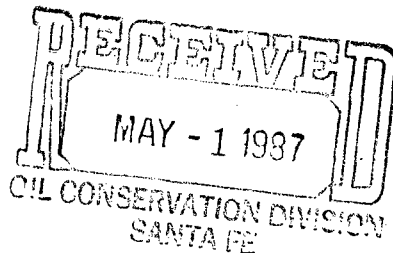




R. E. Irelan  
Division Manager  
Production Department  
Hobbs Division  
North American Production

Conoco Inc.  
P.O. Box 460  
726 East Michigan  
Hobbs, NM 88240  
(505) 393-4141



April 29, 1987

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

Gentlemen:

Application to downhole commingle SEMU No. 113, Unit Letter E, Sec. 20, T-20S, R-38E.

Conoco respectfully requests an exception to Division Rule 303-A to allow downhole commingling of the Warren Tubb and Blinebry Oil and Gas Pools in SEMU No. 113(E-20-20-38).

Attached you will find all pertinent information concerning this application. Exhibit No. 1 contains the well location, proposed production allocation factors, and the value of commingled production. Also attached are:

1. A lease plat.
2. C-116's showing recent production tests.
3. Decline curves for both zones.

No bottom hole pressure data exists for SEMU No. 113. However, two locations to the east of SEMU No. 113, the Burger B-20 No. 2, has already been downhole commingled in the Blinebry and Tubb. In August, 1986 pressures in this well were estimated as follows:

FORMATION

PRESSURE CORRECTED TO 6581'

Blinebry  
Tubb

627 psi  
791 psi

Based on similar structural position and well performance history, these pressures are considered to be a reasonable estimate of the bottomhole pressures in SEMU No. 113.

Our experience with other Blinebry/Tubb downhole commingled wells would indicate that the produced fluids are compatible in the wellbore. No increase in scale or precipitate related problems has been noted in any of our currently downhole commingled wells. However, as has been done in the past, the formations will be chemically inhibited to prevent any scale-related problems.


*Common ownership  
Verified by S. Anderson  
6-9-87*

*Blinebry - 5814-6072  
Tubb 6486-6503*

*De.*

By copy of this letter we are notifying the BLM and all offset operators (see attached address list).

Yours Truly,

A handwritten signature in cursive script, appearing to read "R. E. Lukan". The signature is written in dark ink on a white background.

SDA/atm

cc: JEP, PAB, ELK, SDA, File



R. E. Irelan  
Division Manager  
Production Department  
Hobbs Division  
North American Production

Conoco Inc.  
P.O. Box 460  
726 East Michigan  
Hobbs, NM 88240  
(505) 393-4141

April 29, 1987

Amerada Hess Corporation  
P.O. Box 840  
Seminole, Texas 79360

Gentlemen:

Enclosed for your information is a copy of Conoco's application to downhole commingle the Warren Tubb Oil with the Blinbry Oil and Gas zone in the SEMU No. 113.

Yours Truly,

A handwritten signature in cursive script, appearing to read "R. E. Irelan".

SDA/atm



R. E. Irelan  
Division Manager  
Production Department  
Hobbs Division  
North American Production

Conoco Inc.  
P.O. Box 460  
726 East Michigan  
Hobbs, NM 88240  
(505) 393-4141

April 29, 1987

Bureau of Land Management  
P.O. Box 1778  
Carlsbad, New Mexico 88220

Gentlemen:

By the attached copy of our application to the New Mexico Oil Conservation Division, we are requesting your approval of our proposal to downhole commingle production from the Warren Tubb Oil zone with production from the Blinebry Oil and Gas zone in SEMU No. 113.

Yours Truly,

A handwritten signature in cursive script, appearing to read "R. E. Irelan".

SDA/atm

ADDRESS LIST

Amerada Hess  
P.O. Box 840  
Seminole, Texas 79360

Bureau of Land Management  
P.O. Box 1778  
Carlsbad, New Mexico 88220

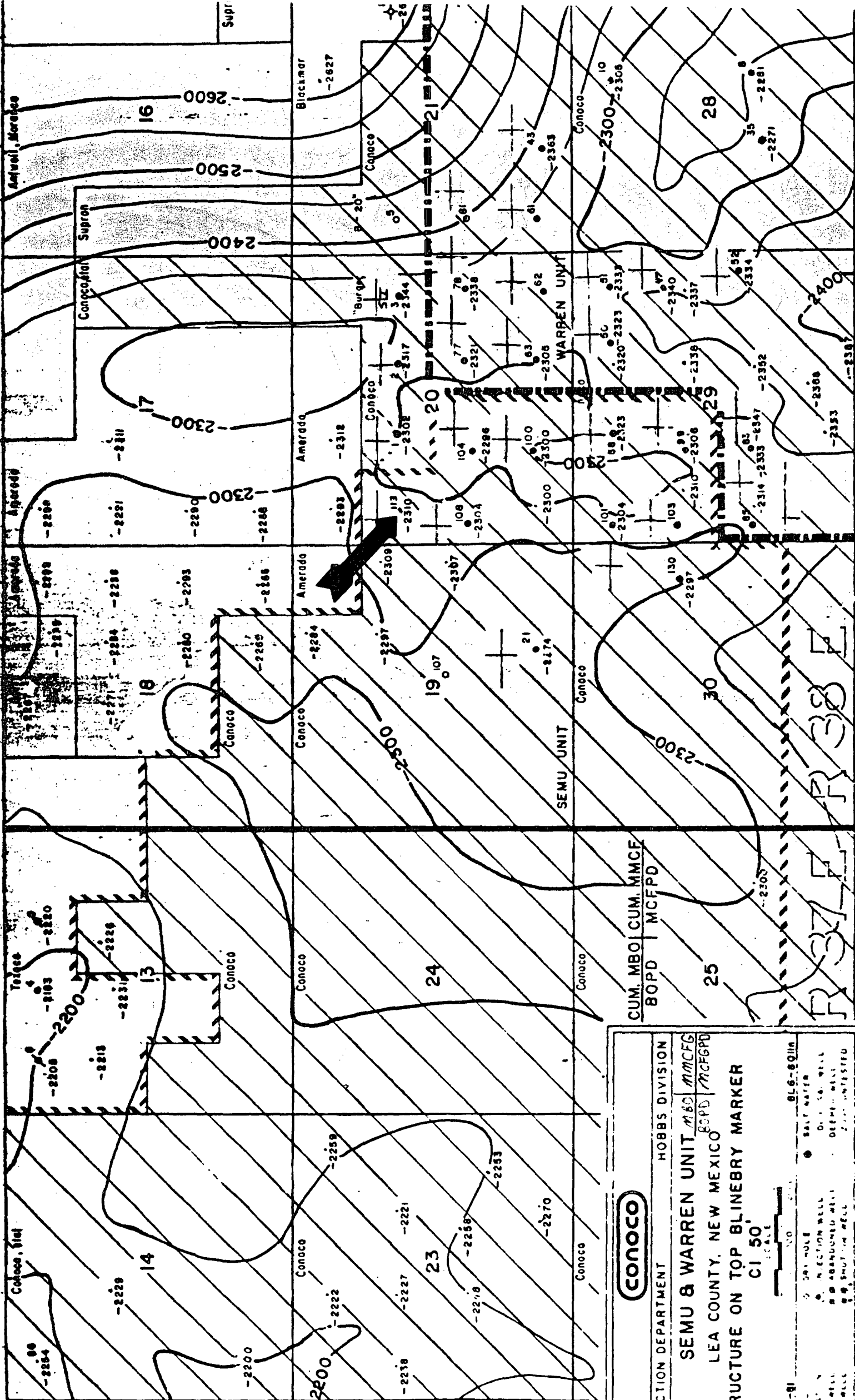
Exhibit No. 1

1. Operator: Conoco, Inc.  
P.O. Box 460  
726 East Michigan  
Hobbs, New Mexico 88240
2. Lease Name: Southeast Monument Unit
3. Well Number: 113
4. Location: 1650' FNL & 990' FWL, Sec. 20, T-20S, R-38E
5. Pools: Warren Tubb Oil  
Blinebry Oil and Gas

6. Allocation Formula: (based on decline curves)		
	<u>Percent of Total Production</u>	
	<u>Oil</u>	<u>Gas</u>
Blinebry	22	80
Tubb	78	20

7. Value of Production:

The production from the SEMU No. 113 is surface commingled at a gravity of 42 degrees API. The price received for the oil and gas is identical.



<b>CONOCO</b>	
PRODUCTION DEPARTMENT	HOBBS DIVISION
SEMUR & WARREN UNIT <i>MMCF</i>	
LEA COUNTY, NEW MEXICO	
STRUCTURE ON TOP BLINERY MARKER	
CI 50'	
1" = 50' 1" = 100' 1" = 200' 1" = 400' 1" = 800' 1" = 1600'	
1" = 100' 1" = 200' 1" = 400' 1" = 800' 1" = 1600'	1" = 100' 1" = 200' 1" = 400' 1" = 800' 1" = 1600'

T 20 S

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

C-116  
Revised 1-1-65

Operator		Pool		County																									
CONOCO, INC.		BLINEBRY OIL & GAS		LEA																									
Address				Type of Test - (X)																									
P. O. BOX 460, HOBBS, NEW MEXICO 88240				SCHEDULED <input checked="" type="checkbox"/> TEST																									
LEASE NAME		WELL NO.		LOCATION		DATE OF TEST		STATUS		CHOKE SIZE		TBG. PRESS.		DAILY ALLOW. ABLE		LENGTH OF TEST HOURS		Completion <input type="checkbox"/>				Special <input type="checkbox"/>							
				U		S		T		R								WATER BBL'S.		PROD. DURING TEST		GAS-OIL RATIO CU FT./BBL.							
SEMUR BURGER B		113		E		20		205		38E		08-09-86		P				24		8		44.3		10		98		9800	
SEMUR MEYER		82		I		25		205		37E		SHUT-IN						0		0		0.0		0		0		0	
SIMS FEDERAL		1		O		23		205		38E		08-09-86		P				24		3		40.0		32		179		5594	
DHC 423		BLINEBRY OIL & GAS										61.0% OIL				71.0% GAS								20		127			
DHC 423		WARREN TUBB OIL										39.0% OIL				29.0% GAS								12		52			
												100.0% OIL				100.0% GAS								32		179			
STATE 10		1		D		10		215		37E		08-01-86		P				24		0		38.5		2		175		87500	
DHC 90		WANTZ ABD										90.0% OIL				90.0% GAS								2		157			
DHC 90		BLINEBRY OIL & GAS										10.0% OIL				10.0% GAS								0		18			
												100.0% OIL				100.0% GAS								2		175			

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 the 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.

ADMINISTRATIVE SUPERVISOR

(Signature)

(Title)

08-OCT-86

(Date)



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

C-116  
Revised 1-1-85

Operator <b>CONOCO, INC.</b>		Pool <b>WARREN TUBB OIL</b>		County <b>LEA</b>	
Address <b>P. O. BOX 460, HOBBS, NEW MEXICO 88240</b>				Type of Test - (X)	
Lease Name		Well No.		Location	
				U	S
				T	R
				DATE OF TEST	
				STATUS	
				CHOKE SIZE	
				TBG. PRESS	
				DAILY ALLOW. ABLE	
				LENGTH OF TEST HOURS	
				WATER BBL.S.	
				GRAV. OIL	
				OIL BBL.S.	
				GAS M.C.F.	
				GAS-OIL RATIO CU.FT./BBL.	

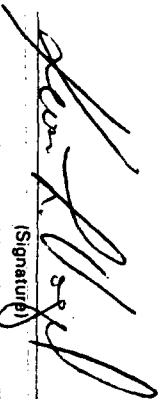
  

LEASE NAME	WELL NO.	LOCATION	DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS	DAILY ALLOW. ABLE	LENGTH OF TEST HOURS	Completion <input type="checkbox"/>			Special <input type="checkbox"/>	
									WATER BBL.S.	GRAV. OIL	OIL BBL.S.		
BURGER B-20	1	F 20 20S 38E	07-21-86	P				24	1	41.3	15	0	0
BURGER B-20	2	G 20 20S 38E	07-05-86	P				24	1	41.3	27	0	0
BURGER B-20	3	H 20 20S 38E	SHUT-IN					0	0	0.0	0	0	0
SEMU TUBB A	100	N 20 20S 38E	07-08-86	P				24	1	46.2	14	67	4786
SEMU TUBB A	104	K 20 20S 38E	07-14-86	P				24	4	46.2	30	92	3067
SEMU TUBB A	113	E 20 20S 38E	07-19-86	P				24	3	46.2	24	119	4958

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 the 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 80°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)  
**ADMINISTRATIVE SUPERVISOR**  
(Title)

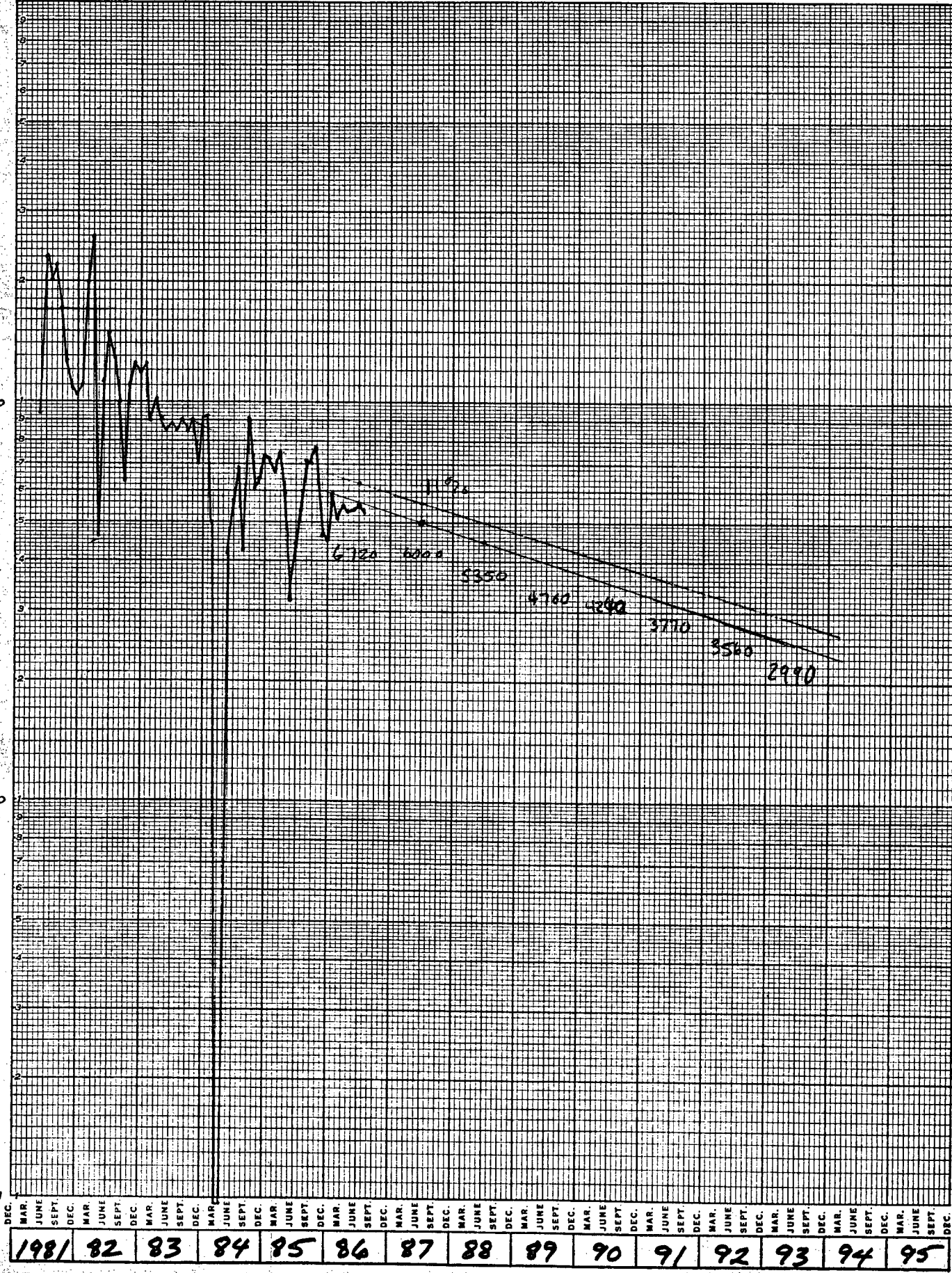
**06-AUG-86**  
(Date)

SEMU #113

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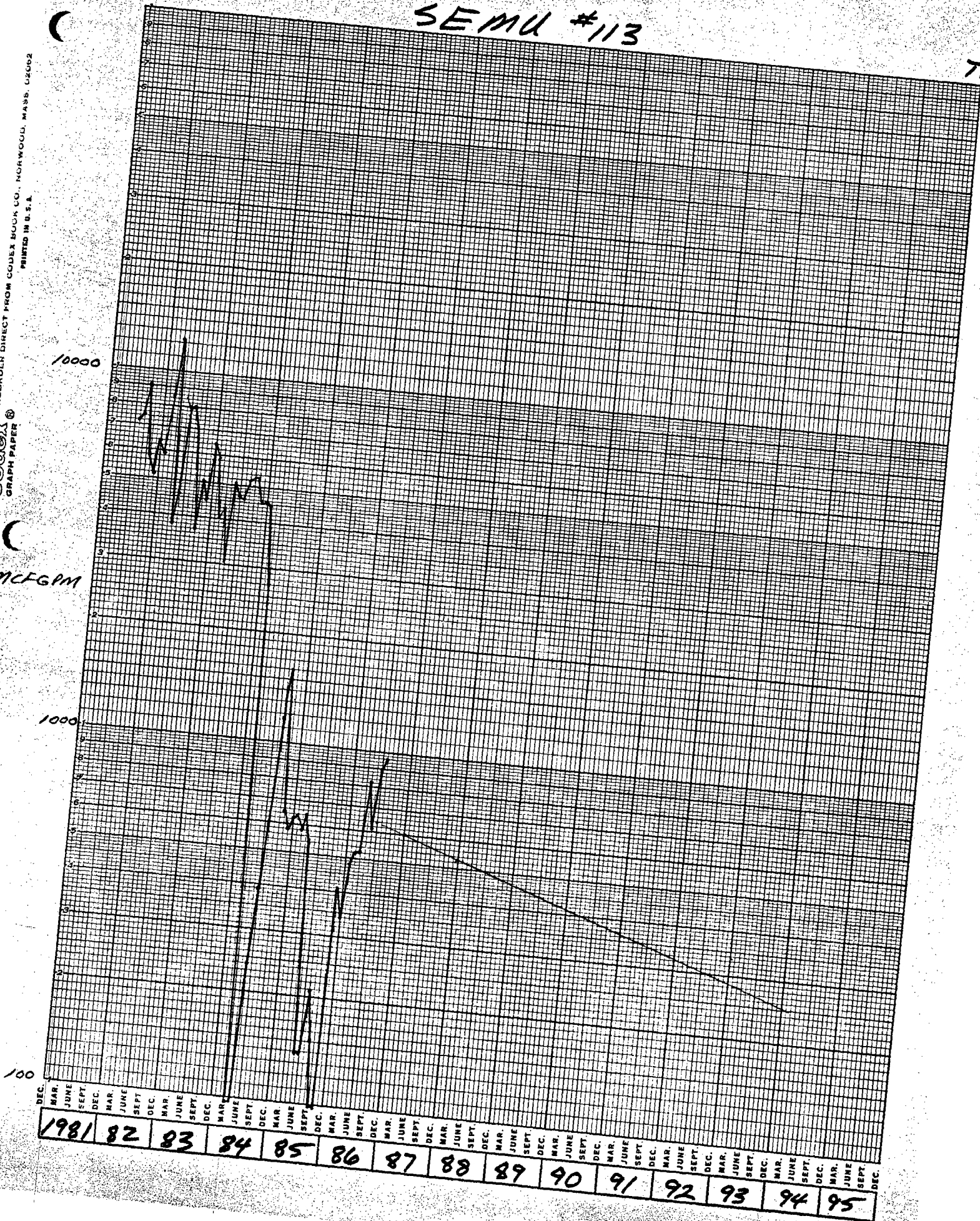
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SEMU #113

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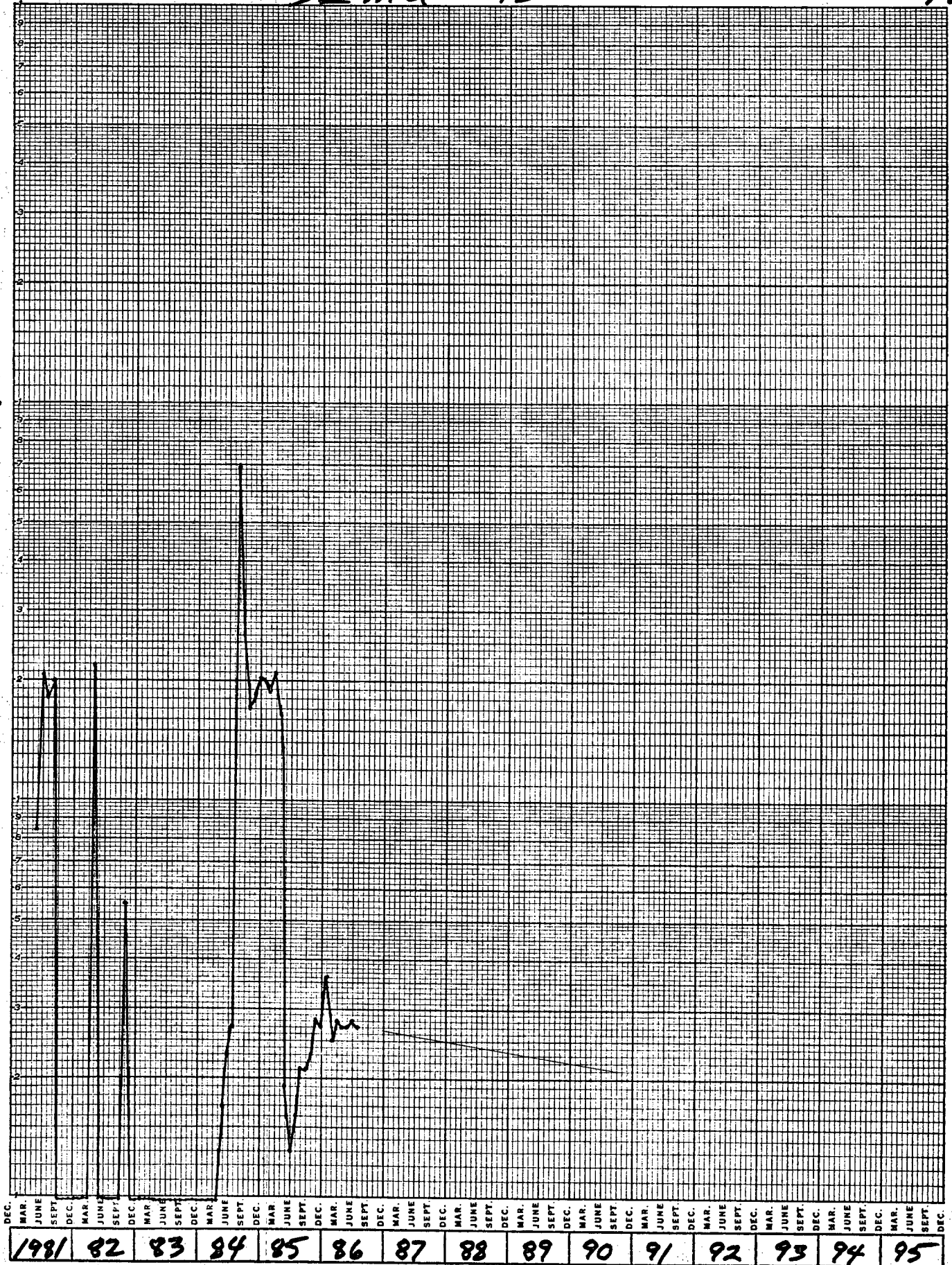
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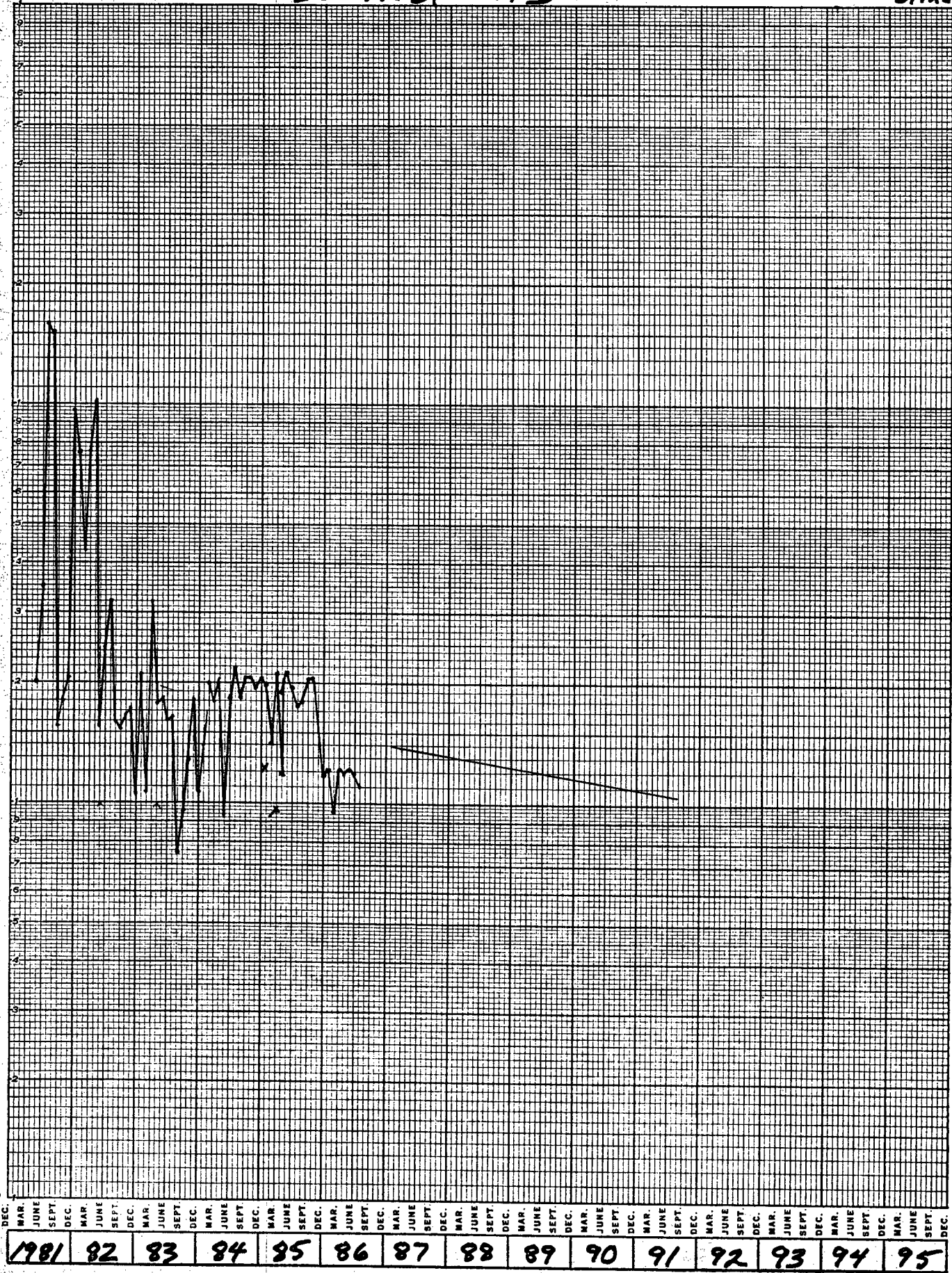
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SEMU #113

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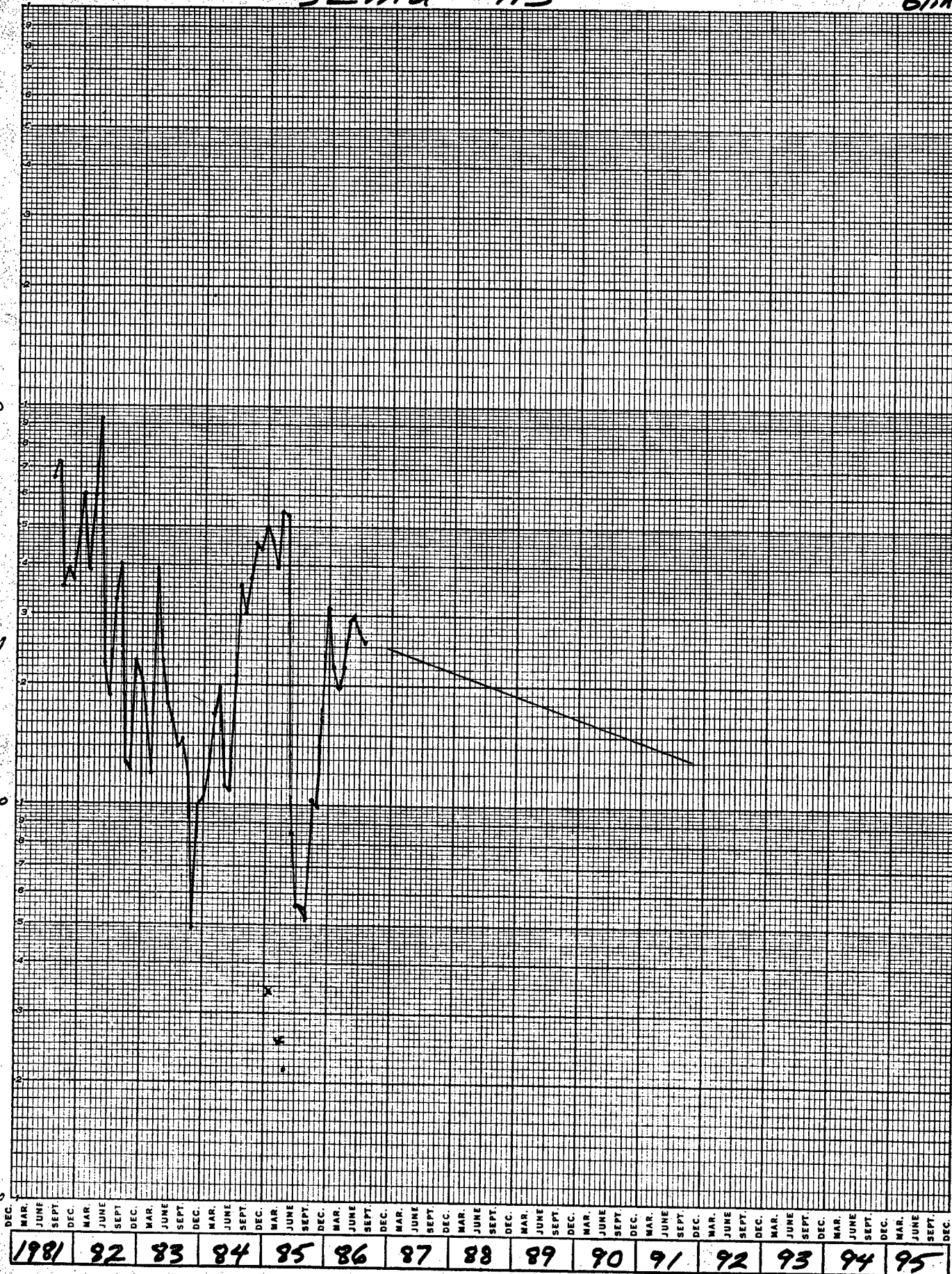
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# SEMU #113

Blindby

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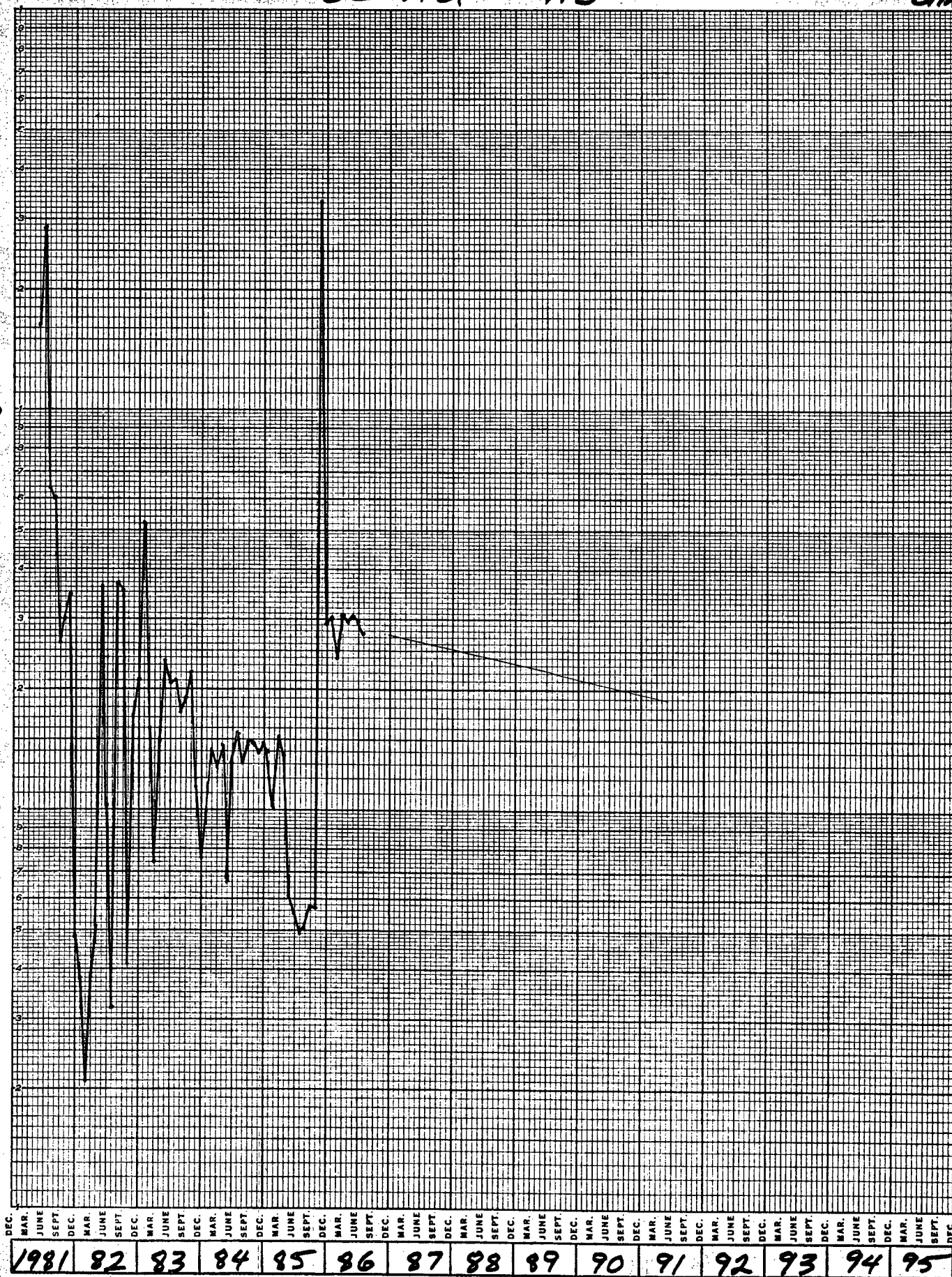
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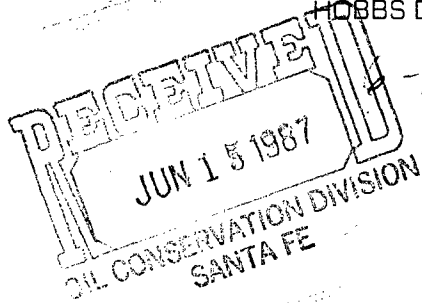




STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(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	

DHC - 652

Gentlemen:

I have examined the application for the:

<u>Canoco Inc.</u>	<u>SEMU #113-E</u>	<u>20-20-38</u>
Operator	Lease & Well No.	Unit S-T-R

and my recommendations are as follows:

OK J.S.

Yours very truly,

Jerry Sexton  
Supervisor, District 1

/ed