



American Exploration Company
RECEIVED

May 11, 1989

MAY 18 1989
OIL CONSERVATION DIV.
SANTA FE

Re: Application for Downhole
Commingling of the
Blinebry/Drinkard Pools
G. G. Travis No. 3
Sec. 21, T23S, R37E
Lea County, New Mexico

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

Attn: Mr. David Catanach

Gentlemen:

American Exploration Company respectfully requests administrative approval under the provisions of Rule 303-C to downhole commingle the Blinebry/Drinkard pools in the G. G. Travis No. 3. This well is presently completed in the Teague Blinebry Pool and produces 3 BOPD, 48 MCFPD and 14 BWPD. We recently tested the Drinkard for 22 BOPD, 20 MCFPD and 10 BWPD. Producing only the Blinebry is economically marginal due to the low rates, but commingling the two zones should return the well to profitability.

A summary of information required for commingling is attached. Additionally, American has a 100% interest in this lease and the royalty interests of each zone are common. Based on the information we have gathered, we believe the request to commingle is justified in the interest of conservataion.

If there are any questions, please contact the undersigned as soon as possible.

Very truly yours,

AMERICAN EXPLORATION COMPANY

Marty B. McClanahan
Marty B. McClanahan
Sr. Production Analyst

MBM:mm
Encl.

cc: Mr. J. T. Sexton
New Mexico Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

G. G. Travis No. 3
Information for Downhole Commingling

- a. Operator: American Exploration Company
2100 RepublicBank Center
Houston, Texas 77002
- b. Lease, Well Location and Pools:
G. G. Travis No. 3
990' FEL & 2310' FSL of Sec. 21, T23S, R37E
Lea County, New Mexico
Blinebry/Drinkard Pools
- c. Acreage Dedication (40 acres) Form C-102 is attached. Offset operators are listed on schedule attached.
- d. 24 hour productivity test - Form C-116 attached.
- e. Commingling Computations - Attached.
- f. Allocation of Production - based on latest production tests.

	<u>Oil</u>	<u>Gas</u>	<u>Water</u>
Blinebry	12%	71%	58%
Drinkard	88%	29%	42%

- g. Notification to Offset Operators.
A copy of the notice sent to offset operators.
- h. A complete resume of the well's completion history.
- i. Fluid Compatibility - See attached water analysis.



American Exploration Company

May 11, 1989

Re: Notification of Intent to
Commingle the Blinebry/
Drinkard Pools
G. G. Travis No. 3
990' FEL & 2310' FSL of
Sec. 21, T23S, R37E
Lea County, New Mexico

OFFSET OPERATORS
G. G. TRAVIS #3 LEASE

Gentlemen:

In accordance with New Mexico Oil Conservation Division regulations, you are hereby notified of American Exploration Company's application to downhole commingle production from the Blinebry/Drinkard pools in the G. G. Travis No. 3 Lease.

Very truly yours,

AMERICAN EXPLORATION COMPANY


Marty B. McClanahan
Sr. Production Analyst

MBM:mm

LIST OF OFFSET OWNERS
G. G. TRAVIS NO. 3 LEASE

NE/4 SE/4-21 T23S, R37E

Chevron U.S.A. Inc. (D/R-W/2 NE/4-21)
P. O. Box 1635 (All-NW/4 SE/4 & E/2 NE/4-21, W/2-22
Houston, Texas 77251

Zachary Oil Operating Co. (To 3700'-W/2 NE/4-21)
1212 Commerce Building
Fort Worth, Texas 76102

Damson Oil Corporation (S/2 SE/4-21)
P. O. Box 4391
Houston, Texas 77210

MEMORANDUM

TO WHOM IT MAY CONCERN:

Pursuant to Rule 303 (C) (2) (i) of the rules and regulations of the State of New Mexico for downhole commingling, the following formula should apply as to the production allocation for the new zone added to the following well:

G. G. Travis No. 3 located in Unit I; 990' FEL and 2310' FSL of Section 21, T23S, R37E, Lea County, New Mexico.

Prior Production (Before Recent Workover)

°100 BOPM @ 10% Decline

$$\frac{(\text{Initial Prod.}) - (\text{Economic Limit}) (12 \text{ Mo.})}{-\ln (1-\text{decline})} = \text{Total Production}$$

$$\frac{(100-30) 12}{-\ln (1-.90)} = \text{°}8,000 \text{ BO}$$

3.3 BOPD (IP)
1.0 BOPD (E.L.)
10% decline

Current Production (After Workover)

$$\frac{(670) - 30) 12}{-\ln (1-.80)} = \text{°}34,000 \text{ BO}$$

22 BOPD (IP)
1.0 BOPD (E.L.)
20% decline

$$34 \text{ MBO} - 8 \text{ MBO} = 26 \text{ MBO for new zone (Drinkard)}$$

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Department of Geology, Minerals and Natural Resources

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

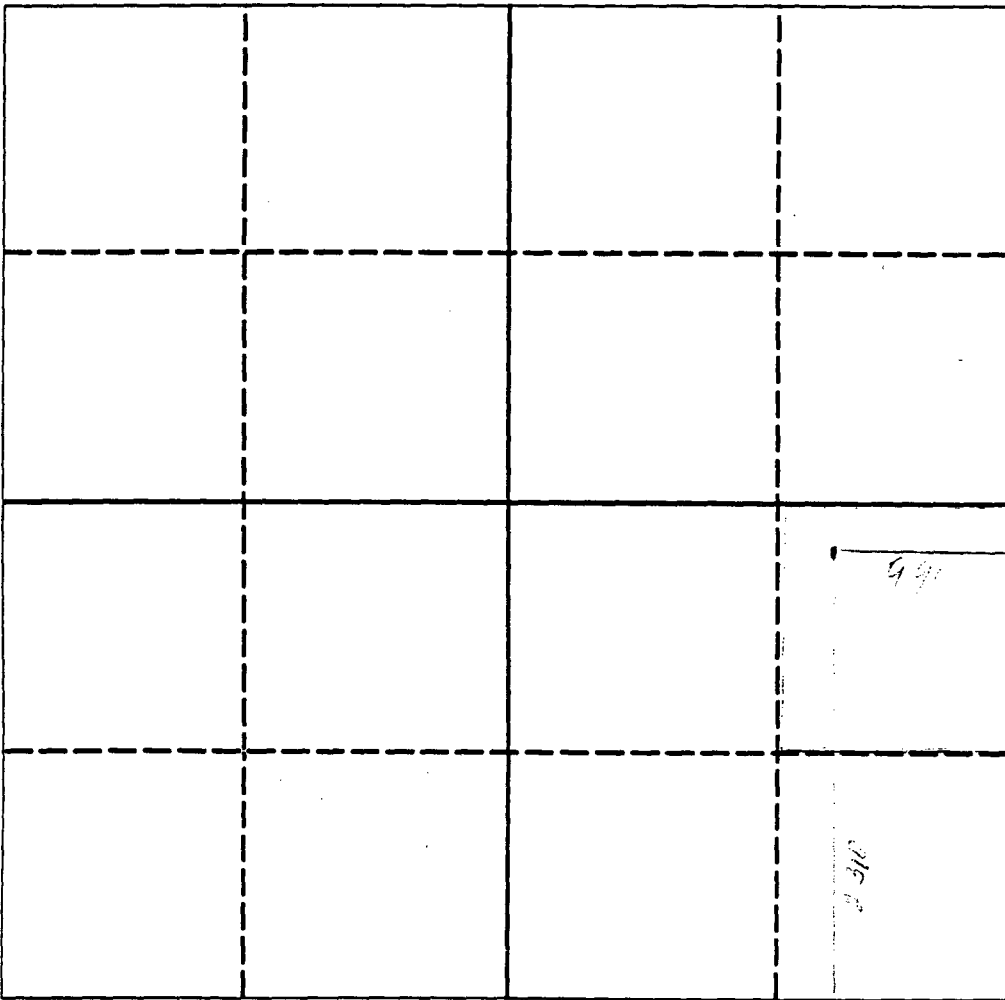
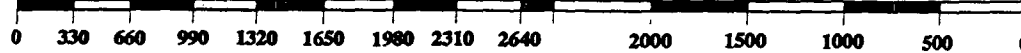
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

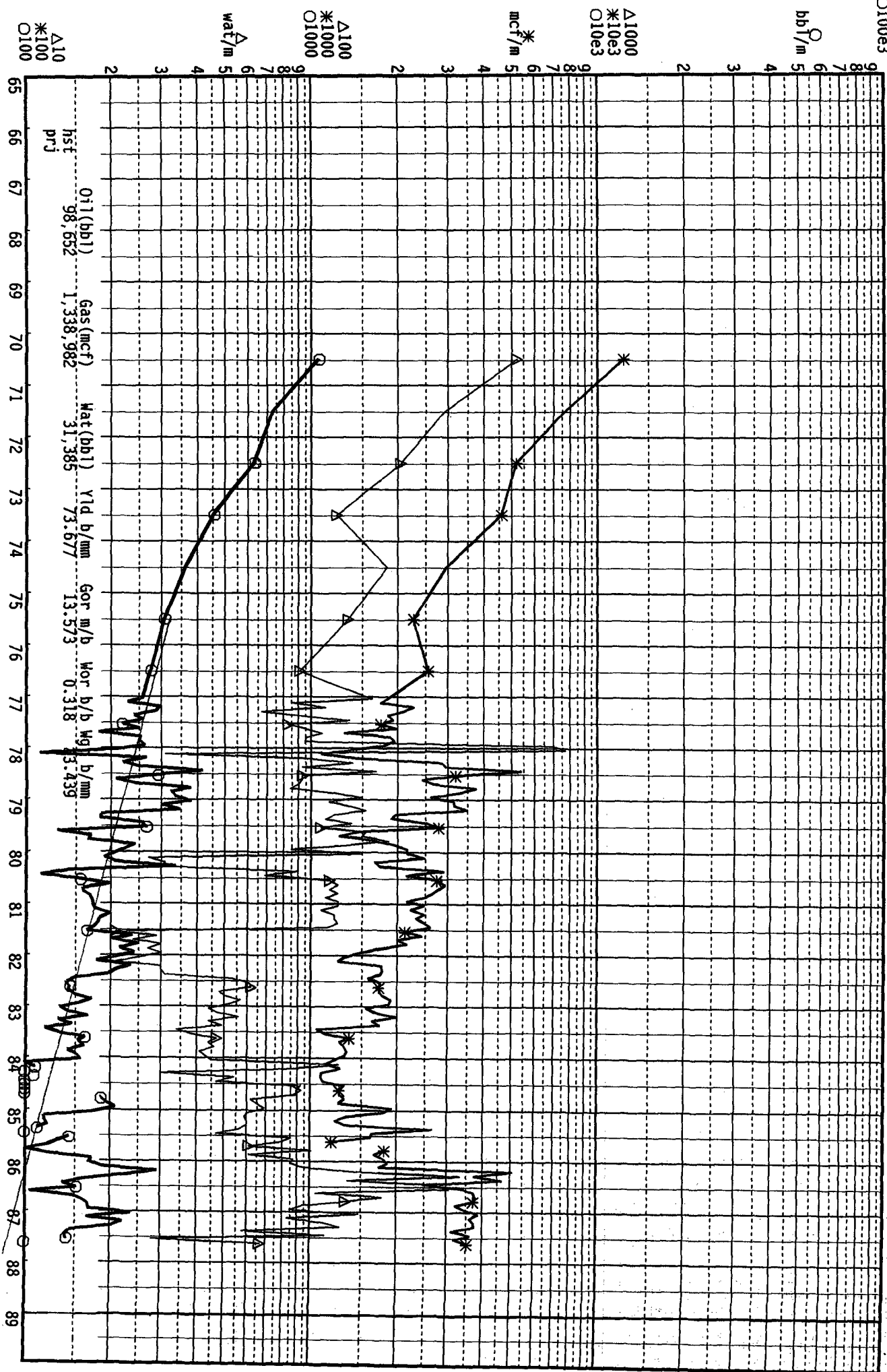
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator American Exploration Company		Lease G. G. Travis		Well No. 3
Unit Letter I	Section 21	Township 23S	Range 37E	County NMPM Lea
Actual Footage Location of Well: 990 feet from the East line and 2310 feet from the South line				
Ground level Elev.	Producing Formation Drinkard	Pool Imperial Tubb	Dedicated Acreage: 40 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> 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 interest, has been approved by the Division.</p>				
				OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Marty B. McClanahan Printed Name Sr. Production Analyst Position American Exploration Co. Company March 20, 1989 Date
				SURVEYOR CERTIFICATION 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 Signature & Seal of Professional Surveyor Certificate No.
				

Opr: KIRBY EXPLORATION CO. OF T
 Cat: 1101 1
 Psf: 07 1973
 Lsc: 00097N 21 23S 37E18

Decline $\sim 10\%/yr$



HISTORICAL PRODUCTION DATA

Property No. : 1971704 1 0 Lease Name : TRAVIS GG #3

Mo	Yr	Oil (Bbls)	Cumulative Oil	Gas (MCF)	Cumulative Gas	GOR (SCF/Bbl)
--	--	-----	-----	-----	-----	-----
5	88	184	184	1778	1778	966
6	88	132	316	2889	4667	2188
7	88	132	448	2889	7556	2188
8	88	103	551	1781	9337	1729
9	88	93	644	1698	11035	1825
10	88	40	684	1694	12729	4235
11	88	103	787	1504	14233	1460
12	88	105	892	900	15133	857
1	89	105	997	900	16033	857

Submit 2 copies to Appropriate District Office.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-116
Revised 1/1/89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

GAS - OIL RATIO TEST

Operator American Exploration Company		Pod Drinkard		County Tara												
Address 2100 RepublicBank Center, Houston, Texas 77002		TYPE OF TEST - (X)		Scheduled <input type="checkbox"/> Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>												
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	% FATS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU. FT/BBL.		
		U	S	T							R	WATER BBL.S.	GRAV. OIL		OL BBL.S.	GAS M.C.F.
G. G. Travis	3	I	21	23S	37E	3/31/89	P	2"	22	M	24	10	39	26	20	769
Oil	Oil															
Bl ineby	3															
Drinkard	23															
	26															

Instructions:

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.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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

Signature

Marty B. McClanahan, Sr. Production Analyst

Printed name and title

5/12/89

713-237-0800

Date

Telephone No.

DIAGRAMMATIC SKETCH SHOWING MULTIPLE COMPLETION INSTALLATION

Tubb-Drinkard
2-3/8" OD

Blinebry UT
2-3/8" OD

9-5/8" OD 40#/ft
Surface Csg ran to
1030' & circulated
w/400 sx.

7" OD 23# & 20#/ft
J-55 Prod. Csg ran
to TD & cemented
w/525 sx.

Top at 5312 feet

UPPER
ZONE

Name: Blinebry
Completion this Zone:

Perforated: 5348'-5864feet

Bottom at 5933 feet

Otis Dual Packer
Packer set at 5920 feet

tubing landed at 5768 feet

Top at 5933 feet

LOWER
ZONE

Name: Tubb
Completion this Zone:

Perforated: 6292-5970 feet

Bottom at 6296 feet

Casing set at 417 feet
Total well depth: 6177 feet

DATE: 10-4-68

OPERATOR: Solar Oil Company

LEASE: Travis

POOL: Undesignated - Tubb

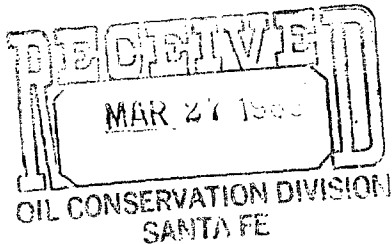
COUNTY: Lea

WELL NO.: 3



American Exploration Company

March 20, 1989



Re: G. G. Travis No. 3
Imperial Tubb Drinkard/
Teague Blinebry
Lea County, New Mexico

State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

Gentlemen:

Enclosed for your approval please find the following forms filed on the subject well which was recompleted to commingle the Imperial Tubb Drinkard Zone to the existing Teague Blinebry formation.

1. Form C-103 - Subsequent report of the work performed.
2. Form C-102 - Well Location and Acreage Dedication Plat.
3. Form C-107 - Application for Multiple Completion.
4. Form C-104 - Request for Allowable and Authorization to Transport Oil and Natural Gas.
5. Diagrammatic Sketch of Multiple Completion Installation.
6. Log copies of perforated intervals for each zone.

Please note that this well was drilled and completed as a Tubb/Blinebry dual in 1968. In 1970, the Tubb was temporarily abandoned to artificially lift the more prolific Blinebry.

If there are any further questions, please contact the undersigned.

Very truly yours,

AMERICAN EXPLORATION COMPANY

Marty B. McClanahan
Marty B. McClanahan
Sr. Production Analyst

MBM:mm
Encl.

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

OK

APPLICATION FOR MULTIPLE COMPLETION

Operator	County	Date
American Exploration Company	Lea	March 20, 1989
Address	Lease	Well No.
2100 RepublicBank Center, Houston, Texas 77002	G. G. Travis	3
Location of Well	Unit	Section
	I	21
		23s
		37E

All Applicants for multiple completion must complete Items 1 and 2 below.

1. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Teague Blinebry		Imperial Tubb Drinkard
b. Top and Bottom of Pay Section (Perforations)	5348-5864'		6031-72' 6221-24'
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Pump		Pump
e. Daily Production <input checked="" type="checkbox"/> Actual <input type="checkbox"/> Estimated Oil Bbls. 22 Gas MCF 45 Water Bbls. 17		RECEIVED MAR 27 1989 OIL CONSERVATION DIVISION SANTA FE	

2. The following must be attached:

- Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
- Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease
- Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.)

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

Signed Marty B. McClanahan Title Sr. Production Analyst Date 3/20/89

(This space for State Use)

Approved By _____ Title _____ Date _____

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

APPLICATION FOR MULTIPLE COMPLETION

Operator	County	Date
American Exploration Company	Lea	March 20, 1989
Address	Lease	Well No.
2100 RepublicBank Center, Houston, Texas 77002	G. G. Travis	3
Location of Well	Unit	Section
	I	21
		23S
		37E

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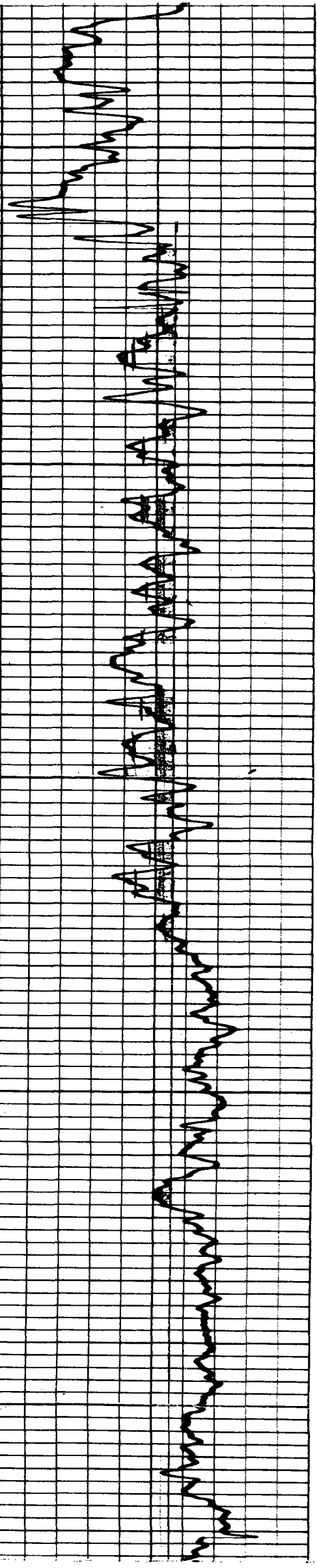
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Marty B. McClanahan Title Sr. Production Analyst Date 3/20/89

(This space for State Use)

Approved By _____ Title _____ Date _____

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.



5300

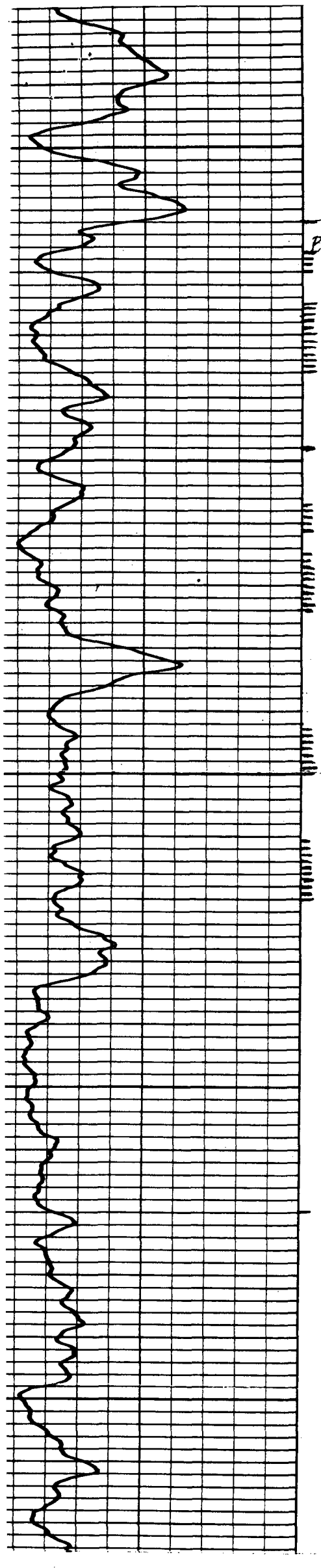
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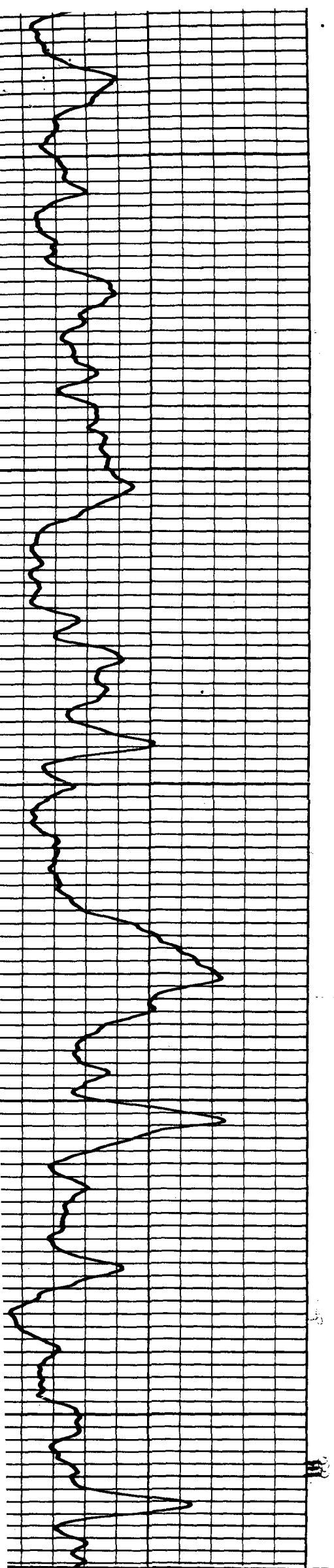
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OTIS
PERMITS
PER N/PLUG
(1970)



5933
TUBB

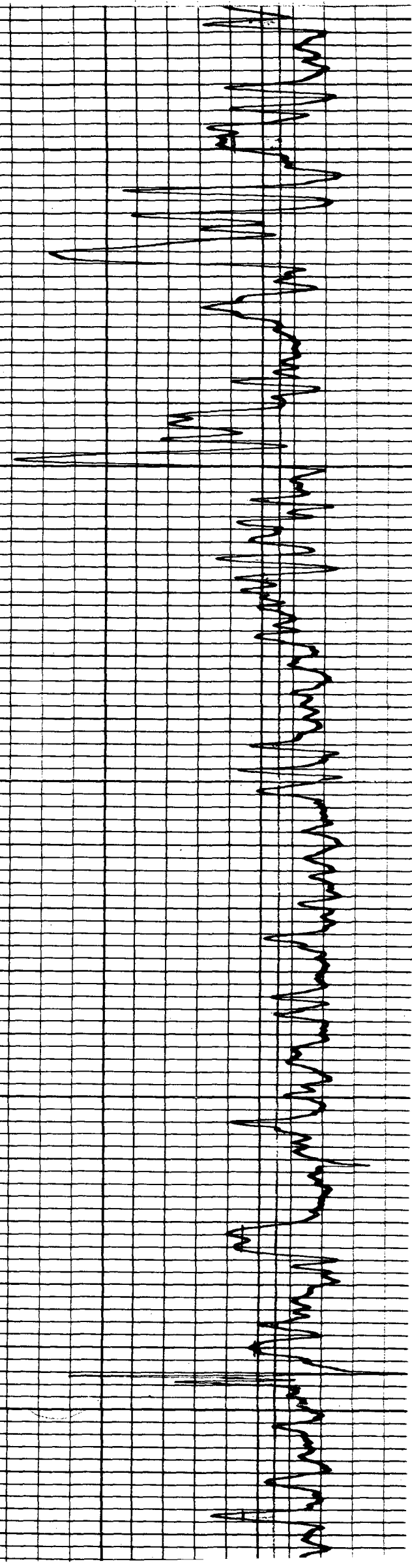
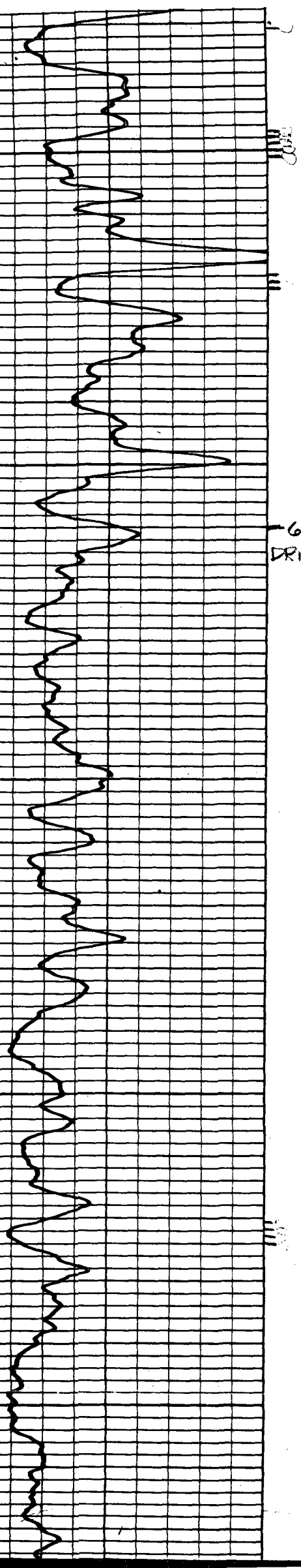
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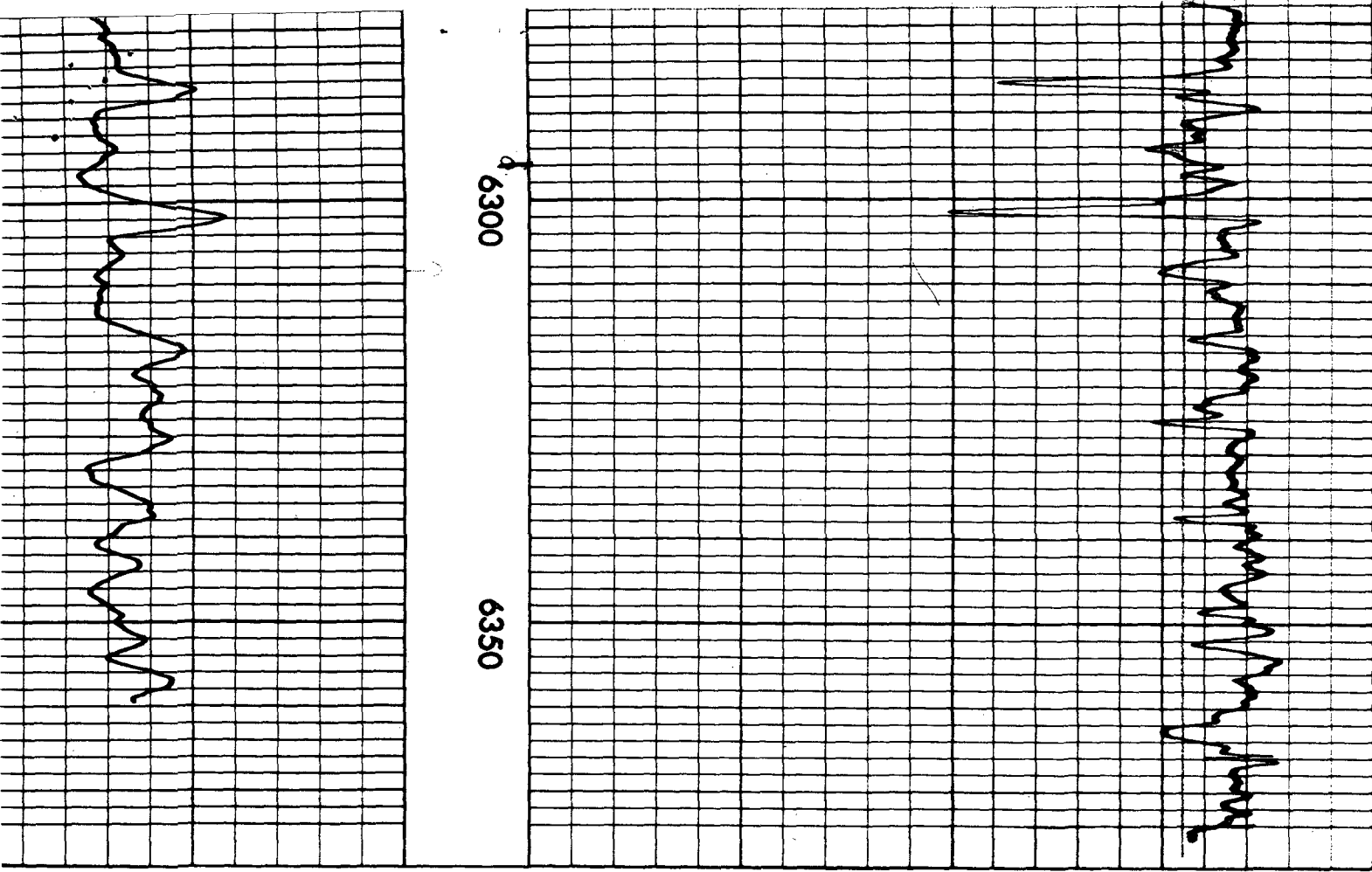
6000

Tach

6050 6100 6150 6200 6250

6110
DRINKA





LAPVLEKAA .06025

POROSITY V_s TIME FOR VALUES OF MATRIX VELOCITY, BASED ON TIME AVERAGE EQUATION WITH $V_f = 5300$ FT/SEC.

Dolomites
 Limestones
 Sandstones
 Shaly Sands

