

9/27/99	10/18/99	DC	M	DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

2490

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

*Amend
2/76*

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

RECEIVED
SEP 27 1999

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

DENISE LEAKE
Print or Type Name

Denise Leake
Signature

9-24 '99



Texaco E & P

205 E. Bender Blvd.
Hobbs NM 88240
505 393 7191

September 22, 1999

GOV-STATE AND LOCAL GOVERNMENTS
EXCEPTION TO NMOCD Rule 303(A)

Application to DHC

Teague Lower Paddock – Blinebry, North (Assoc.) and Teague Tubb, North (Assoc.) and
Teague Drinkard-Abo, North (Assoc.)

F.B. Davis #1

Unit Letter A, Sec 8, T23S, R37E

Lea County, NM

State of New Mexico
Energy and Minerals Department
Oil Conservation Commission
2040 South Pacheco
Santa Fe, NM 87505

Attention: Mr. Ben Stone

Texaco Exploration and Production Inc., respectfully requests approval to downhole commingle the Teague Lower Paddock-Blinebry, North (Assoc.) with the Teague Tubb, North (Assoc.) and the Teague Drinkard-Abo, North (Assoc.) pools within the subject wellbore. Currently the well is DHC in the Teague Tubb, North (Assoc.) and the Teague Drinkard-Abo, North (Assoc.). The Blinebry will be added after this DHC is approved. The royalty is common in all zones.

The proposed downhole commingling will provide a more economical means of production. It will allow complete development of the productive capacity on the subject lease by allowing all intervals to be artificially lifted simultaneously. This will extend the productive life of both completions, thereby preventing waste.

The subject well meets all of the requirements as set forth by rule 303(C). In addition, it should be noted that all produced fluids have entered a common production facility with no fluid compatibility problems.

It is requested that the allocation of production for each zone be based on tests obtained from the DHC Teague Tubb, North (Assoc.) and Teague Drinkard-Abo, North (Assoc.) pools before the DHC, with any additional production after the DHC be allocated to the Teague Lower Paddock-Blinebry, North (Assoc.) Pool.

If you have any questions concerning this application, please contact Denise Wann at (505) 397-0425, or Denise Leake at (505) 397-0405.

Yours truly,

Denise Wann
Production Engineer
Eunice FMT

Attachments

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

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-102

Revised February 10, 1994

Instructions on back
Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30 025 32226		² Pool Code		³ Pool Name Teague Lower Paddock Blinebry North Assoc (Gas)	
⁴ Property Code 13195		⁵ Property Name DAVIS, F. B.			⁶ Well No. 1
⁷ OGRID Number 022351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.			⁹ Elevation GR-3323', KB-3337'

¹⁰ Surface Location

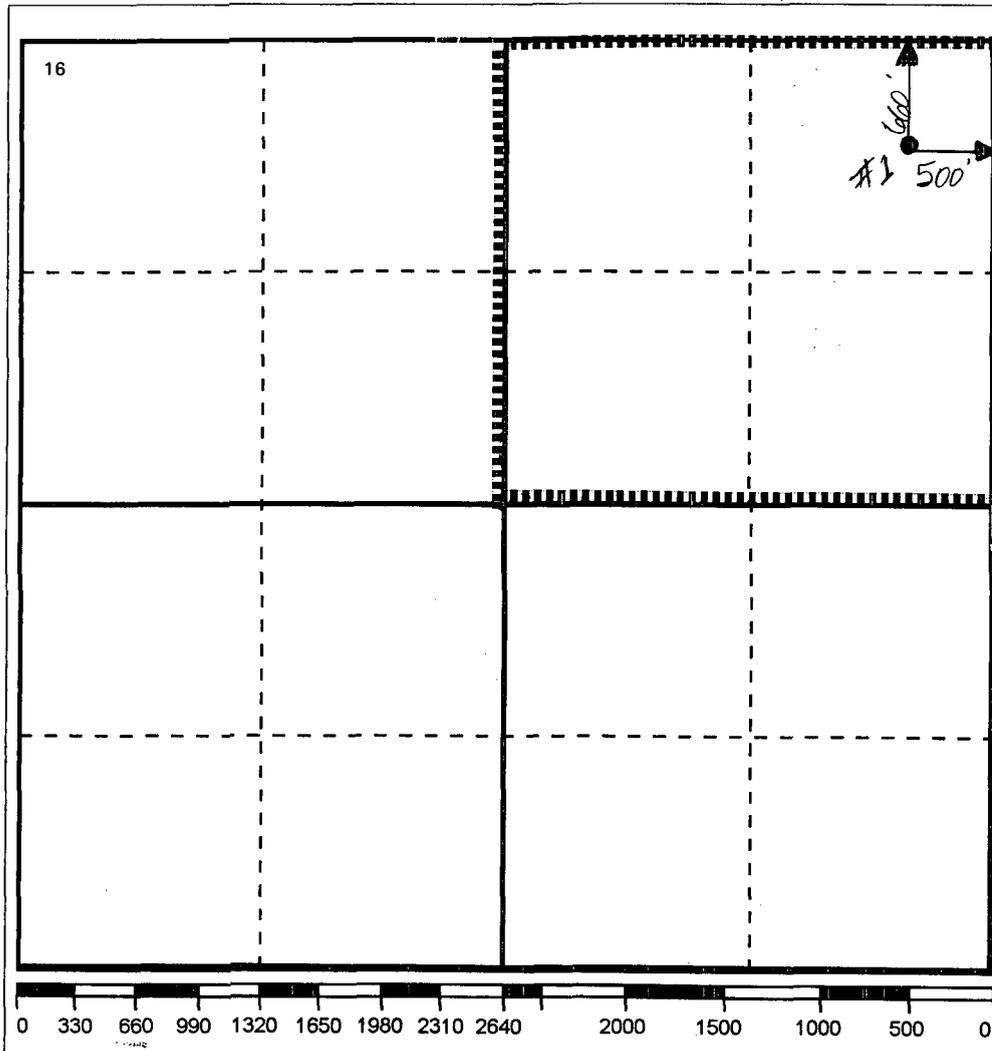
Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
A	8	23-S	37-E		660	NORTH	500	EAST	LEA

¹¹ Bottom Hole Location if Different From Surface

Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County

¹² Dedicated Acres 160	¹³ Joint or Infill No	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION

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

Signature: *J. Denise Leake*
Printed Name: J. Denise Leake
Position: Engineering Assistant
Date: 09/24/1999

¹⁸ 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.:

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⁴ Property Code 13195		⁵ Property Name DAVIS, F. B.			⁶ Well No. 1
⁷ OGRID Number 022351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.			⁹ Elevation GR-3323', KB-3337'

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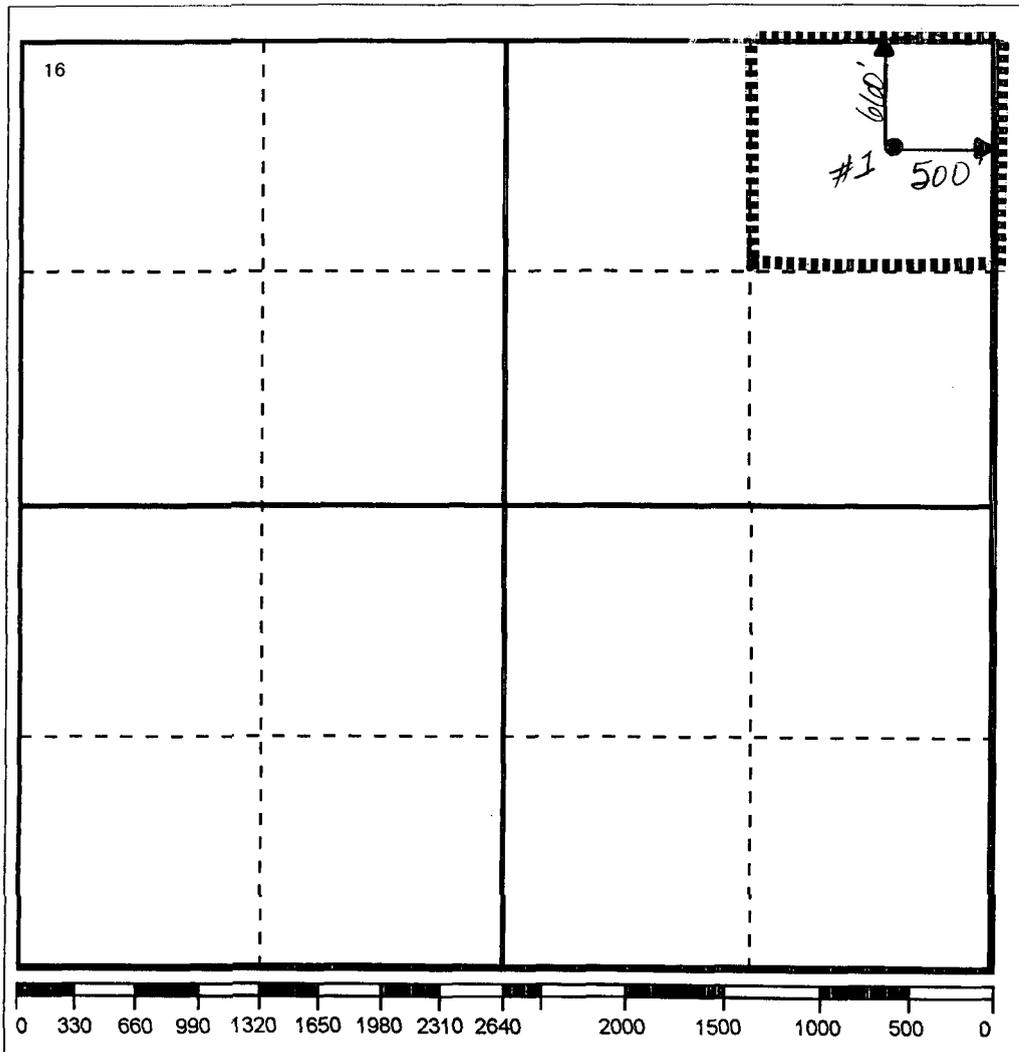
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Signature *J. Denise Leake*

Printed Name
J. Denise Leake

Position
Engineering Assistant

Date
09/24/1999

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⁷ OGRID Number 022351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.			⁹ Elevation GR-3323', KB-3337'

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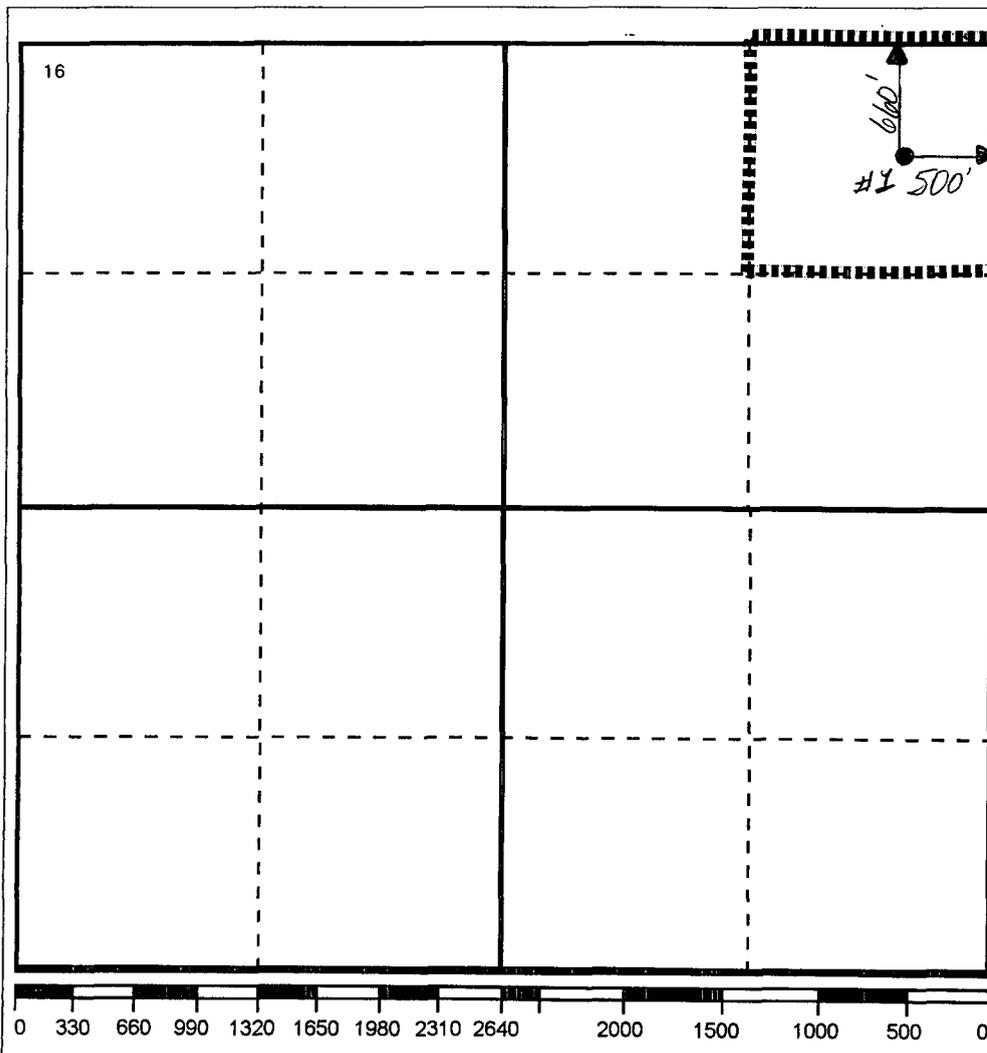
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⁴ Property Code 13195	⁵ Property Name DAVIS, F. B.	
⁷ OGRID Number 022351	⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.	⁶ Well No. 1
		⁹ Elevation GR-3323', KB-3337'

¹⁰ Surface Location

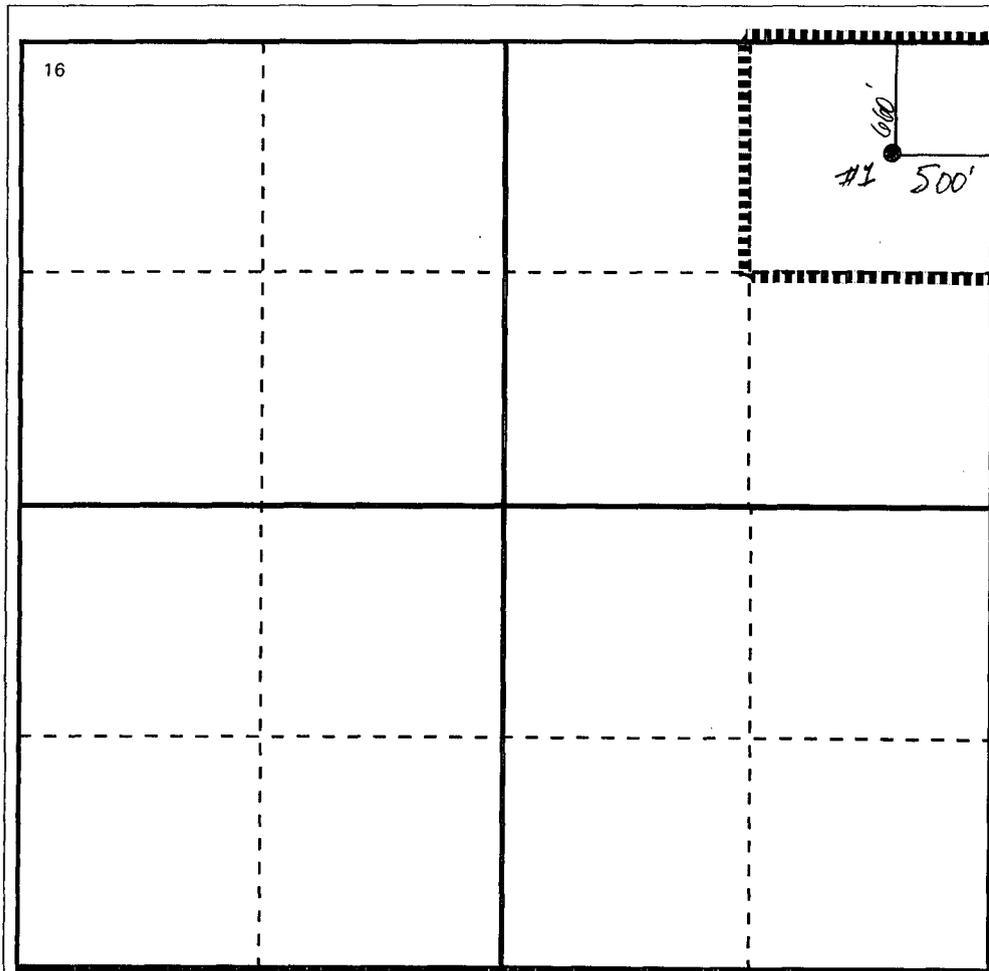
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