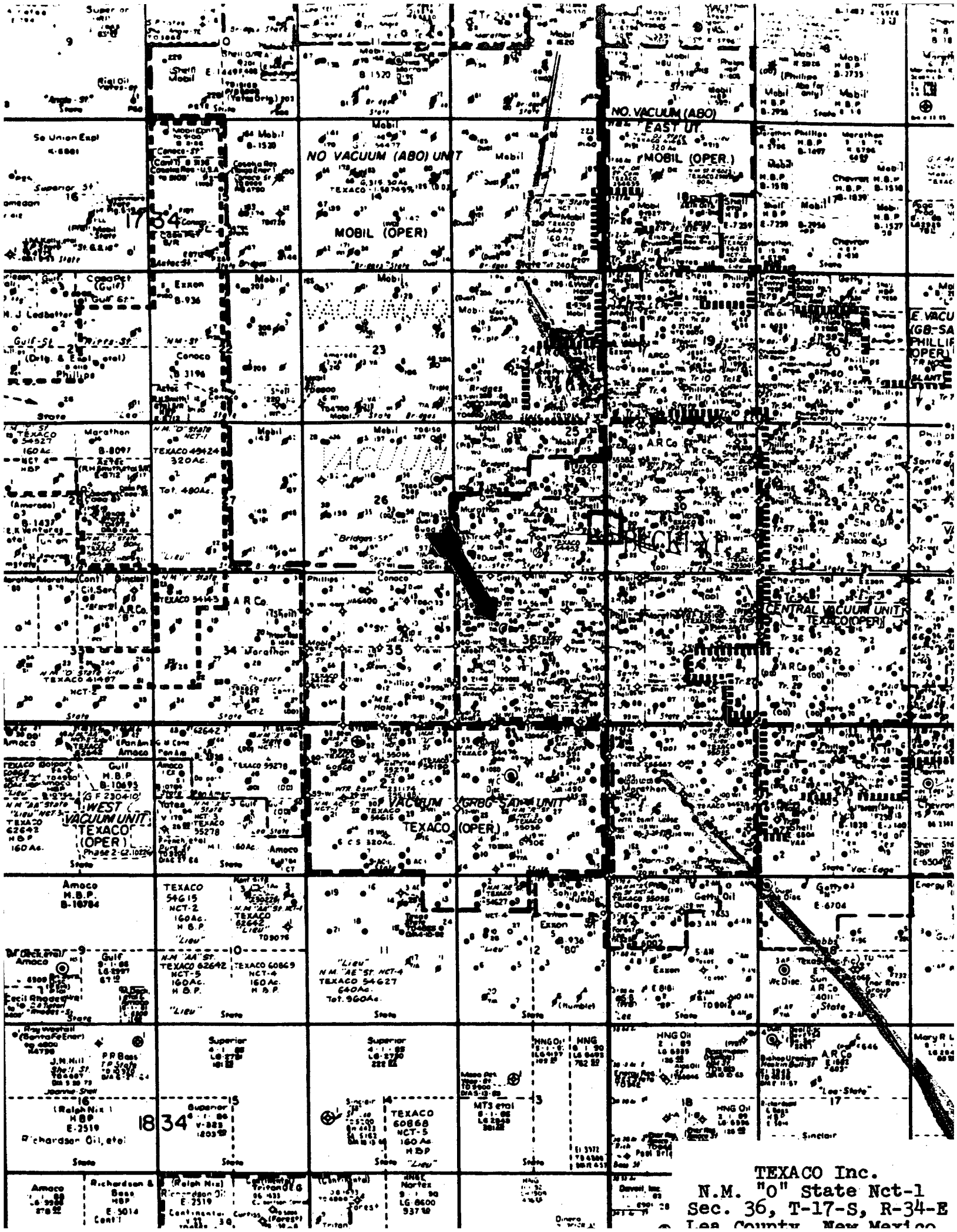
Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

Certificate No.

NEW MEXICO "O" NCT-1 NO. 11
UNIT F, SECTION 36, T-17-S, R-34-E
LEA COUNTY, NEW MEXICO

<u>*Producing Formation</u>	<u>**Pool</u>	<u>Dedicated Acreage</u>
Abo	Vacuum Abo North	80
Wolfcamp	Vacuum Wolfcamp	80
Penn	Vacuum Upper Penn	80



TEXACO Inc.
N.M. "0" State Nct-1
Sec. 36, T-17-S, R-34-E
Los Alamos County, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

Page 3 of 3

C-116
Revised 1-1-65

LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	T.B.G. PRESS.	DAILY ALLOW. ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT./BBL
		U	S	T						WATER DOLG.	GRAV. OIL	OIL DOLG.	GAS M.C.F.	
NEW MEXICO "N" State Downhole Commingling Permit No. DHC-11	6	L	30	179 35E	9-25	-	-	12	24	0	37.7	7	6	857
		Vacuum Abo	North	= 12%				1						
		Vacuum Wolfcamp		= 88%				11						
	8	D	30	179 35E	9-15	-	-	55	"	0	"	17	80	1702
		Vacuum Abo	North	= 55%				32						
		Vacuum Wolfcamp		= 45%				24						
	11	F	36	179 34E	8-25	-	-	26	"	8	"	28	28	1000
	14	J	"		8-28	-	-	36	"	0	"	36	240	6647
		Vacuum Abo	North	= 64%-0 & 43%-0				23					102	4418
		Vacuum Wolfcamp		= 36%-0 & 57%-0				13					127	10528
	24	P	36	179 34E	7-20									
								3	"	3	34.1	3	1	233
NEW MEXICO "O" State NCT-2	21	L	33	179 34E	9-29	-	-	37	"	0	37.7	28	152	5429
	4	P	25	179 34E	9-24	-	-	4						
		Vacuum Abo	North	= 10%				4					3	15
		Vacuum Upper Penn		= 70%				26					20	106
		Vacuum Wolfcamp		= 20%				7					5	30

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.

Well 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.

W.B. Cuth

(Signature)

District Operations Manager

(Title)

October 31, 1965

100

80

60

40

20

0

NEW MEXICO "O" STATE
(OCT-1) NO. 11

GAS-OIL RATIO

WATER-OIL RATIO

1

9

8

7

6

5

4

30

20

10

9

8

7

6

5

4

3

2

1

0.9

0.8

0.7

0.6

0.5

0.4

0.3

0.2

0.1

0.09

0.08

0.07

0.06

0.05

0.04

0.03

0.02

0.01

0.009

0.008

0.007

0.006

0.005

0.004

0.003

0.002

0.001

0.0009

0.0008

0.0007

BOPD

-2.0 X

BWPD

1982

1983

1984

1985

1986

1987

1988

1989

1990

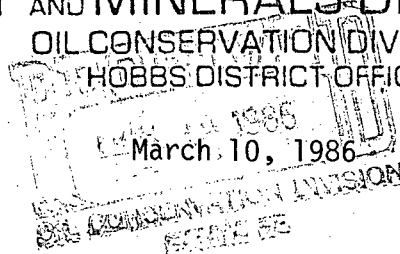
1991

1992



TONY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE



POST OFFICE BOX 1990
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.	New Mexico 0 St NCT-1 #11-F	36-17-34
Operator	Lease & Well No. Unit	S-T-R

and my recommendations are as follows:

OK -- Jerry Sexton

Yours very truly,

Jerry Sexton
Supervisor, District 1

/mc