

4/28/99 5/18/99 DC MN DHC

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau -

2342

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]

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

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

APR 28 1999

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement [x] DHC [ ] CTB [ ] PLC [ ] PC [ ] OLS [ ] OLM [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery [ ] WFX [ ] PMX [ ] SWD [ ] IPI [ ] EOR [ ] PPR

[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.

J. DENISE LEAKE

J. Denise Leake 4-26-99

Print or Type Name



Texaco E & P

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

April 23, 1999

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

Application to DHC

Teague Tubb North Assoc. and Teague Drinkard-Abo North Assoc.

B.F. Harrison "B" #17

Unit Letter D, Sec. 9, T23S, R37E, 990' FNL, and 910' FWL

API #: 30-025-32497

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

(96313)

(96315) Texaco Exploration and Production Inc., respectfully requests approval to downhole commingle the North Teague Tubb (Assoc.) and the North Teague Drinkard-Abo North (~~Assoc.~~) pool within the subject wellbore. A copy of this application has notified offset operators. 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 both 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 well tests obtained from the Teague Tubb Pool and Drinkard/Abo Pool before DHC.

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

Yours Truly,  
*Denise Wann*  
Denise Wann  
Production Engineer  
Eunice FMT

**EXHIBIT "B" - CASE NO. 11353, ORDER NO. R-10470-A**

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

**DISTRICT II**  
811 South First St., 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**

2040 S. Pacheco  
Santa Fe, New Mexico 87505-8429

Form C-107-A  
New 3-12-96

APPROVAL PROCESS:  
 Administrative  Hearing

EXISTING WELLBORE  
 YES  NO

**APPLICATION FOR DOWNHOLE COMMINGLING**

Operator Texaco Exploration & Producing Inc. Address 205 East Bender Hobbs, New Mexico 88240

Lease B.F. Harrison "B" Well No. 17 Unit Ltr. - Sec - Tws - Rge D Sec 9, T23S, R37E County Lea

OGRID NO. 022351 Property Code 10960 API NO. 3002532497 Federal \_\_\_\_\_, State \_\_\_\_\_, (and/or) Fee XX

Spacing Unit Lease Types: (check 1 or more)

The following facts are submitted in support of downhole commingling:	Lower Zone	Intermediate Zone	Upper Zone
1. Pool Name and Pool Code	North Teague Drinkard-ABO ( <del>Assoc.</del> )		North Teague Tubb (Assoc.)
2. Top And Bottom of Pay Section (Perforations)	6336'-7036'		6074'-6198'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Flowing (Current)		Flowing w/PL
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current  Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	415#	a.	410#
	b.	b.	b.
6. Oil Gravity (* API) or Gas BTU Content			
7. Producing or Shut-In? Production Marginal? (yes or no)	Producing		Producing
* If Shut-In, give date and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: Rates:		
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 3/18/99 Rates: 11 Oil, 0 Wtr, 571 Gas		3/13/99 3 Oil, 0 Wtr, 184 Gas
8. Fixed Percentage Allocation Formula - % for each zone	Oil: % 79 Gas: % 76	Oil: % Gas: %	Oil: % 21 Gas: % 24

9. If allocation Formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical in all commingled zones? Yes  No   
If not, have all working, overriding, and royalty interests been notified by certified mail?  Yes  No  
Have all offset operators been given written notice of the proposed downhole commingling?  Yes  No
11. Will cross-flow occur?  Yes  No If yes, are fluids compatible, will the Formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable.  Yes  No (If No, attach explanation)
12. Are all produced fluids from all commingled zones compatible with other?  Yes  No
13. Will the value of production be decreased by commingling?  Yes  No (If Yes, attach explanation)
14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Land or the United States Bureau of Land Management has been notified in writing of this application.  Yes  No
15. NMOCD Reference Cases for Rule 303(C) Exceptions: ORDER NO(S) \_\_\_\_\_
16. ATTACHMENTS:
- \* C-102 for each zone to be commingled showing its spacing unit and acreage deication.
  - \* Production curve for each zone for at lease one year. (If not available, attach explanation.)
  - \* For zones with no production history, estimated production rates and supporting data.
  - \* Notification list of all offset operators.
  - \* Notification list of working, overriding, and royalty interests for uncommon interest cases.
  - \* Any additional statements, data or documents required to support commingling.

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

SIGNATURE Denise Wann TITLE Pet. Engr. DATE 4/26/99

TYPE OR PRINT NAME Denise Wann TELEPHONE NO. (505) 397-0425

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**

<sup>1</sup> API Number 30 025 32497	<sup>2</sup> Pool Code 96313	<sup>3</sup> Pool Name N. Teague Drinkard - Abo
<sup>4</sup> Property Code 10960	<sup>5</sup> Property Name HARRISON, B. F. 'B'	
<sup>7</sup> OGRID Number 022351	<sup>8</sup> Operator Name TEXACO EXPLORATION & PRODUCTION INC.	<sup>6</sup> Well No. 17
		<sup>9</sup> Elevation 3318'

<sup>10</sup> Surface Location

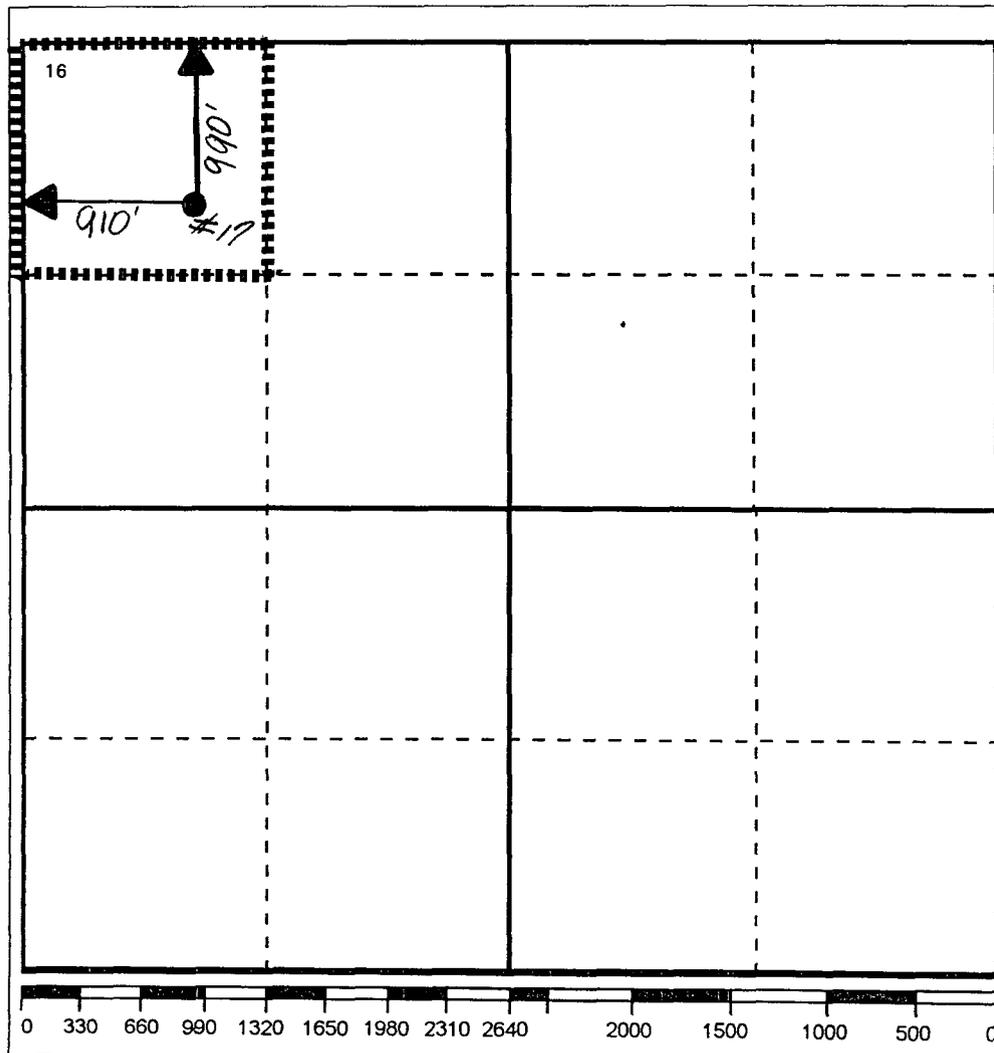
UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
D	9	23-S	37-E		990	NORTH	910	WEST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill No	<sup>14</sup> Consolidation Code	<sup>15</sup> 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  
4/23/99

**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.

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**

<sup>1</sup> API Number 30 025 32497	<sup>2</sup> Pool Code 96315	<sup>3</sup> Pool Name Teague; Tubb, North (Assoc.)
<sup>4</sup> Property Code 10960	<sup>5</sup> Property Name HARRISON, B. F. 'B'	
<sup>7</sup> OGRID Number 022351	<sup>8</sup> Operator Name TEXACO EXPLORATION & PRODUCTION INC.	<sup>6</sup> Well No. 17
		<sup>9</sup> Elevation 3318'

<sup>10</sup> Surface Location

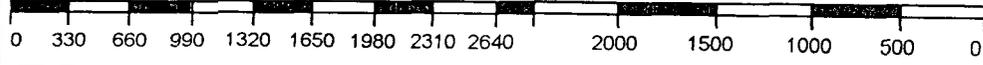
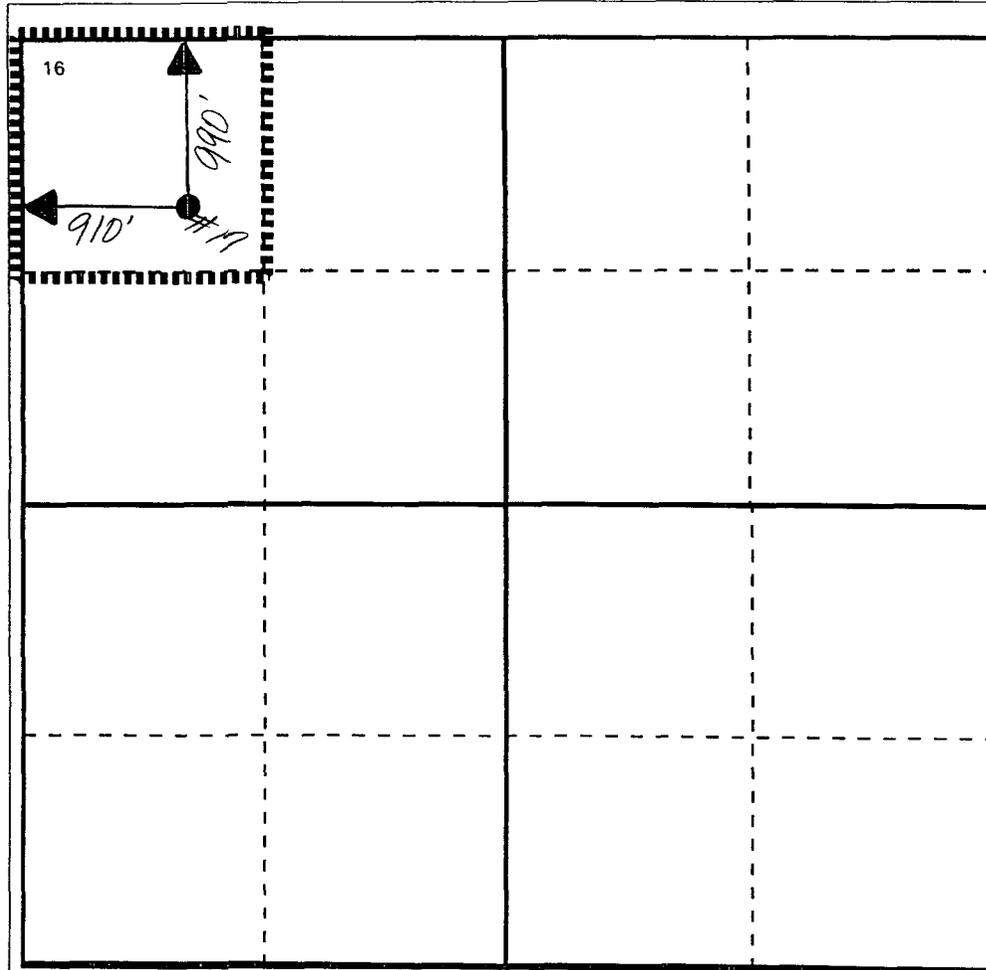
UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
D	9	23-S	37-E		990	NORTH	910	WEST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill No	<sup>14</sup> Consolidation Code	<sup>15</sup> 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: **4/23/99**

---

**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.

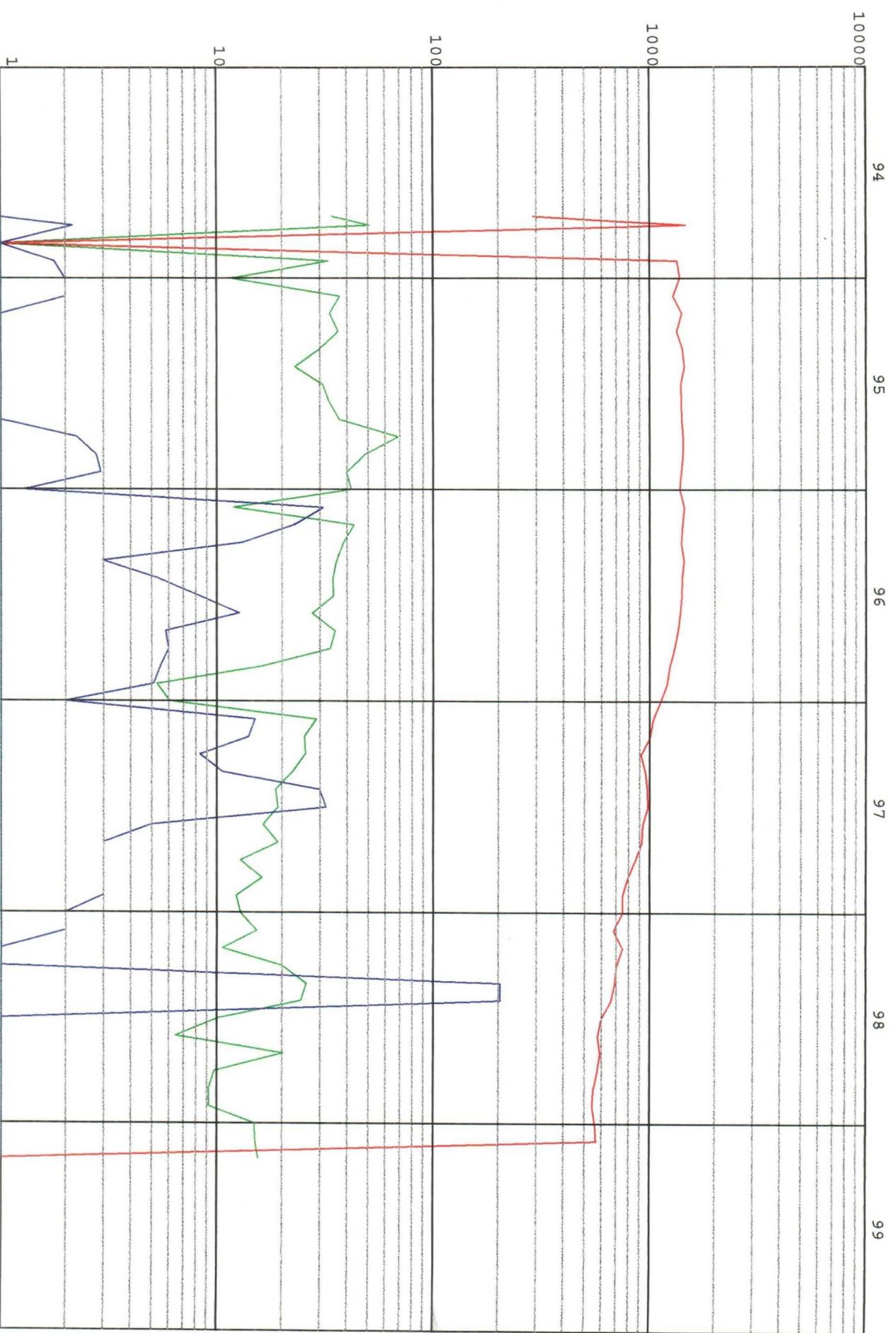
Date Surveyed:

Signature & Seal of Professional Surveyor:

Certificate No.:

LEASE NAME: HARRISON, B. F. -B-  
 TEXT WELL NO: 17  
 CURR\_LSE\_NO: 010960

RSVR:  Drinkard / Abo  
 REG\_FLD: 96313

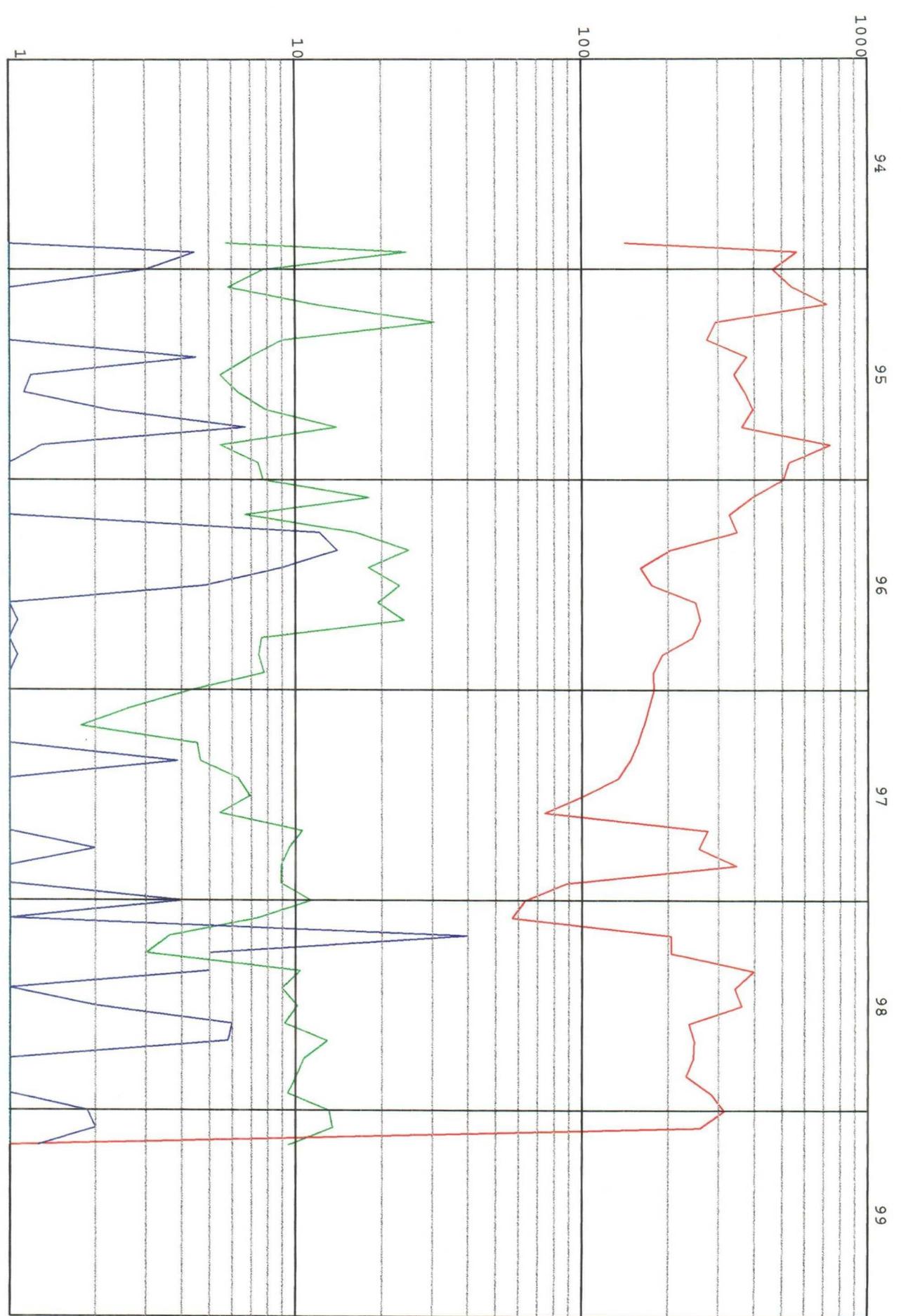


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--- BOPD --- MCFPPD --- BWPPD --- BWIPD --- AVG INJ PRES / 1  
 CURRENT CUMS: OIL: 40,922 bbl GAS: 1,711,872 mcf WTR: 20,670 bbl WINJ: 0 bbl

LEASE NAME: HARRISON, B. F. -B-  
TEX\_WELL\_NO: 17  
CURR\_LSE\_NO: 010960

RSVR: **Tubb**  
REG\_FLD: 96315



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----- BOPD ----- MCPPD ----- BWPPD ----- AVG INJ PRES / 1  
CURRENT CUMS: OIL: 16,595 bbl GAS: 453,126 mcf WTR: 4,750 bbl WIND: 0 bbl

Offset Operators and all Lessees of Record

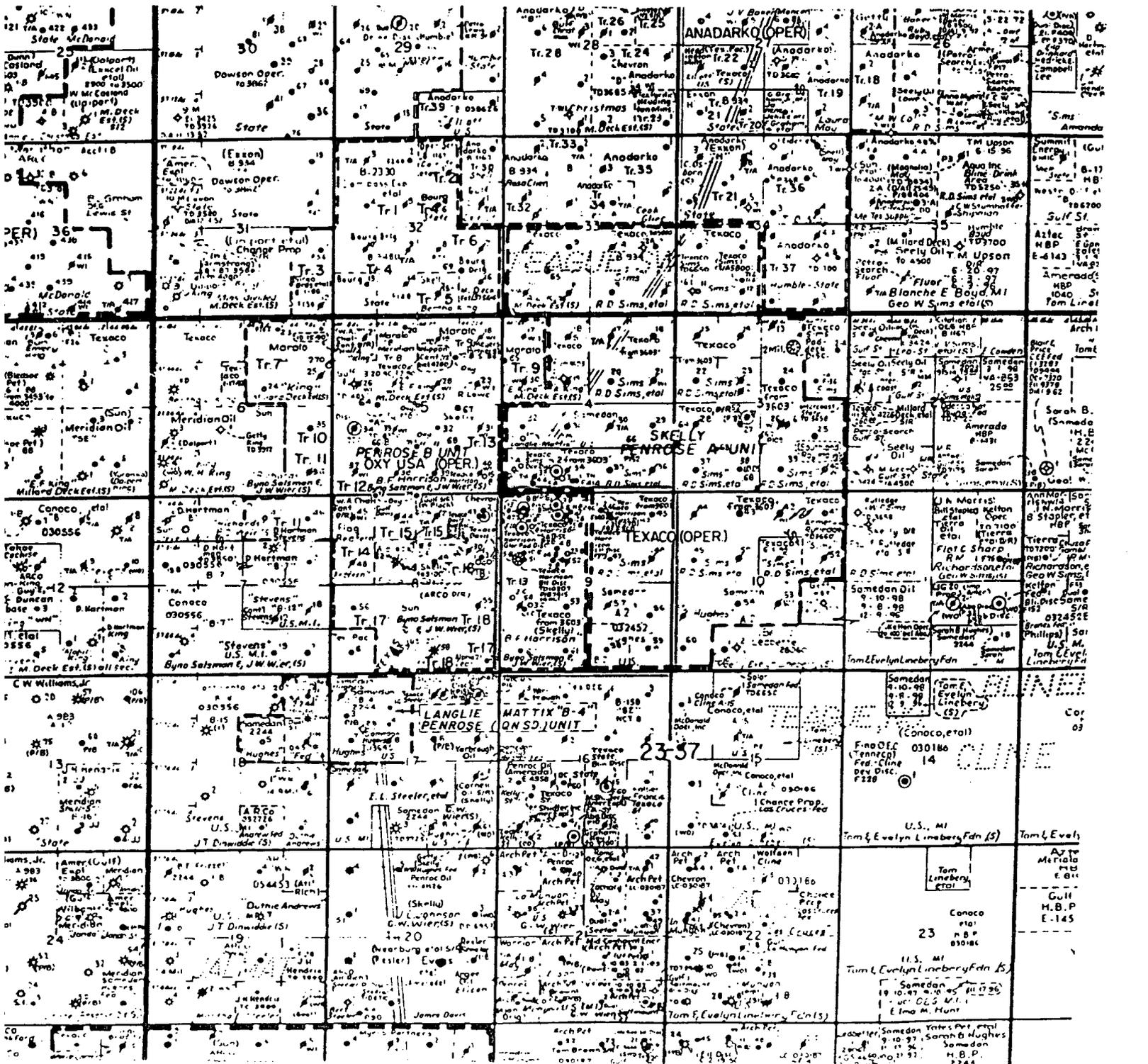
B. F. Harrison B #17

SE/4 NW/4 of Section 9, T-23-S, R-37-E

Teague Tubb NORTH ASSOC. +  
Teague Drinkard-Abo North Assoc.

Lea County, New Mexico

April 24, 1999



Offset Operators and all Lessees of Record

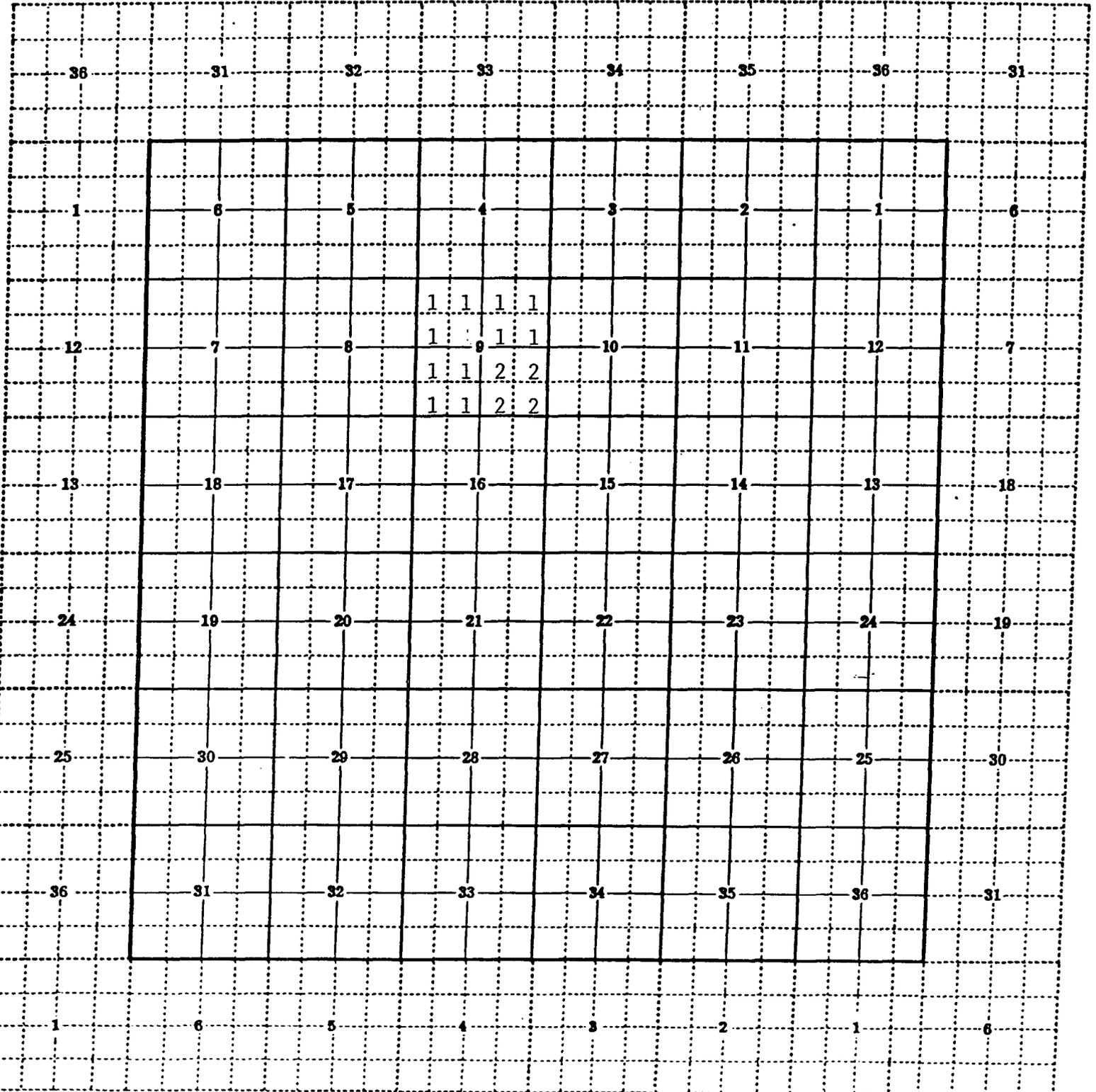
B. F. Harrison B #17

SE/4 NW/4 of Section 9, T-23-S, R-37-E

Teague Tubbs NORTH ASSOC. +  
Teague Drinkard-Abo North Assoc.

Lea County, New Mexico

April 26, 1999



Offset Operators and all Lessees of Record  
B. F. Harrison B # 17  
SE/4 NW/4 of Section 9, T-23-S, R-37-E  
*Teague Tubb NORTH ASSOC. ✓*  
Teague Drinkard-Abo North Assoc.  
Lea County, New Mexico  
April 26 1999

**Number 1**

---

Texaco Exploration and Production Inc.  
P. O. Box 3109  
Midland, Texas 79702

**Number 2**

---

Samedan Oil Corporation  
12600 Northborough, Suite 250  
Houston, Texas 77067



Texaco E & P

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

April 23, 1999

Texaco Exploration and Production Inc.  
205 East Bender  
Hobbs, New Mexico 88240

Samedan Oil Corporation  
12600 Northborough, Suite 250  
Houston, Texas 77067

Gentlemen:

Please find attached an application which has been filed with the New Mexico Oil Conservation Division in Santa Fe, New Mexico for administrative approval for downhole commingling of the B. F. Harrison "B" #17.

Sincerely,

J. Denise Leake  
Engineering Assistant  
Texaco E&P  
Hobbs Operating Unit



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

5/3/99

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(505) 393-6161

GOVERNOR

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:

Texaco E&P Inc      B F Harrison B # 17-D, 9-23s-37e  
Operator                      Lease & Well No.      Unit                      S-T-R

and my recommendations are as follows:

OK

Yours very truly,

*Chris Williams*

Chris Williams  
Supervisor, District 1

/ed