

Mobil Exploration & Producing U.S. Inc.

December 28, 1993

HOUSTON DIVISION
12450 GREENSPPOINT DRIVE
HOUSTON, TEXAS 77060-1991

State of New Mexico
Oil Conservation Division
State Land Office Bldg.
P.O. Box 2008
Santa Fe, New Mexico 87501

Attn: William J. Leman
Director

Reed 13-94

**EXCEPTION TO RULE 104(F) &
RULE 303(A)
BRUNSON ARGO WELL NO. 18
BLINEBRY & DRINKARD OIL AND
GAS POOLS
LEA COUNTY, NEW MEXICO**

Gentlemen:

2080 FWL

Mobil Exploration & Producing U.S. Inc., (MEPUS) as agent for Mobil Producing Texas & New Mexico, Inc. (MPIM) 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. 18 at an unorthodox location. Well No. 18 is located 560 feet from the East line and 660 feet from the North line (Unit C) of Section 10, T-22-S, R-37-E, Lea County, New Mexico and is located on the same 160-acre proration unit as Well No. 6, which is currently a Blinebry/Drinkard producer. Authority to downhole commingle production from the Blinebry and Drinkard zones in Well No. 6 was approved May 10, 1989, Order No. R-8929 and in Well No. 13 approval was granted August 3, 1990, Order DHC-762.

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) Forms C-101 and C-102
- 2) Location plat
- 3) Data sheet for both zones
- 4) Computation of relative values for hydrocarbons

Mobil

New Mexico Oil Conservation Div.

-2-

December 28, 1993

- 5) Present/proposed wellbore sketches
- 6) Production plats
- 7) Form C-116 Well Test for Brunson Argo 18
- 8) List of offset operators

A copy of this letter and Forms C-101 and C-102 and location plats are being furnished to offset operators on the attached list by certified mail as their notification of this application.

Should you need additional information, please feel free to contact me at 713-775-2099.

Sincerely,



Bobbie R. Brown
Env. & Reg. Technician II

Attachments

cc: Oil Conservation Division - Hobbs
Offset Operators

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 Exploration & Producing U.S. Inc. as Agent for

8. Well No.

18

3. Address of Operator Mobil Producing TX & NM Inc.

12450 Greenspoint Dr., Houston, TX 77060

9. Pool name or Wildcat

Drinkard/Blinebry

4. Well Location

Unit Letter C : 660 Feet From The North Line and 560 Feet From The East Line

Section 10 Township 22S Range 37E NMPM Lea County

10. Proposed Depth

6535 PBTD

11. Formation

Drinkard/Blinebry

12. Rotary or C.T.

Rotary

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

3427 GL

14. Kind & Status Plug. Bond

on file

15. Drilling Contractor

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
17 1/2"	13 3/8"	32/48#	321	300	Surf
11"	8 5/8"	32#	2851	1500	315'
7 7/8"	5 1/2"	17#	6540	750	2100'

Well is presently completed in the Drinkard. Permission requested to perf the Blinebry and downhole commingle with the Drinkard.

- 1) POH w/2 3/8" tubing
- 2) Perf Blinebry (5584-5950') acidize and frac
- 3" RIH w/tubing, swab and place on production

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 Bobbie R. Brown TITLE Env. & Reg. Tech II DATE 12/28/93

TYPE OR PRINT NAME Bobbie R. Brown

TELEPHONE NO. 713/775-2099

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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

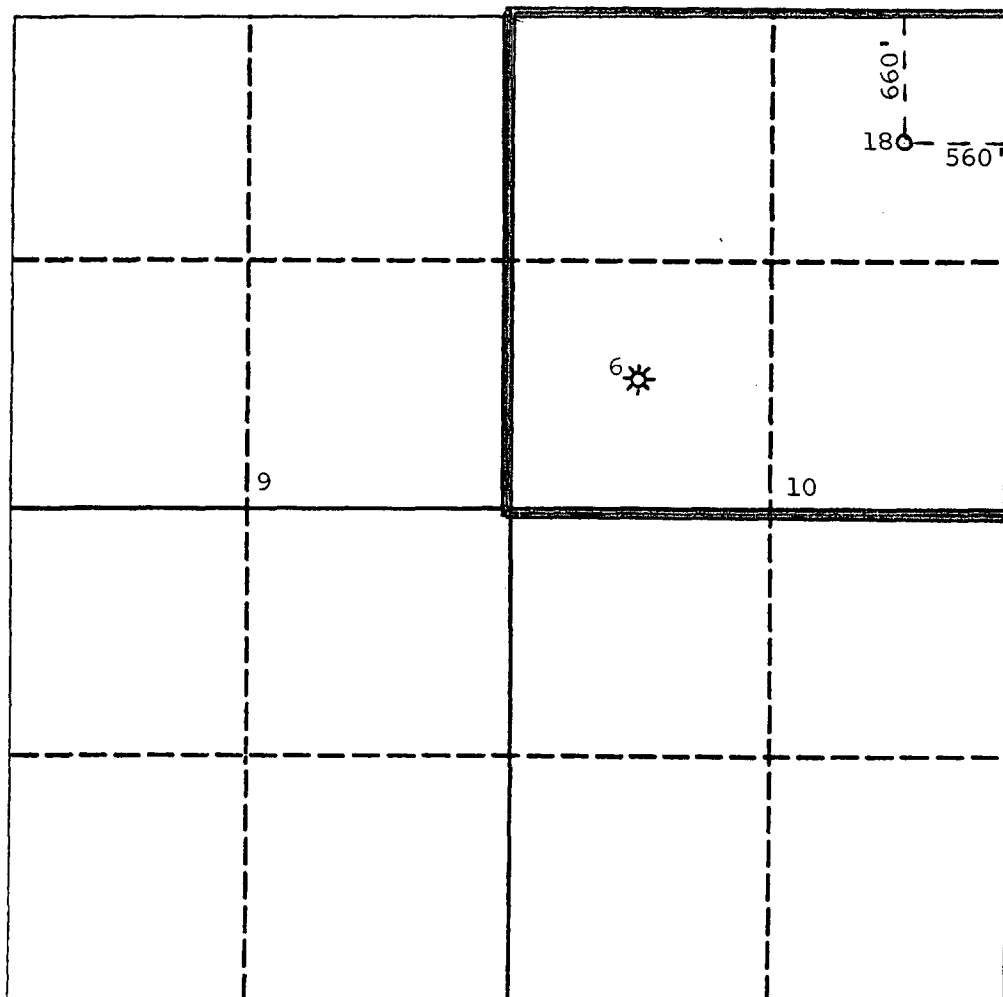
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Mobil Exploration & Producing US Inc.			Lease Brunson Argo		Well No. 18
Unit Letter C	Section 10	Township 22S	Range 37E	County Lea	
Actual Footage Location of Well: 660 feet from the North line and 560 feet from the East line					
Ground level Elev. 3427'	Producing Formation Blinebry/Drinkard		Pool Blinebry/Drinkard		Dedicated Acreage: 2 Wells 160 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.



OPERATOR CERTIFICATION

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

Signature
Bobbie R. Brown
Printed Name
Bobbie R. Brown
Position
Env. & Reg. Tech II
Company
Mobil Exploration & Prod.
Date
December 28, 1993

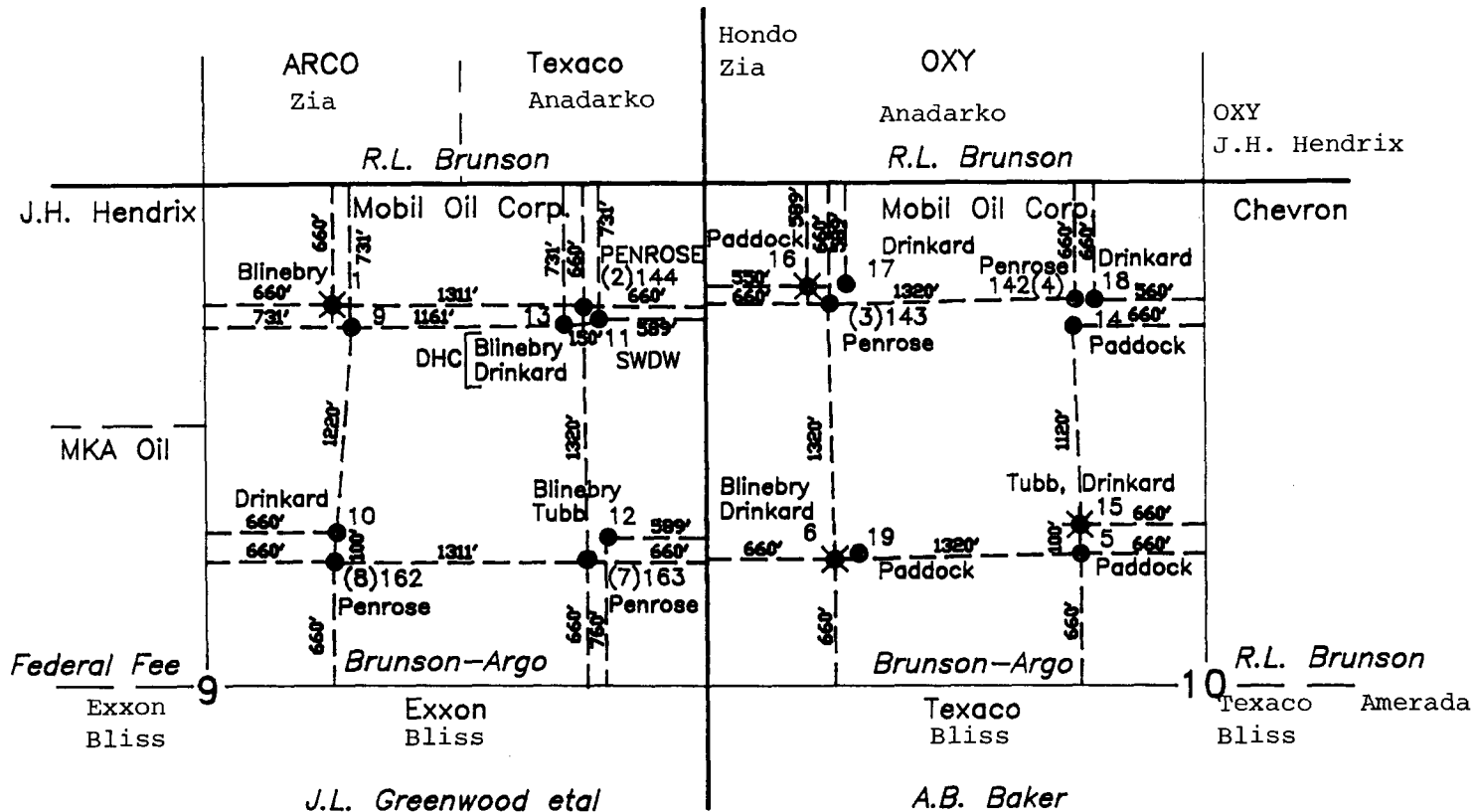
SURVEYOR CERTIFICATION

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.





Reserve _____ Permit Depth _____

Special Instructions _____

THE STATE OF TEXAS
COUNTY OF Midland

I hereby certify that this plat truly represents conditions as they actually exist on this lease; that said plat which is drawn to the scale indicated hereon, is to the best of my knowledge true and correct; that it accurately shows said lease with all wells on same; that number and locations of said wells are as indicated hereon; and that this plat correctly reflects all pertinent and required data.

Bobbie R Brown

Mobil Exploration & Producing U.S. Inc. Midland

LEASE Brunson - Argo

WELL NO. 18 DATE December 28, 19 93

LEASE NO. nm 633A-B

TOTAL ACRES IN LEASE 320 ACRES COVERED BY PLAT 320

DESCRIPTION NE 1/4 Sec. 9, NW 1/4 Sec. 10, T-22-S R-37-E

Lea County, New Mexico

DRAWN RGM

DATE 1-8-91

FIELD _____

SCALE 1"=1000'

FILE NO 79

DATA SHEET

1. Lease Name Brunson Argo
2. Well No. 18
3. Well Location: Unit C, 560 feet from East line,
660 feet from North line of Section 10,
Township 22-S Range 37-E, Lea County, New Mexico
4. Upper Zone Blinebry
5. Completion Interval 5584-5950'
6. Lower Zone Drinkard
7. Completion Interval 6295-6525'
8. Current Productivity Test Summary:

Blinebry
(Upper Zone)

Drinkard
(Lower Zone)

Proposed Values

Producing Method
Oil Bbl/day
Gas Mcf/day
Water Bbl/day

Flowing
2
300
0

Flowing
3.5
195
1

9. Bottom-hole Pressure of Upper Zone 494 psi
10. Bottom-hole Pressure of Lower Zone 477 psi
11. Fluid Characteristics of Each Zone 0.68 gas gravity

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 #18

	<u>Proposed Upper Pool</u>	<u>Lower Pool</u>	<u>Commingled</u>
Pool Name	Blinebry	Drinkard	
Selling price/MCF	2.00	2.00	2.00
Daily Production/MCF	300	195	495
Daily Income	<u>\$600.00</u>	<u>\$390.00</u>	<u>\$990.00</u>

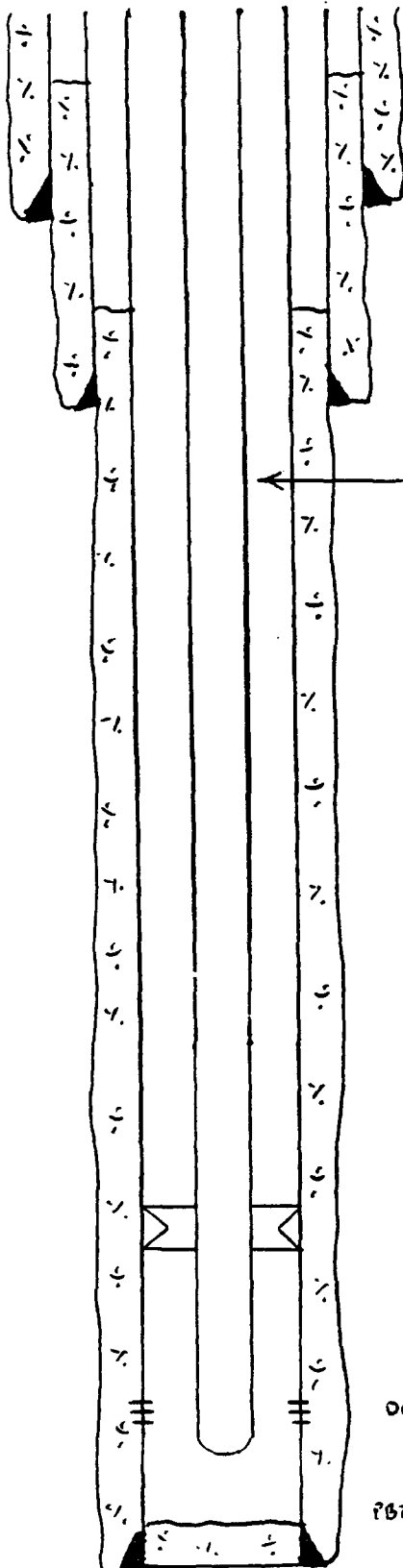
TOTAL DAILY INCOME
(POOLS SEPARATED) \$990.00

Net difference realized from downhole commingling \$600.00

REMARKS: An expense savings of \$55,000 for dual tubing, hanger and tie would be saved with single completion.

LOCATION BRUNSON-ARGO #10 SEC 10-T 22S-R 37E, LEA COUNTY, NEW MEXICO
 660' FNL & 2080' FWL ZONE DRINKARO FUNCTION PRODUCER
 DATUM 10' AGL G.L. 3427'

PRESENT



CONDUCTOR PIPE

H-40
 Size 13-3/8 In. Weight 32/48 Lb.
 Set at 321 Ft. with 300 Sx.

SURFACE CASING

Size 8-5/8 In. Weight 32# J-55 Lb. TOL AT 315' BY T.S.
 Set at 2851 Ft. with 1500 Sx.

PRODUCTION CASING

Size 5-1/2 In. Weight 17# J-55 Lb. TOL AT 2100' BY T.S.
 Set at 6540 Ft. with 750 Sx.

PRODUCTION STRING: TOP: 206 JTS 2-3/8" TBG
 5-1/2" x 2-3/8" TAL AT 6191'
 10 JTS 2-3/8" TBG
 SN AT 6501'

4' PN
 30' OPMA

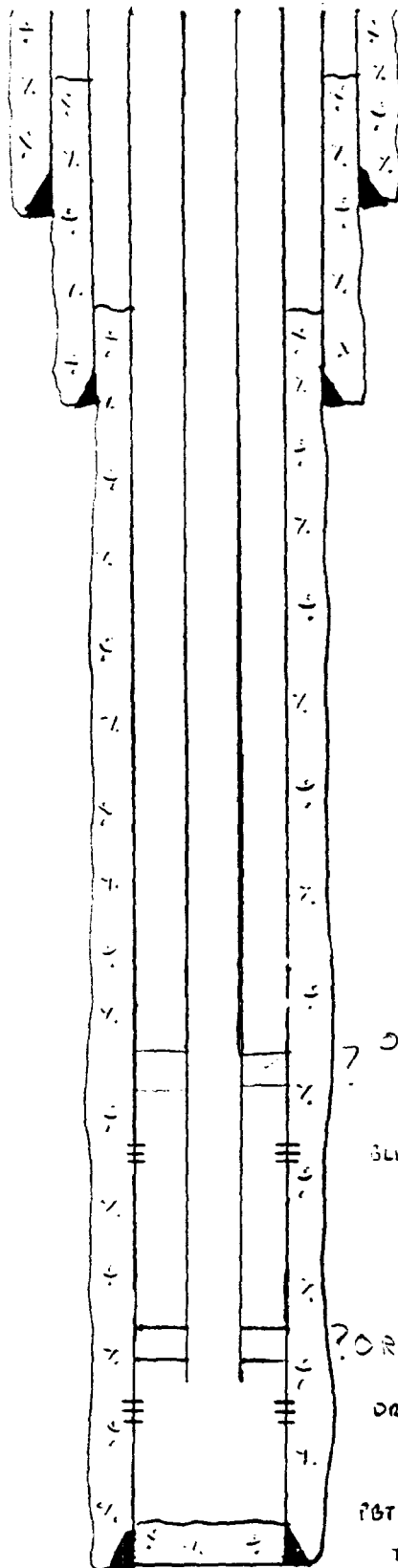
DRINKARO PERFS 6295 - 6525'

PBD 6535'
 TO 6540'

PREPARED BY: A. GARZA 8-9-95

LOCATION BRUNSON-ARGO #10 SEC 10-T 22S-R 31E, LEA COUNTY, NEW MEXICO
 660' FNL & 2080' FWL ZONE BLINEBRY/TUBB FUNCTION PRODUCER
 DATUM 10' AGL G.L. 3427'

PROPOSED



CONDUCTOR PIPE

Size 13-3/8 In. Weight 32/48^{H-40} Lb.
 Set at 321 Ft. with 300 Sx.

SURFACE CASING

Size 8-5/8 In. Weight 32# J-55 Lb. TOL AT 315' BY T.S.
 Set at 2851 Ft. with 1500 Sx.

PRODUCTION CASING

Size 5-1/2 In. Weight 17# J-55 Lb. TOL AT 2100' BY T.S.
 Set at 6540 Ft. with 750 Sx.

? OR Packer above Blinebry

BLINEBRY PERFS 5584-5950'

? OR Packer above Drinkard

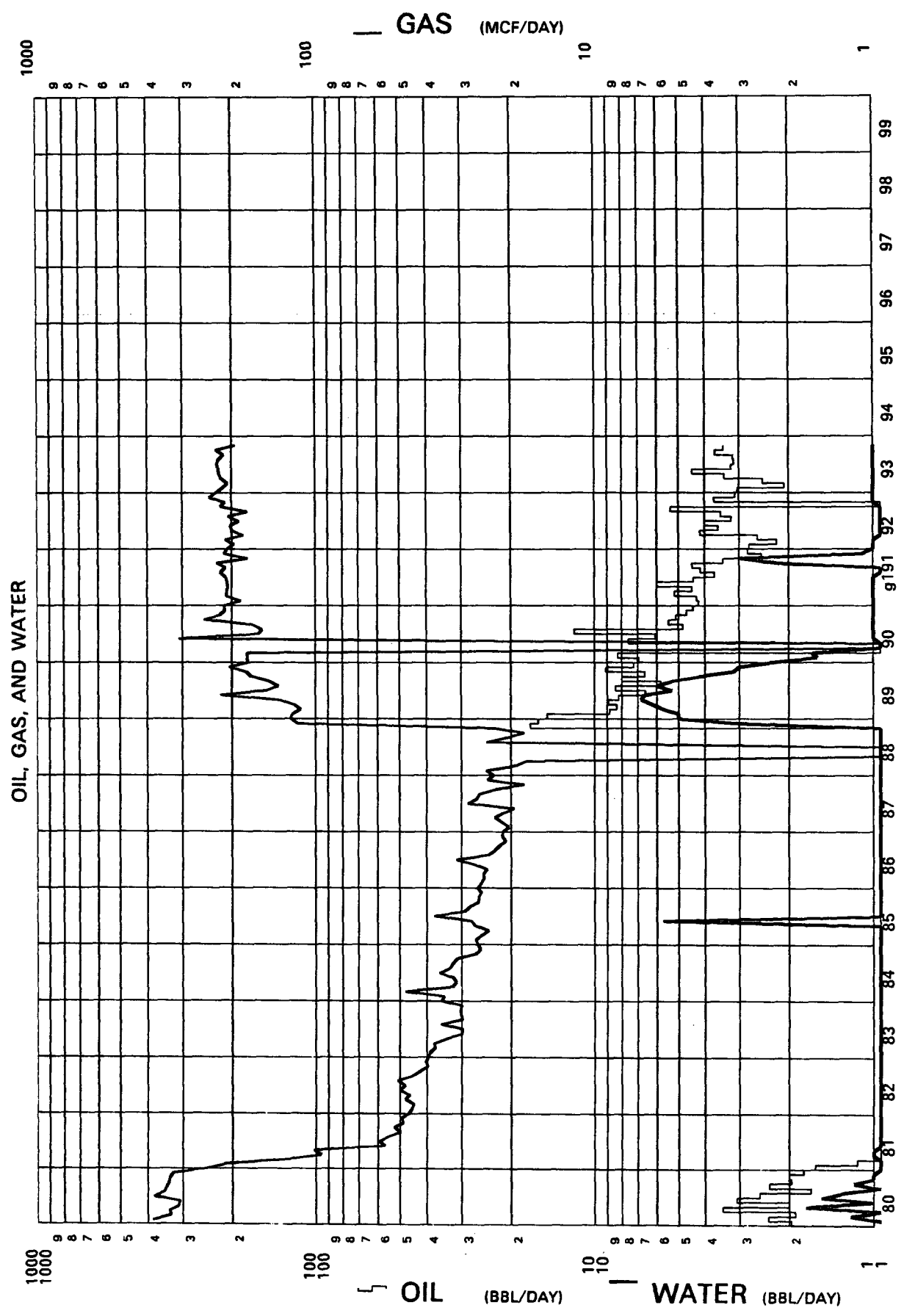
DRINKARD PERFS 6295-6525'

TO 6535'

TO 6540'

PREPARED BY: DBH 11/15/93

Mobil Exploration & Producing U.S.

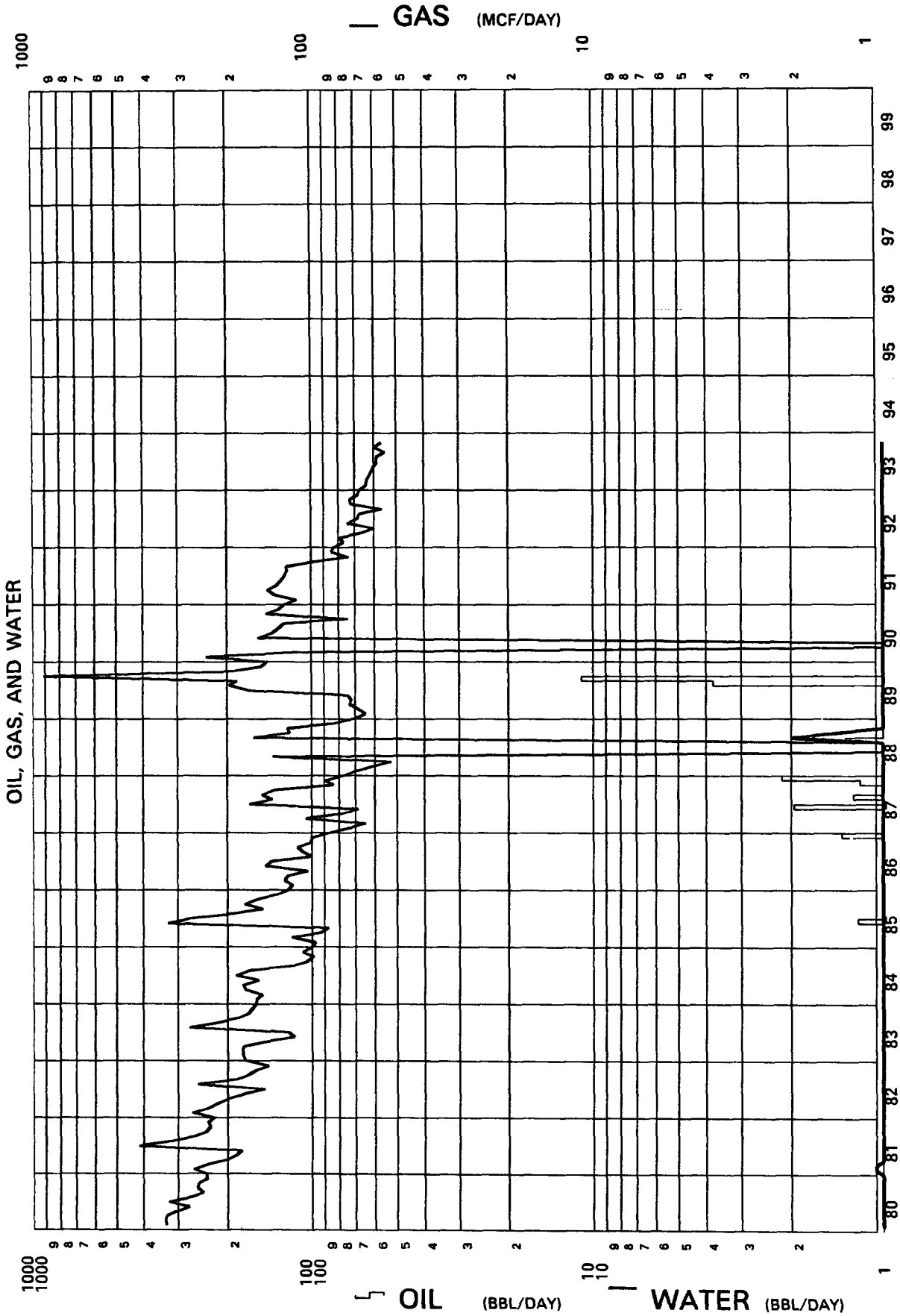


Field: DRINKARD
Lease: BRUNSON-ARGO
Operator: MOBIL OPERATED
District: 004
Oil Cum: 23677
Gas Cum: 2332175

Field: BLINEBRY (OIL & GAS) District: 004
Lease: BRUNSON-ARGO 013 C Oil Cum: 12809
Operator: MOBIL OPERATED Gas Cum: 1897855

Retrieval Code: „0404230056107

Date: Mon Dec 13 10:09:39 1993



Field: BLINEBRY (OIL & GAS)
Lease: BRUNSON-ARGO
Operator: MOBIL OPERATED
District: 004
C Oil Cum: 3204
Gas Cum: 3496358

Submit 2 copies to Appropriate District Office.
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer 01, 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
Orig.-2 to NMOCD
Revised - 1
L.D. McCrimmon - Hobbs
General Files - Midland
Proration Reg. File

GAS - OIL RATIO TEST

Operator		Pool		County									
Mobil Producing Texas & New Mexico Inc.		DRINKARD		LEA									
Address/o Mobil Exploration & Producing U.S. Inc., 12450 Greenspoint Drive, Houston TX 77060-1991		TYPE OF TEST - (X)		Completion ☐ Special ☐									
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST		GAS - OIL RATIO CU FT/BBL	
		U	S	T						WATER BBL'S	GRAV. OIL		OIL BBL'S
Brunson Argo	6T	E	10	22	37	P	38		24	0	0	87	-
	10	G	09	22	37	F	50		24	0	0	50	-
	13LT	A	09	22	37	P	55		24	0	0	67	-
	15LT	F	10	22	37	F	60		24	0	0	198	-
Marshall Com	17	D	10	22	37	P	35		24	1	37.3	114	57,000
	18	C	10	22	37	P	30		24	1	-	221	110,000
	3T	D	34	21	37	F	60		24	0	0	21	-
S.E. Long	6	P	11	22	38	P	35		24	1	-	104	-
S.E. Long (Dual)	7	I	11	22	37	F	55		24	0	0	37	-
							DHC 762 Brunson Argo #13LT		24	0	0	48	-
							Blinebry 72% Drinkard 28%		24	0	0	19	-

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.

Patricia B. Swanner
Signature

Patricia B. Swanner
Printed name and title

Env. & Reg. Asst. III
4/27/93
Date

(713) 775-2081
Telephone No.

**BRUNSON ARGO WELL NO. 18
OFFSET OPERATORS**

Exxon Company USA
P.O. Box 1600
Midland, TX 79702-1600

Zia Energy, Inc.
P.O. Box 2219
Hobbs, NM 88241

Chevron USA
P.O. Box 1150
Midland, TX 79702

Hondo Oil & Gas Co.
P.O. Box 2208
Roswell, NM 88202-2208

Amerada Hess Corp.
1201 Louisiana, Suite 700
Houston, TX 77002

Oxy USA Inc.
P.O. Box 50250
Midland, TX 79710

Bliss Energy
P.O. Box 1392
Midland, TX 79702

Anadarko Petroleum Corp.
P. O. Box 1330
Houston, TX 77251-1330

Texaco Inc.
P.O. Box 2100
Denver, CO 80301

ARCO Oil and Gas Co.
P.O. Box 51408
Midland, TX 79702

John H. Hendrix Corp.
223 W. Wall, Suite 525
Midland, TX 79701-4519

Mobil Exploration & Producing U.S. Inc.

December 28, 1993

HOUSTON DIVISION
12450 GREENSPOINT DRIVE
HOUSTON, TEXAS 77060-1991

State of New Mexico
Oil Conservation Division
State Land Office Bldg.
P.O. Box 2088
Santa Fe, New Mexico 87501

Attn: David R. Catanach

EXCEPTION TO RULE 104(F) &
RULE 303(A)
BRUNSON ARGO WELL NO. 18
BLINEERY & DRINKARD OIL AND
GAS POOLS
LEA COUNTY, NEW MEXICO

Dear Mr. Catanach:

As per our telephone conversation of this date, attached is copy of front and back of envelope in which copy of the referenced application was mailed certified to Arco Oil & Gas Co. This was returned to our office after it was not claimed by the addressee. If additional information is required, please feel free to contact me at 713/775-2099.

Sincerely,



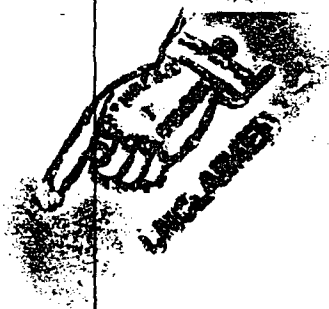
Bobbie R. Brown
Env. & Reg. Tech II

Attachment

Mobil

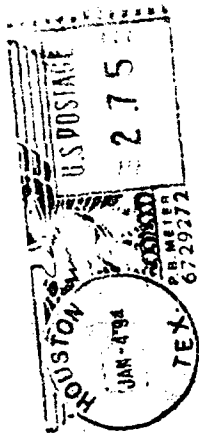
12450 GREENSPRING DRIVE
HOUSTON, TEXAS 77060-1991

first class mail



ARCO Oil and Gas Co.
P.O. Box 51408
Midland, TX 79702

CO-545(2-66)



Fold at line over top of envelope to the
right of the return address

CERTIFIED

P 217 647 937

MAIL

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:

ARCO OIL & GAS CO
P.O. BOX 51408
MIDLAND, TX 79701

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

4a. Article Number

9217647937

4b. Service Type

- ☐ Registered ☐ Insured
- ☒ Certified ☐ COD
- ☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

PS Form 3811, December 1991

U.S. GPO: 1992-323-402

DOMESTIC RETURN RECEIPT



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

January 25, 1994

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-971

Gentlemen:

I have examined the application for the:

Mobil Producing TX & NM Inc.	Brunson Argo	#18-C	10-22-37
Operator	Lease & Well No.	Unit	S-T-R

and my recommendations are as follows:

*OK - MIGHT WANT TO TEST BRUNSON
TO MAKE SURE THE ZONE DOES QUALIFY
FOR DHC*

Yours very truly,

[Signature]
Jerry Sexton
Supervisor, District 1

/ed