



PETROLEUM PRODUCTION MANAGEMENT, INC.

P.O. BOX 957

CROSSROADS, NEW MEXICO 88114

(505) 675-2478

OIL CONSERVATION DIVISION
RECEIVED

'92 MAR 16 AM 8 26

March 13, 1992

State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504

Petroleum Production Management, Inc.
P.O. Box 957
Crossroads, New Mexico 88114

Re: Downhole Commingling - Will No. 4 NM4039-B
Abo and Vada Penn
UL "J", Sec. 34, T-8-S, R-35-E
Roosevelt County, New Mexico

Dear Sirs:

Petroleum Production Management, Inc. requests administrative approval to commingle downhole production between the Abo and Vada Penn zones in the above referenced well.

In support of this request, please find enclosed a plat of the area showing no off set producers, form C-116 for the Abo and form C-104 showing the perforations and treatment of this zone. The Vada Penn zone has not been perforated or treated at this point.

Also enclosed is a one (1) year (month, oil and gas) production history of the Abo zone.

The bottom hole pressure of each zone will be less than 50# psi with no possibility of flowing. Production from both zones would be achieved by downhole rod pump.

The oil produced from the Abo has a gravity of 40.5 and the Vada Penn should be approximately 41.5, which makes the fluids very compatible.

Production percentages for each zone will be established after the completion in the Vada Penn has been completed.

Based on Vada Penn production in the immediate area, we anticipate oil production from the zone to be 40 barrels of oil per day. This should give a combined production of 65 barrels of oil per day. Gas production from both zones could be as high as 70 mcf per day.

I notified the Bureau of Land Management in Roswell, New Mexico on March 12, 1992 of our desire to commingle this well and was given approval from Mr. Peter Chester. I will submit a sundry report to him after I receive approval from your office.

The ownership of both zones, including working interest and overriding royalty, are the same in this well.

Your consideration and approval of this application will be appreciated. Should additional information be needed, please contact me at P.O. Box 957, Crossroads, New Mexico 88114 or call me collect at (505) 675-2478.

Yours truly,



Gary J. Cothran
District Superintendent

GTC/ts

PETROLEUM PRODUCTION MANAGEMENT, INC.
1 YEAR PRODUCTION HISTORY
WILL NO. 4
MILNESAND ABO

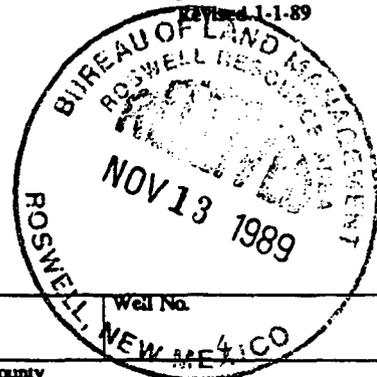
<u>MONTH & YEAR</u>	<u>PRODUCTION</u>	<u>MCF</u>
MARCH, 1991	1240	1860
APRIL, 1991	1110	1710
MAY, 1991	1116	1674
JUNE, 1991	1050	1530
JULY, 1991	1054	1488
AUGUST, 1991	992	1395
SEPTEMBER, 1991	930	1290
OCTOBER, 1991	930	1271
NOVEMBER, 1991	870	1170
DECEMBER, 1991	868	1178
JANUARY, 1992	837	1147
FEBRUARY, 1992	725	1015

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

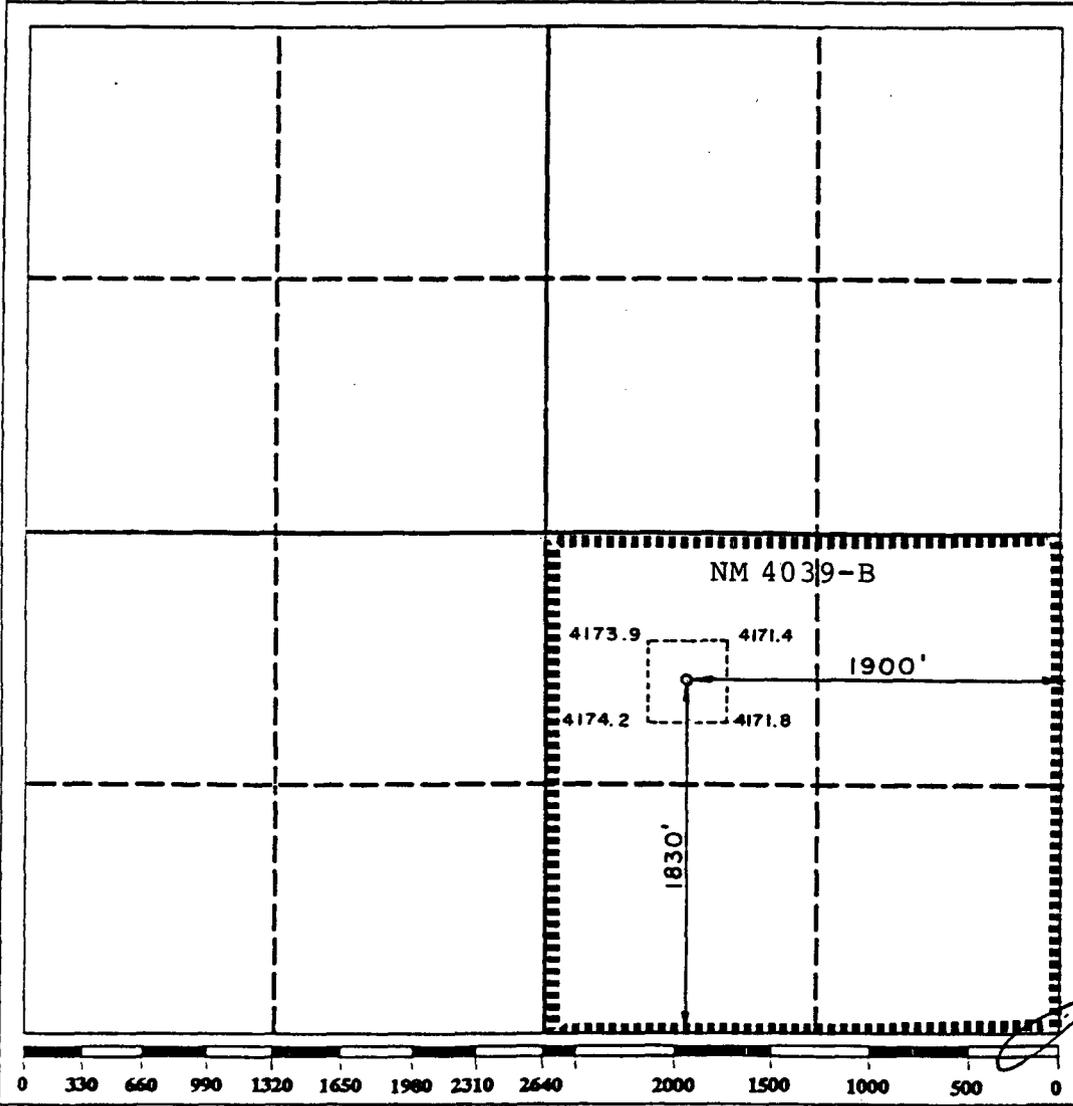
DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

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 Petroleum Production Management, Inc.			Lease Will 693 Ltd.			Well No.		
Unit Letter J	Section 34	Township 8 South	Range 35 East	County NMPM Roosevelt				
Actual Footage Location of Well: 1900 feet from the East line and 1830 feet from the South line								
Ground level Elev. 4174.6		Producing Formation Pennsylvanian		Pool Vada-Penn		Dedicated Acreage: 160 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty) single Lease
- 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.



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

Signature: Jerry W. Long
 Printed Name: JERRY W. LONG
 Position: Agent
 Company: PETROLEUM PRODUCTION MANAGEMENT, INC.
 Date: November 10, 1989

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: October 5, 1989

Signature & Seal of Professional Surveyor:

 Certificate No. 676 JOHN W. WEST 676
 RONALD J. EASON 3239

125830

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

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

Form C-116
Revised 1/1/89

OIL CONSERVATION DIVISION

GAS - OIL RATIO TEST

Operator Petroleum Production Management, Inc.		Pool Milnesand Abo		County Roosevelt												
Address Suite 200/Sutton Place Bldg.		Wichita, Kansas 67202		TYPE OF TEST - (X) <input checked="" type="checkbox"/> Scheduled <input type="checkbox"/> Daily												
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	STATUS	CHOKESIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PRODUCTION DURING TEST			GAS - OIL RATIO CU./FT./BBL.		
		U	S	T							R	WATER BBL.S.	GRAV. OIL		OIL BBL.S.	GAS M.C.F.
	4	J	34	8S	35E	3-12-92	P	2"	20	80	24	0	40.5	25	35	140

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 Gary T. Cothran

Printed name and title Gary T. Cothran Dist. Supt.

Date 3-12-92 Telephone No. 505-675-2478

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

**REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS**

I.

Operator Petroleum Production Management, Inc.	Well API No. <u>30-041-20848</u> NM-4039-B
Address Suite 200/Sutton Place Bldg. Wichita, Kansas 67202	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input checked="" type="checkbox"/>	Change in Transporter of:
Recompletion <input type="checkbox"/>	Oil <input checked="" type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
If change of operator give name and address of previous operator _____	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Will 693 Ltd.	Well No. 4	Pool Name, Including Formation Milnesand Abo	Kind of Lease <input checked="" type="checkbox"/> State, Federal <input type="checkbox"/> Pat	Lease No. NM-4039-B
Location Unit Letter <u>J</u> : <u>1830</u> Feet From The <u>South</u> Line and <u>1900'</u> Feet From The <u>East</u> Line Section <u>34</u> Township <u>8-S</u> Range <u>35-E</u> , NMPM, <u>Roosevelt</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Mobil Pipeline	Address (Give address to which approved copy of this form is to be sent) P.O. Box 900 Dallas, Texas 75221
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> Warren Petroleum Corporation	Address (Give address to which approved copy of this form is to be sent) P.O. Box 1589 Tulsa, Oklahoma 74100
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. Is gas actually connected? When ? P 34 8-S 35-E Yes Approx. June, 1970

If this production is commingled with that from any other lease or pool, give commingling order number: _____

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well <input checked="" type="checkbox"/>	Gas Well <input type="checkbox"/>	New Well <input checked="" type="checkbox"/>	Workover <input type="checkbox"/>	Deepen <input type="checkbox"/>	Plug Back <input type="checkbox"/>	Same Res'v <input type="checkbox"/>	Diff Res'v <input type="checkbox"/>
Date Spudded 9-8-90	Date Compl. Ready to Prod. 10-30-90	Total Depth 9810'		P.B.T.D. 9800'				
Elevations (DF, RKB, RT, GR, etc.) 4187' RKB-4174' GL	Name of Producing Formation Abo	Top Oil/Gas Pay 8919'		Tubing Depth 8893'				
Perforations 8919'-8929'	8933'-8943'	Depth Casing Shoe 9810'						
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET		SACKS CEMENT				
17 1/2"	13 3/8"	415'		415 sx. circulated				
11"	8 5/8"	4055'		900 sx.				
7 7/8"	5 1/2"	9810'		425 sx.				

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank 10-28-90	Date of Test 10-29-90	Producing Method (Flow, pump, gas lift, etc.) Flow	
Length of Test 24	Tubing Pressure 100#	Casing Pressure 0	Choke Size 48/64"
Actual Prod. During Test 32	Oil - Bbls. 32	Water - Bbls. 0	Gas- MCF 26

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Gary Cothran
Signature
Gary Cothran Dist. Supt.
Printed Name
11-5-90 Date
675-2478 Telephone No.

OIL CONSERVATION DIVISION

Date Approved **NOV 07 1990**

By ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

Title _____

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.



OIL CONSERVATION DIVISION
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

RECEIVED
'92 MAR 20 8 52 AM
CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

3-17-92

BRUCE KING
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 _____
- NSL _____
- NSP _____
- SWD _____
- WFX _____
- PMX _____

Gentlemen:

I have examined the application for the:

Petroleum Production Mgt. Inc. Will 693 Ltd # 4-J 34835
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed