

PNRM0224647927

C-103 4-26-01
DHC No. Assigned 5-3-01

Order Number

DI 0032

API Number

30-025-09922

Operator

Campbell & Hedrick

County

Lea

Order Date

5-12-01

Well Name

W. E. Lee

Number

003

Location

C

UL

20

Sec

21S

T (+Dir)

37E

R (+Dir)

Pool 1

60240

Tubb Oil & Gas (Oil)

Oil %

80%

Gas %

85%

Pool 2

19190

Drinkard

20%

15%

Pool 3

Pool 4

Comments:

Work completed effective
Work cancelled effective
Supplement

1083N, 1084N
1085N

5-12-01.

2-22-02

9-3-02
Posted to
R88M & 

Posted


Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87504

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87504

WELL API NO. 30-025-09922
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: W. E. LEE
8. Well No. 3
9. Pool name or Wildcat Tubb/Drinkard

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 CAMPBELL & HEDRICK

3. Address of Operator
 P. O. BOX 401, Midland, Texas 79702

4. Well Location
 Unit Letter C 800 feet from the North line and 1980 feet from the West line
 Section 20 Township 21S Range 37E NMPM County LEA

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 GR 3494

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 type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: DOWNHOLE COMMINGLING <input checked="" type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SEE ATTACHED C-107-A
 Per R-11363

DI DHC Order No. 0032

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

SIGNATURE [Signature] TITLE OPERATOR DATE 04/26/01

Type or print name O. F. HEDRICK Telephone No. 915-684-4393
 (This space for State use)

APPROVED BY [Signature] TITLE _____ DATE _____
 Conditions of approval, if any:

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
2040 S. Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-A
Revised August 1999

OIL CONSERVATION DIVISION

APPROVAL PROCESS:

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

Administrative Hearing

EXISTING WELLBORE

YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator CAMPBELL & HEDRICK Address P. O. BOX 401, MIDLAND, TEXAS 79702

Lease W. E. LEE Well No. 3 Unit Ltr - Sec - Twp - Rge C 20, 21S, 37E County LEA

Spacing Unit Lease Types (check 1 or more)

OGRID NO. 003630 Property Code 002423 API NO. 30-025-09922 Federal State (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	TUBB OIL & GAS 60240		DRINKARD 19190
2. Top and Bottom of Pay Section (Perforations)	6130-6441		6450-6604
3. Type of production (Oil or Gas)	OIL		OIL
4. Method of Production (Flowing or Artificial Lift)	FLOW		FLOW
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 525	a.	a. 490
	b. (Original)	b.	b.
6. Oil Gravity (°API) or Gas BTU Content	37.2		36.6
7. Producing or Shut-In?	PRODUCING		S.I. 4/4/01
8. Production Marginal? (yes or no) 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 * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	YES		YES
	Date 4/16/01 Rates 5BO, 73mcf, 10BW	Date Rates	Date: 3/6/2001 Rates: 0.25BO, 12MCF Prior to acidizing 4/5/01 Date Rates.
8. Fixed Percentage Allocation Formula - % for each zone (total of %s to equal 100%)	Oil 80 % Gas 85 %	Oil % Gas %	Oil 20 % Gas 15 %

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

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 each 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 Lands 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(D) Exceptions: ORDER NO(S) DHC-230

16. ATTACHMENTS:

- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation method or formula.
- * 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 O. F. Hedrick TITLE OPERATOR DATE 04/17/01

TYPE OR PRINT NAME O. F. HEDRICK TELEPHONE NO. (915) 684-4393

OIL CONSERVATION DIVISION
Hobbs, New Mexico 88240

DISTRICT OFFICE

January Thru
June, 2002

NO. 1083N

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE: 02/22/2002

PURPOSE: ALLOWABLE ASSIGNMENT (NEW WELL) (A-M)

Effective 05/12/2001, the marginal allowables of the

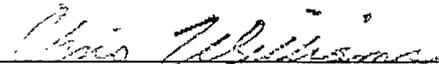
CAMPBELL & HEDRICK,
W E LEE, 3 - C, 20-21-37,

well for the period covering May through June, 2001,
are hereby assigned in the various pools as follows:

TUBB OIL & GAS (OIL)----- #M142
DRINKARD----- #M36

(P-F)
DI-0032

OIL CONSERVATION DIVISION



DISTRICT SUPERVISOR

CW:nm
CAMPBELL & HEDRICK

NRC 15694

DYN 24650

OIL CONSERVATION DIVISION
Hobbs, New Mexico 88240

DISTRICT OFFICE

January Thru
June, 2002

NO. 1084N

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE: 02/22/2002

PURPOSE: ALLOWABLE ASSIGNMENT (NEW WELL) (A-M)

Effective 07/01/2001, the marginal allowables of the

CAMPBELL & HEDRICK,
W E LEE, 3 - C, 20-21-37,

well for the period covering July through June, 2001,
are hereby assigned in the various pools as follows:

TUBB OIL & GAS (OIL)----- #M142
DRINKARD----- #M36

(P-F)
DI-0032

OIL CONSERVATION DIVISION

Chris Williams

DISTRICT SUPERVISOR

CW:nm
CAMPBELL & HEDRICK

NRC 15694

DYN 24650

OIL CONSERVATION DIVISION
Hobbs, New Mexico 88240

DISTRICT OFFICE

January Thru
June, 2002

NO. 1085N

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE: 02/22/2002

PURPOSE: ALLOWABLE ASSIGNMENT (NEW WELL) (A-M)

Effective 01/01/2002, the marginal allowables of the

CAMPBELL & HEDRICK,
W E LEE, 3 - C, 20-21-37,

well for the period covering January through June, 2002,

are hereby assigned in the various pools as follows:

TUBB OIL & GAS (OIL)----- #M142
DRINKARD----- #M36
(P-F)
DI-0032

OIL CONSERVATION DIVISION

Chris Williams

DISTRICT SUPERVISOR

CW:nm
CAMPBELL & HEDRICK

NRC 15694

DYN 24650

DOWNHOLE COMMINGLE CALCULATIONS: 30-025-09922

OPERATOR: Campbell & Hedrick DI-0032

PROPERTY NAME: W. E. Lee

WNULSTR: 3-C, 20-21-37

	SECTION I:		ALLOWABLE AMOUNT
ATUB50000	POOL NO. 1	<u>Tubb Oil + Gas (Oil)</u>	<u>142</u> <u>284</u> MCF <u>2000</u>
ADRI30000	POOL NO. 2	<u>Drinkard</u>	<u>142</u> <u>852</u> MCF <u>6000</u>
	POOL NO. 3	_____	_____ MCF
	POOL NO. 4	_____	_____ MCF
		POOL TOTALS	<u>284</u> <u>1136</u>

	SECTION II:		
60240	POOL NO. 1	<u>Tubb Oil + Gas (Oil)</u>	<u>80% X 284 = 227.20</u>
19190	POOL NO. 2	<u>Drinkard</u>	<u>20%</u>
	POOL NO. 3	_____	
	POOL NO. 4	_____	

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u>$142 \div 80\% = 177.50 (178)$</u>	_____
SECTION IV:	<u>$178 \times 80\% = 142.40 (142)$</u>	_____
	<u>$178 \times 20\% = 35.60 (36)$</u>	_____
	_____	_____
	_____	_____