

Mobil Exploration & Producing U.S. Inc.

June 4, 1990

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

Attention: Mr. William J. LeMay

P.O. BOX 633
MIDLAND, TEXAS 79702

MIDLAND DIVISION

EXCEPTION TO RULE 303(A)
BRUNSON ARGO WELL NO. 13
BLINEBRY OIL & GAS AND
DRINKARD POOLS
LEA COUNTY, NEW MEXICO

Gentlemen:

Mobil Exploration & Producing U.S. Inc., as agent for Mobil Producing Texas & New Mexico, Inc. (MPTM), requests administrative approval to downhole commingle production from the Drinkard and Blinebry Oil and Gas Pools within the wellbore of its Brunson Argo Well No. 13 located 739 feet from the East line and 731 from the North line (Unit A) of Section 9, T-22-S, R-37-E,

Lea County, New Mexico.

The well is presently a dual completion in the Blinebry Oil and Gas and Drinkard Pools. The wellbore recently failed a packer leakage test required for dual completions. Thus, there is already communication between the two zones. To maintain economic production, Mobil is requesting a permit to downhole commingle the Drinkard and Blinebry without changing the present bottom hole assembly. Mobil would retain an option to replace the dual tubing and packer assembly at a later date. Order No. R-8929 dated May 10, 1989, granted the downhole commingle of the Drinkard and Blinebry in the Brunson Argo No. 6 located in Unit E, Section 10, T-22-S, R-37-E, Lea County, New Mexico.

The subject well meets all prerequisites for commingling, as set out in Rule 303(C). The ownership of these zones is common, and they have been successfully commingled on adjacent leases with no incompatibility of fluids found.

In support of this application, the following is submitted:

- 1) Location Plat;
- 2) Data sheet for both zones;
- 3) Computation of relative values for hydrocarbons;
- 4) Present/proposed wellbore sketches;

New Mexico Oil Conservation Division -2-
June 4, 1990
Exception to Rule 303(A)
Brunson Argo Well No. 13

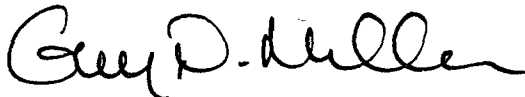
- 5) C-116 Form Well test for the Brunson Argo 13LT.
- 6) Production plats.
- 7) List of offset operators.

All offset operators have been notified of MPTM's request by copy of this application.

In conclusion, MPTM believes that approval of this request will result in more efficient recovery of hydrocarbons and will extend the productive life of both zones, thereby preventing waste. If any further information is needed, please contact J. W. Dixon at (915) 688-2452.

Yours very truly,

MOBIL EXPLORATION & PRODUCING U.S. INC.
AS AGENT FOR
MOBIL PRODUCING TEXAS & NEW MEXICO, INC.



G. N. Miller
Environmental, Regulatory and
Loss Prevention Supervisor

/jwd

attachments

cc: NMOCD - Hobbs
Offset Operators

New Mexico Oil Conservation Division -3-
June 4, 1990
Exception to Rule 303(A)
Brunson Argo Well No. 13

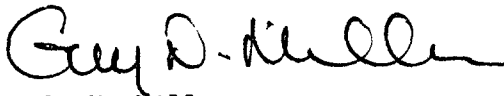
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AS AGENT FOR
MOBIL PRODUCING TEXAS & NEW MEXICO, INC.



G. N. Miller
Environmental, Regulatory and
Loss Prevention Supervisor

/jwd

attachments

cc: NMOCD - Hobbs
Offset Operators

bcc: w/attachment
Central Files
Regulatory Files
Proration Acct - D. Parks
Reservoir Engineer - D. Elwood
Operations Supv. - (Andrews) R. P. Pratt
Prod. Engr. Supv (Sub-surface) K. Walters

OFFSET OPERATORS

ARCO
BOX 1610
MIDLAND, TX 79702

TEXACO
BOX 3109
MIDLAND, TX 79702

J. H. HENDRIX CORPORATION
223 W. WALL, STE 525
MIDLAND, TX 79702

CHEVRON
BOX 1150
MIDLAND, TX 79702

MKA OIL COMPANY
500 W. TEXAS, STE. 1230
MIDLAND, TX 79702

OXY
BOX 50250
MIDLAND, TX 79710

ANADARKO PETROLEUM CO.
BOX 2497
MIDLAND, TX 79702

EXXON COMPANY, U.S.A.
BOX 1600
MIDLAND, TX 79702

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
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

API NO. (assigned by OCD on New Wells)

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☐

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL

WELL ☐

GAS

WELL ☒

OTHER ☐

SINGLE

ZONE ☐

MULTIPLE

ZONE ☒

7. Lease Name or Unit Agreement Name

Brunson-Argo

2. Name of Operator

Mobil Producing Tx. & N.M. Inc.

8. Well No.

13

3. Address of Operator

C/O Mobil Exploration & Producing U.S. Inc.
P.O. Box 633, Midland, Texas 79702

9. Pool name or Wildcat

Drinkard/Blinebry

4. Well Location

Unit Letter A : 731 Feet From The North Line and 739 Feet From The East Line

Section 9 Township 22S Range 37E NMPM Lea County

10. Proposed Depth

6580'

11. Formation

Drinkard/Blinebry

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

3427' Gr

14. Kind & Status Plug. Bond

On File

15. Drilling Contractor

Unknown

16. Approx. Date Work will start

ASAP

17.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
	13-3/8"		306'	300	Surface
11-12 1/4"	8-5/8"		3817'	1000	Surface

This well is presently a dual completion in the Blinebry Oil and Gas and Drinkard Pools to a total depth of 6580'. The wellbore recently failed a packer leakage test required for dual completions. Thus there is already communication between the two zones. To maintain economic production, Mobil is requesting permission for a permit to downhole commingle the Drinkard and Blinebry without changing the present assembly. Mobil would retain an option to replace the dual tubing and packer assembly at a later date.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE

Judy W. Dixon

TITLE

Env. & Reg. Technician

6/4/90

TYPE OR PRINT NAME

Judy W. Dixon

Mobil Producing Texas & New Mexico Inc.
acting by and through its agent

Mobil Exploration & Producing U.S. Inc. TELEPHONE NO. (915) 688-

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

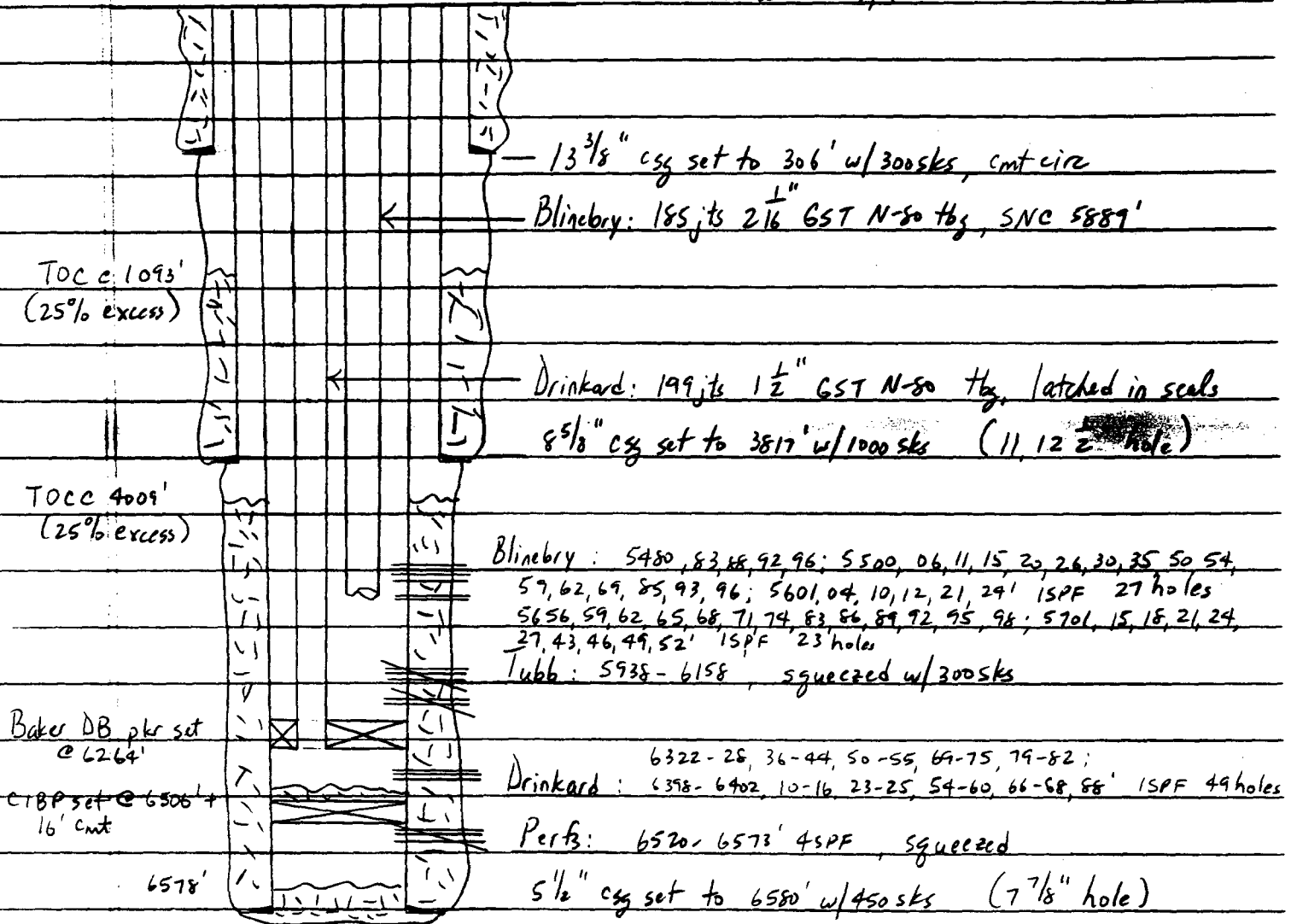
Brunson Argo #13

PRESENT & PROPOSED

Blinebry Oil & Gas / Drinkard

Unit A Sec 9 T22S R37E

Lea County, NM 731' FNL & 639' FEL



TD: 6580'

PBTD: 6490'

DGE

5-18-90

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

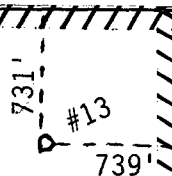
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Mobil Producing Tx. & N. M. Inc.			Lease Brunson-Argo		Well No. 13
Unit Letter A	Section 9	Township 22S	Range 37E	County Lea	NMPM
Actual Footage Location of Well: 739 feet from the East line and 731 feet from the North line					
Ground level Elev. 3427'	Producing Formation Drinkard/Blinbry		Pool Drinkard/Blinbry		Dedicated Acreage: 40 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 interest 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 interest, has been approved by the Division.

There are no other wells in this quarter-quarter section that penetrate the Blinbry/Drinkard zones or that belong to other operators.



OPERATOR CERTIFICATION

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

Signature *Judy W. Dixon*

Printed Name
Judy W. Dixon

Position
Env. & Reg. Technician I

Company
Mobil Producing Texas & New Mexico Inc.
acting by and through its agent
Mobil Exploration & Producing U.S. Inc.
Date
5-4-90

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.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

EXHIBIT "B"

COMPUTATION OF RELATIVE VALUES OF THE HYDROCARBON PRODUCTIVE BEFORE AND AFTER DOWNHOLE COMMINGLING (STATEWIDE RULE 303-C-2-H)

Lease and Well No. Brunson Argo #13

	<u>UPPER POOL</u> <u>PROPOSED</u>	<u>LOWER POOL</u>	<u>COMMINGLED</u>
Pool Name	Blinebry Oil & Gas	Drinkard	Blinebry Oil & Gas/Drinkard
Gravity, API	-----	-----	
Selling price/ 888 .MCF	1.40	1.40	1.40
Daily Product/ 888 .MCF	105	40	145
Daily Income	\$147.00	\$56.00	\$284.00

TOTAL DAILY INCOME (POOLS SEPARATED) \$284.00

Net difference realized from downhole commingling based on current well test=
-0- gain.

REMARKS:

No production volume increase or decrease is expected by downhole commingling
the Blinebry and Drinkard zones. An operating savings of approximately \$22,000
will be realized by not removing the present downhole assembly to repair the
communication.

EXHIBIT "A"
DATA SHEET

APPLICATION FOR EXCEPTION TO RULE 303(a) NEW MEXICO OIL CONSERVATION
COMMISSION'S RULES & REGULATIONS ALLOWING DOWNHOLE COMMINGLING OF DUALY
COMPLETED OIL WELLS BY ADMINISTRATIVE PROCEDURE (ORDER NO. R-3845)

1. Lease Name Brunson Argo
2. Well No. 13
3. Well Location: Unit A, 731 feet from FNL line,
639 feet from FEL line of Section 9,
Township T-22-S Range R-37-E, Lea County,
New Mexico
4. Upper Zone Blinebry Oil & Gas
5. Completion Interval 5480-5752'
6. Lower Zone Drinkard
7. Completion Interval 6322-6488
8. Current Productivity Test Summary

	<u>Blinebry O&G</u> (Upper Zone)	<u>Drinkard</u> (Lower Zone)
Producing Method	Proposed Valves	
Oil Bbl./day	Flow	Flow
Gas Mcf/day	<u>-0-</u>	<u>-0-</u>
Water Bbl./day	<u>105</u>	<u>40</u>
GOR	<u>-0-</u>	<u>-0-</u>
GOR Limit	<u>-----</u>	<u>-----</u>
*9. Bottom-hole Pressure of Upper Zone	<u>627</u>	<u>(Blinebry Oil & Gas)</u>
*10. Bottom-hole Pressure of Lower Zone	<u>380 psi</u>	<u>(Drinkard)</u>
11. Fluid Characteristics of Each Zone	<u>No measurable produced volumes of</u> <u>oil or gas. Each gas averages a 0.68 specific gravity.</u>	
<u>* Estimated by static fluid level.</u>		

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

Form C-116
Revised 1/1/89

GAS - OIL RATIO TEST

Operator		Pool		County										
Mobil Producing TX & NM, Inc.		Drinkard		Lea										
Address		TYPE OF TEST - (X)		Scheduled ☒ Special ☐										
P.O. Box 633, Midland, Texas 79702		TEST - (X)		Completion ☐										
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	SIZE	TBQ PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU/FT/8BL.	
		U	S	T						R	WATER BBL.S.	GRAV. OIL		OIL BBL.S.
Brunson Argo	6T	E	10	22	37	3/4"	60		24	0		0	41.0	--
	10	G	9	22	37	3/4"	60		24	0		1	144.0	144000
	12	H	9	22	37	3/4"	65		24	1		0	13	--
	13LT	A	9	22	37	3/4"	70		24	1		1	299	299000
	15LT	F	10	22	37	3/4"			24	1		3	154	51333
	17	D	10	22	37	3/4"			24	2		9	206	22889
Marshall Com	18	C	10	22	37	3/4"			24	0		0	23	--
	3T	D	34	21	37	3/4"	105		24	0		0	48	--
									24	0		1	92	--
S.E. Long	3	O	11	22	37	3/4"	65		24	0		0	92	--
	6	P	11	22	37	3/4"			24	0		0	10	--
S.E. Long (Dual)	7	I	11	22	37	3/4"			24	0		0	10	--

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.

D.W. Parks, Jr.

D.W. Parks, Jr.

Regulatory Technician

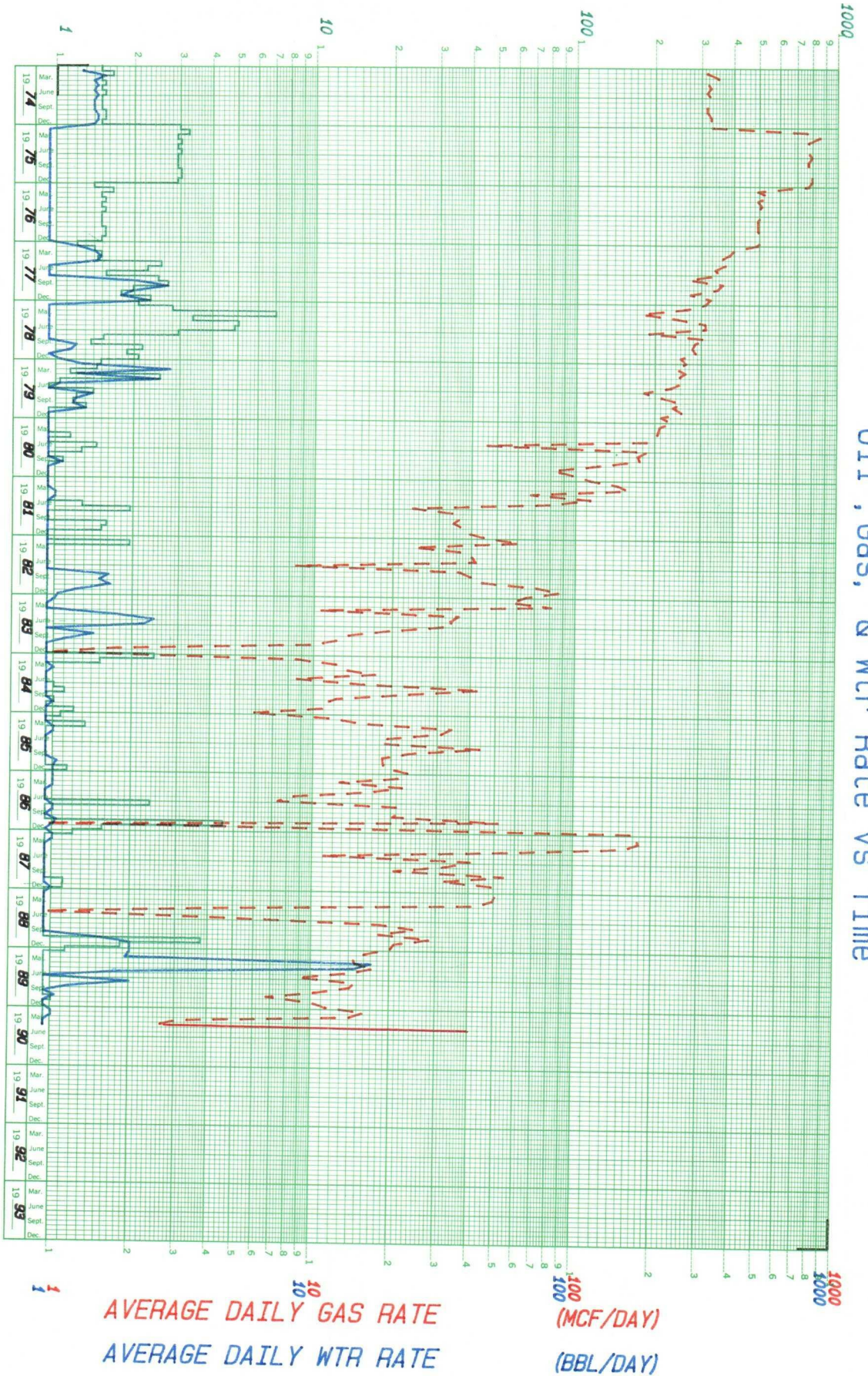
Printed name and title
5-22-90

(915) 688-2548

Date

Telephone No.

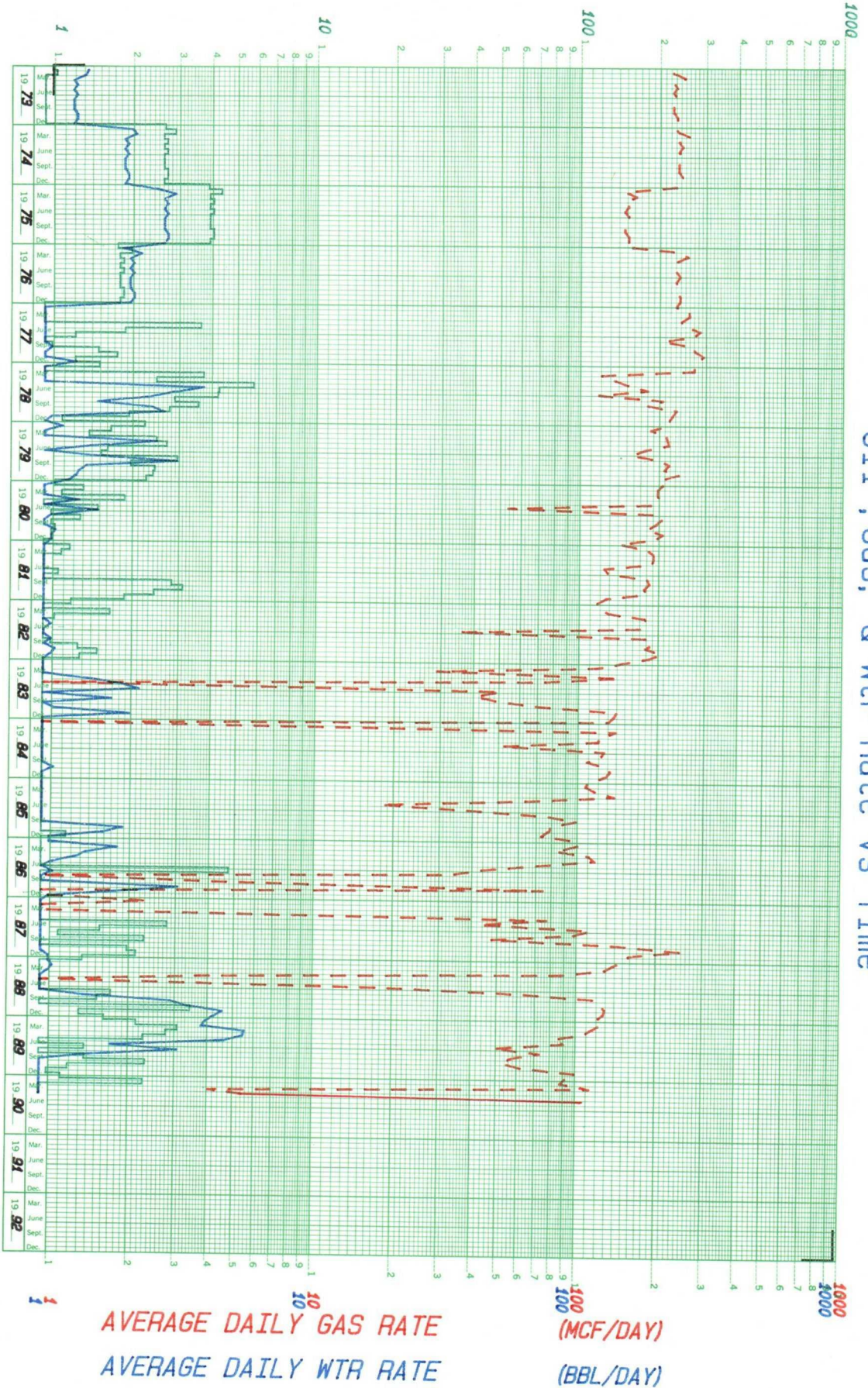
Oil, Gas, & Wtr Rate vs Time



LEGEND	
OIL	—
GAS	- - -
WTR	—

Mobil Expl & Prod U.S.	
Midland Division	
Field	DRINKARD
Lease	BRUNSON ARGO
Operator	MOBIL OPERATED
County	
State	013 LT
Current Date	05-31-90
Code	0404450056107
	ALS

Oil, Gas, & Wtr Rate vs Time



LEGEND

OIL —
GAS - -
WTR —

Mobil Expl & Prod U.S.

Midland Division

Field BLINERY (OIL & GAS)

Lease BRUNSON AHSO

Operator MOBIL OPERATED

County

State

013 C

ALS

Current Date 05-31-90 Code 0404230056107



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

6-13-90 JUN 18 AM 10 04

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 _____

Gentlemen:

I have examined the application for the:

Mobil Producing TX & NM Inc. Brunson Argo #13-A 922-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

Blinby zone is prorated gas

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed

Blumby	B.	MCF	DP	
Jan	35	2781	31	90 MCF/D
Feb	65	3239	28	116 MCF/D
Mar	0	128	1	128 MCF/D
Apr	0	179	1	179 MCF/D
May	18	3678	28	131 MCF/D

AUE - 128 MCF/D

Drinkwell				
Jan	0	496	31	16 MCF/D
Feb	0	391	28	14 MCF/D
Mar	0	95	1	95 MCF/D
Apr	0	76	1	76 MCF/D
May	0	445	28	16 MCF/D

AUE - 43 MCF/D