

119 238771 DHC

7/23/01

June 18, 2001

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

Caylor 6 #1
30-250-35039
Application to DHC
Wildcat Blinebry and Lovington Drinkard
Unit Letter K, Sec.6, T17S, R37E
2310' FSL & 1650' FWL
Lea County, NM

State of New Mexico
Energy and Minerals Department
Oil Conservation Commission
1220 S. St. Francis Drive
Santa Fe, NM 87504

Attention: ~~Mr. Mike Stogner~~ *David Catanach*

Texaco Exploration and Production Inc., respectfully requests approval to downhole commingle the Wildcat Blinebry Pool and the Lovington Drinkard Pool within the subject wellbore. The plug between the two intervals will be cleaned out upon approval of the DHC.

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). It should be noted that it is common practice to commingle Blinebry and Drinkard production with no fluid compatibility problems.

It is requested that the allocation of production for each zone be based on the well tests obtained from the Pools before DHC. The tests showed the following:

Wildcat Blinebry 11 oil, 5 wtr, 10 gas

Lovington Drinkard 24 oil, 5 wtr, 0 gas

The commingled production will be allocated as followed:

Wildcat Blinebry 31.4% oil, 50% water, 100 % gas

Lovington Drinkard 68.6% oil, 50% water, 0 % gas

If you have any questions concerning this application, please contact Denise Leake at 915- 688-4752 or Denise Wann at 915-688-2982.

Yours truly,

A handwritten signature in black ink that reads "Denise Wann". The signature is written in a cursive style with a large, sweeping initial "D".

Denise Wann
Senior Engineer
Hobbs Operating Unit

Attachments

Offset Operators

Samson Exploration Company
Samson Resources Company
Samson Plaza
Two West Second St.
Tulsa, Oklahoma 74103-3101

Forcenergy, Inc.
2730 SW 3rd Ave., Suite 800
Miami, Florida 33129

Saga Petroleum Corp.
415 W. Wall St., Suite 835
Midland, Texas 79701

Apache Corporation
2000 Post Oak Blvd., Suite 100
Houston, Texas 77056-4400

Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762

Pure Resources, L.P.
500 W. Illinois
Midland, Texas 79701

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, 199
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copie
Fee Lease - 3 Copie
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-35039	2 Pool Code 97096	3 Pool Name BLINEBRY (WILDCAT)
4 Property Code 025911	5 Property Name CAYLOR '6'	6 Well No. 1
7 OGRID Number 022351	8 Operator Name TEXACO EXPLORATION & PRODUCTION INC.	9 Elevation 3809'

10 Surface Location

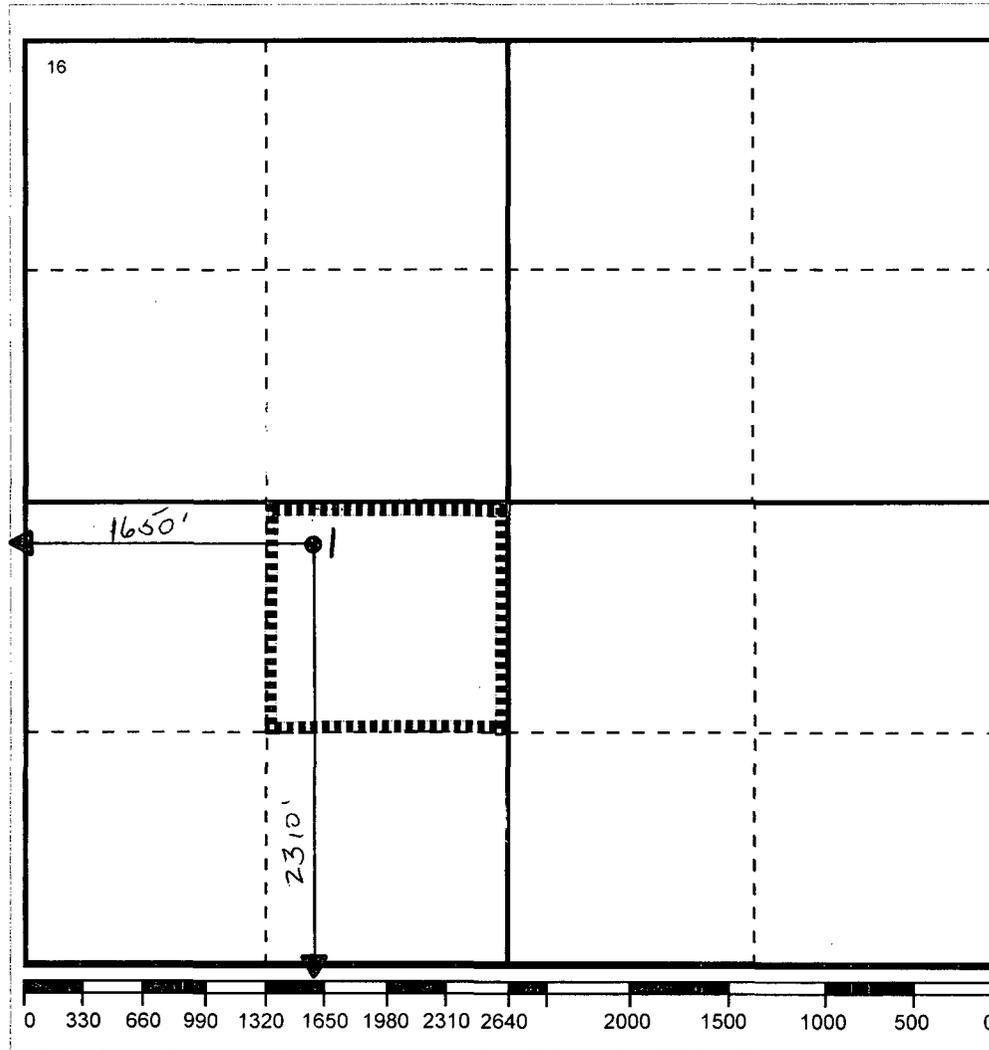
UI or lot no	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
K	6	17-S	37-E		2310	SOUTH	1650	WEST	LEA

11 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

12 Dedicated Acre 40	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 *John Ayers*

Printed Name
John Ayers

Positio
Administrative Supvr

Date
6/27/01

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, 1999
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copie
Fee Lease - 3 Copie
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-35039	² Pool Code 40490	³ Pool Name LOVINGTON DRINKARD
⁴ Property Code 025911	⁵ Property Name CAYLOR '6'	
⁷ OGRID Number 022351	⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.	⁶ Well No. 1
		⁹ Elevation 3809'

¹⁰ Surface Location

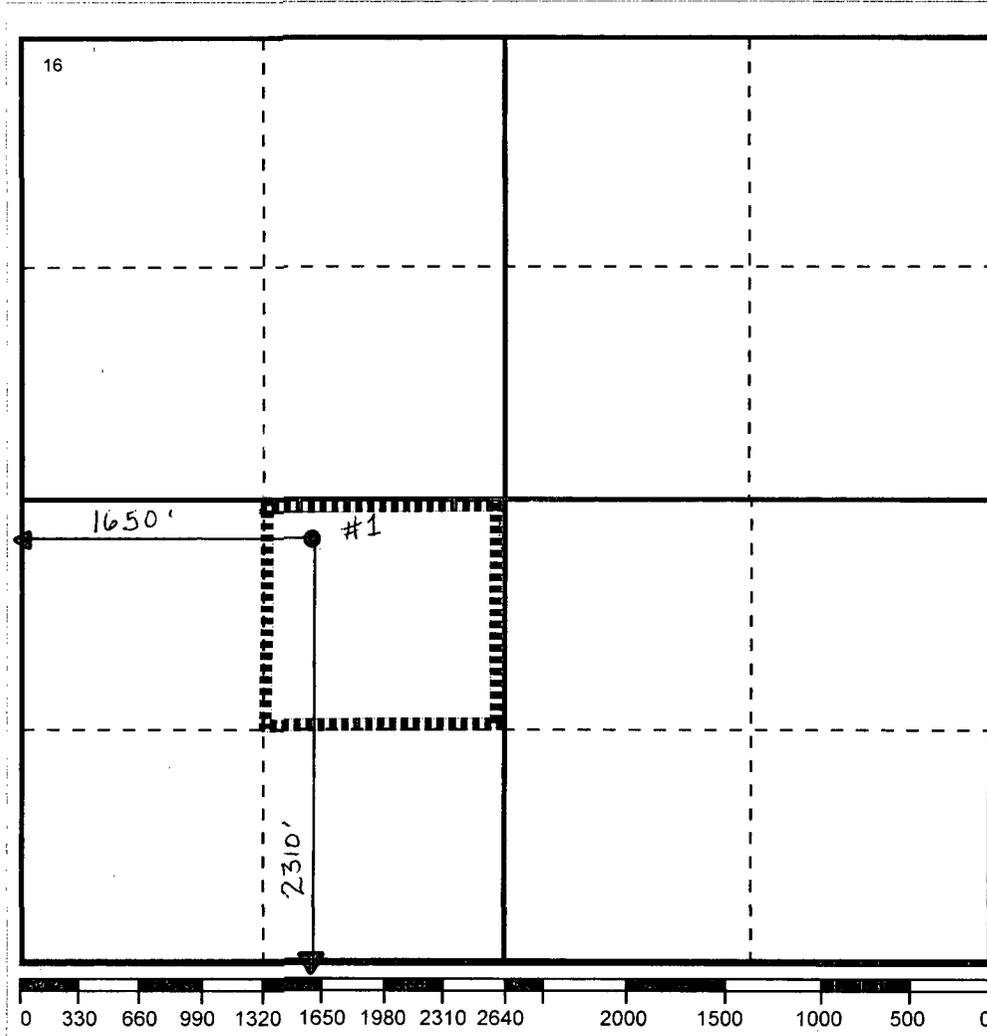
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K	6	17-S	37-E		2310	SOUTH	1650	WEST	LEA

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 Acre 40	¹³ Joint or Infill No	¹⁴ Consolidation Code	¹⁵ Order No.
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17 OPERATOR CERTIFICATION

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

Signature: *John Ayers*
Printed Name: John Ayers
Positio: Administrative Supvr
Date: 6/27/01

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.: _____

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 87505-6429

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

APPROVAL PROCESS:
 Administrative Hearing

EXISTING WELLBORE
 YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Texaco Exploration & Producing Inc. P.O. Box 3109 500 N Loraine Midland, Texas 79702
Operator Address

Caylor 6 1 K-6-17S-37E Lea
Lease Well No. Unit Ltr. - Sec - Tws - Rge County

OGRID NO. 022351 Property Code 25911 API NO. 30-025-35039 Federal _____, State _____, (and/or) Fee

The following facts are submitted in support of downhole commingling:	Lower Zone	Intermediate Zone	Upper Zone
1. Pool Name and Pool Code	<i>Und.</i> LOVINGTON DRINKARD		WILDCAT BLINEBRY
2. Top And Bottom of Pay Section (Perforations)	8020-8160		7020-7574
3. Type of production (Oil or Gas)	OIL		OIL
4. Method of Production (Flowing or Artificial Lift)	ARTIFICIAL LIFT		ARTIFICIAL LIFT
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current	a. 600# EST	a.	a. 600# EST
	(Original)		
Gas & Oil - Flowing: Measured Current	b.	b.	b.
All Gas Zones: Estimated Or Measured Original			
6. Oil Gravity (* API) or Gas BTU Content	35.7°		37.6°
7. Producing or Shut-In? Production Marginal? (yes or no)	SI - MARGINAL YES		PRODUCING - MARGINAL
* 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	6/13/01- 24 OIL, 5 WATER, 0 GAS		
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:		6/1/01 11 OIL, 5 WATER, 10 GAS
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 68.6% Gas: 0% Water: 50%	Oil: Gas:	Oil: 31.4% Gas: 100% Water: 50%

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 *J. Ayers* TITLE Administrative Supervisor DATE 06-27-01
TYPE OR PRINT NAME John Ayers TELEPHONE NO. (915) 688-4580

OIL CONSERVATION DIVISION

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

WELL API NO.	30-025-35039
5. Indicate Type of Lease	STATE _____ FEE <input checked="" type="checkbox"/>
6. State Oil / Gas Lease No.	

1980, Hobbs, NM 88240
DISTRICT II
P.O. Box Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMI (FORM C-101) FOR SUCH PROPOSALS.</p>		7. Lease Name or Unit Agreement Name CAYLOR '6'
1. Type of Well:	OIL WELL <input checked="" type="checkbox"/> GAS WELL _____ OTHER _____	8. Well No. 1
2. Name of Operator	TEXACO EXPLORATION & PRODUCTION INC.	9. Pool Name or Wildcat BLINEBRY WILDCAT
3. Address of Operator	205 E. Bender, HOBBS, NM 88240	
4. Well Location	Unit Letter <u>K</u> : <u>2310</u> Feet From The <u>SOUTH</u> Line and <u>1650</u> Feet From The <u>WEST</u> Line Section <u>6</u> Township <u>17-S</u> Range <u>37-E</u> NMPM <u>LEA</u> COUNTY	
	10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3809'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPERATION <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	RECOMPLETION TO BLINEBRY <input checked="" type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting proposed work) SEE RULE 1103.

2-13-01: MIRUPU. REM UNIT HEAD. UNSEAT PUMP. TOH W/RDS & PMP. NDWH. NUBOP.
 2-14-01: TIH W/BIT & SCRAPER & 251 JTS 2 7/8" TBG.
 2-15-01: KILL WELL W/65 BBLS 2% KCL. TIH W/GAUGE RING & JUNK BASKET TO 8200'. TIH & SET RBP @ 7900'. RU PUMP TRUCK. TEST TO 1500 PSI. TIH & DUMP BAIL 5' SAND ON TOP OF RBP @ 7900'. TIH & PERFORATE BLINEBRY PERFS 7020-7030, 7180-7234, 7558-7574.
 2-16-01: TIH W/2 JTS 2 7/8" TBG, PKR, 240 JTS 2 7/8" TBG, 240 JTS 2 7/8" TBG. SPOT 3 BBLS 15% HCL. SET PKR @ 7400'. TP @ 7463'. OPEN BYPASS ON PKR. REV W/5 BBLS 2%. CLOSE BYPASS. ESTAB PUMP @ 2 BPM. ACIDIZE BLINEBRY PERFS 7558-7574 W/1600 GALS 15% HCL.
 2-17-01: REL PKR. TIH W/RBP W/BALL CATCHER, TBG, PKR. SET RBP @ 7300'.
 2-18-01: TIH W/TBG. SPOT 3 BBLS 15% HCL. SET PKR @ 6899'. TP @ 7010. OPEN BYPASS & REV W/8 BBLS 2% KCL. CLOSE BYPASS. ACIDIZE BLINEBRY PERFS 7020-7234 W/6400 GALS 15% HCL ACID. RU SWAB. FL @ 800. 2ND RUN FL @ 1200. 3RD RUN FL @ 1900. END FL @ 2200.
 2-19-01: SWABBING.
 2-20-01: FLOW. MADE 27 RUNS.
 2-21-01: REL PKR. TIH W/7 JTS. REL RBP. TIH W/1 JT TBG OPEN ENDED, SN, TAC. NDBOP. SET TAC @ 7178' IN 12,000 TENSION. SN @ 7650'. TP @ 7683'. NUWH. LD RDS.
 2-22-01: TIH W/PMP & RDS. HANG ON. LOAD & TEST TBG. PUMPING.
 2-23-01/2-27-01: PUMPING AND TESTING.
 2-27-01: ON 24 HR OPT. PUMPED 60 BO, 30 BW, & 28 MCF.

FINAL REPORT

6/13/01 - 24 oil, 5 water, 0 gas

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

SIGNATURE J. Denise Leake TITLE Engineering Assistant DATE 3/9/01
 TYPE OR PRINT NAME J. Denise Leake Telephone No. 397-0405

(This space for State Use)

APPROVED _____ TITLE _____ DATE _____

OIL CONSERVATION DIVISION

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

Hobbs, NM 88240

DD, Artesia, NM 88210

Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-025-35039

5. Indicate Type of Lease STATE FEE

6. State Oil / Gas Lease

7. Lease Name or Unit Agreement Name
CAYLOR '6'

8. Well No. 1

9. Pool Name or Wildcat
LOVINGTON DRINKARD

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

a. Type of Well: OIL WELL GAS WELL DRY OTHER NEW WELL

b. Type of Completion: NEW WELL WORKOVER DEEPEN PLUG BACK DIFF RES. OTHER

2. Name of Operator
TEXACO EXPLORATION & PRODUCTION INC.

3. Address of Operator
205 E. Bender, HOBBS, NM 88240

4. Well Location
Unit Letter K : 2310 Feet From The SOUTH Line and 1650 Feet From The WEST
Section 6 Township 17-S Range 37-E NMPM LEA

10. Date Spudded 9/25/00 11. Date T.D. Reached 10/23/00 12. Date Compl. (Ready to Prod.) 11/4/00 13. Elevations (DF & RKB, RT, GR, etc.) 3809'

15. Total Depth 8315' 16. Plug Back T.D. 17. If Mult. Compl. How Many Zones? 18. Intervals Drilled By Rotary Tools Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name
8020-8160' DRINKARD 20. Was Directional Survey Made YES

21. Type Electric and Other Logs Run
PLATFORM EXPRESS, GR/CCL, NEUTRON 22. Was Well Cored YES

23. CASING RECORD (Report all Strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENT RECORD	AMOUNT PULLED
11 3/4"		416'	14 3/4"	290 SX	
8 5/8"		4488'	11"	1200 SX	
5 1/2"		8315'	7 7/8"	1400 SX	

24. LINER RECORD 25. TUBING RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	8176'	

26. Perforation record (interval, size, and number)
8020-8060, 8100-8160', 2 JSPP, 120 DEG PHASING

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
8020-8160'	5000 GALS 20% HCL & FRAC W/45,000 GALS 20% HCL & 30,000 GALS WF130

28. PRODUCTION

Date First Production 11/18/00 Production Method (Flowing, gas lift, pumping - size and type pump) PUMPING 1 1/2" HHBC Well Status (Prod. or Shut-in) PROD

Date of Test	Hours tested	Choke Size	Prod'n For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
12-01-00	24 HRS			24	0	5	

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API -(Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.) N/A NO GAS SALES Test Witnessed By

30. List Attachments

31. I hereby certify that the information on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNATURE *J. Denise Leake* TITLE Engineering Assistant DATE 12/12/00

TYPE OR PRINT NAME J. Denise Leake Telephone No. 397-0405