



May 24, 1999

PC N/R
AMENDED 818

State of New Mexico
Oil Conservation Division

Santa Fe, New Mexico

Attn:

RE: Surface Commingling Permit Application
Texaco Exploration and Production, Inc.
North Teague Field

Dear Sir,

Texaco Exploration and Production Inc. respectfully requests permission to surface commingle produced hydrocarbons from the RR Sims A #1, in the Undesignated Wolfcamp formation, at the existing commingled facility at the RR Sims A battery. The wells and battery are located in Sec. 4, T23S, R37 E of Lea County. The facility presently has separate meters for measuring the production from the following formations prior to surface commingling:

Blinebry production of 10 BO, 29 BW, 144 MCFPD from well (s) No. 7 and 8.
Tubb production of 0.5 BO, 2 BW, 36 MCFPD from well No. 8.
Drinkard/Abo production of 15 BO, 8 BW, 26 MCFPD from well (s) No. 2 and 7.
Devonian production of 57 BO, 1061 BW, 28 MCFPD from well No. 4.
Fusselman production of 20 BO, 163 BW, 3 MCFPD from well No. 3.

The hydrocarbons from the RR Sims A #1 will be metered prior to surface commingling. Tests show the zone to be capable of 1-3 BOPD, 3 BWPD and 150-170 MCFPD flowing. The product price will not be reduced from the commingling of the Wolfcamp at the existing commingled battery based on volumes and gravity.

Texaco owns 100% working interest in all zones on the lease. The royalty is common in all zones on this Fee lease. Plats are attached the show the location and producing zones for each well and battery layout.

Please direct any questions to Denise Wann (505-397-0425 or Denise Leake (505) 397-0405.

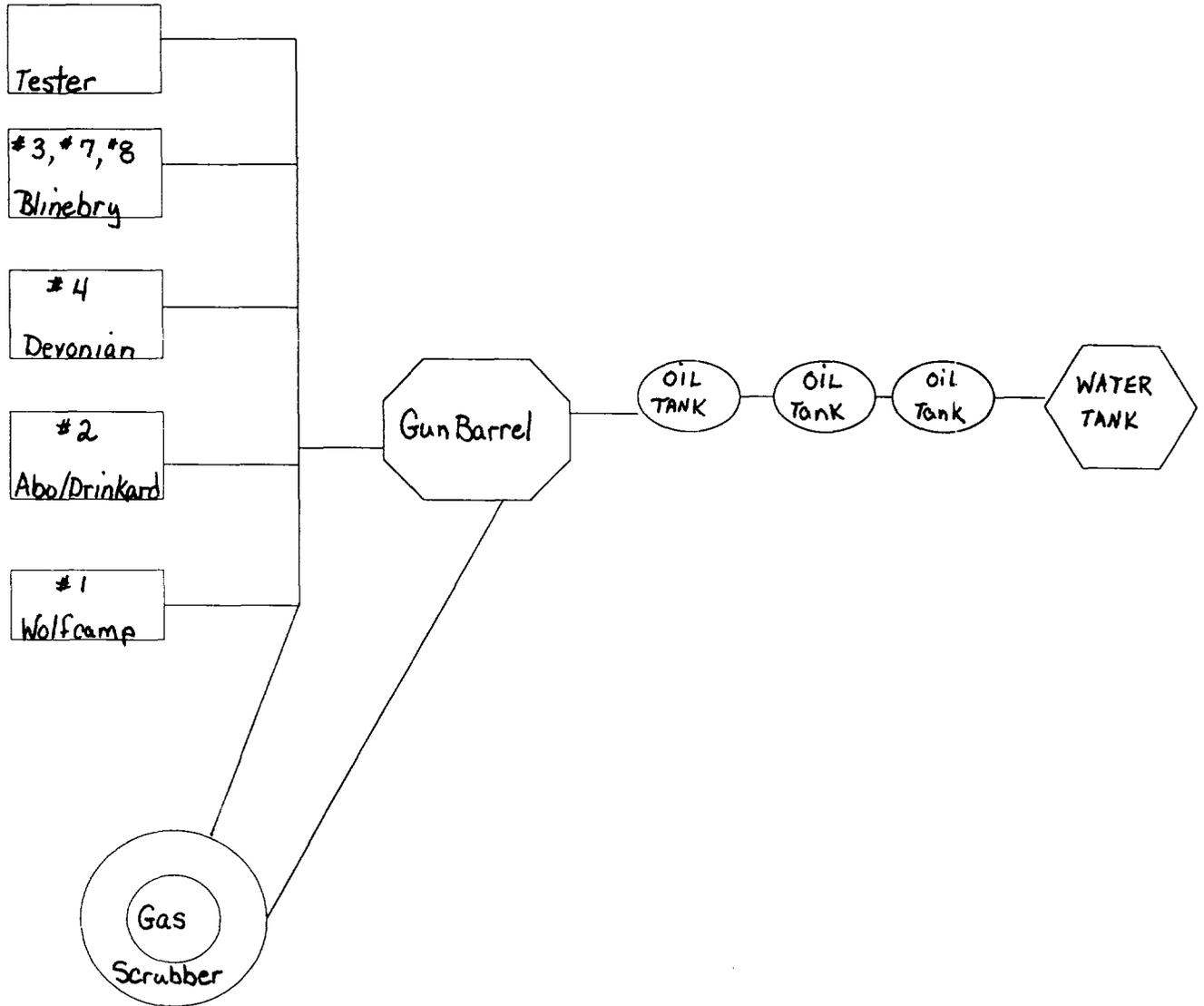
Sincerely,

Denise Wann
Production Engineer for Eunice

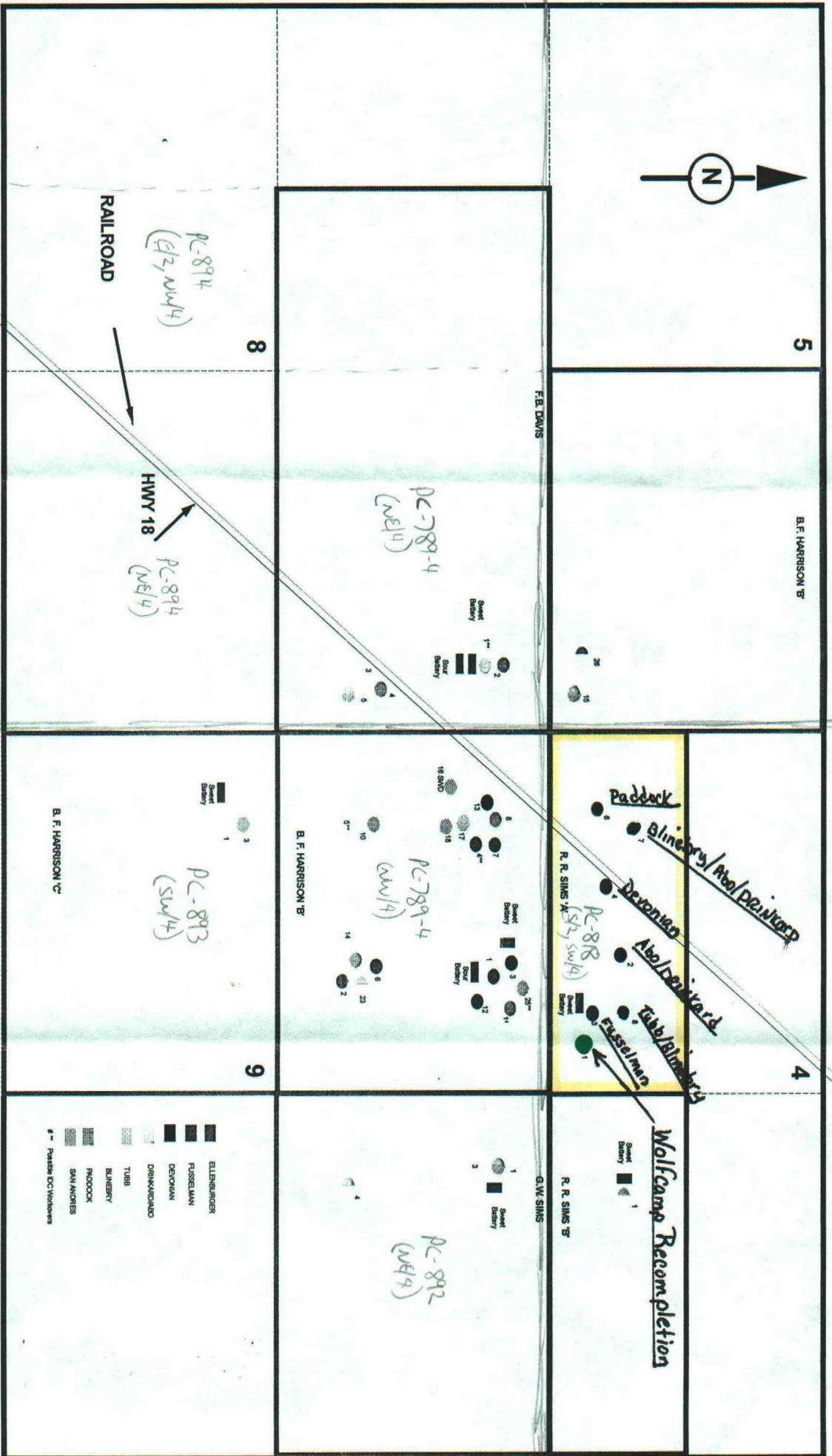
**Surface Commingling Permit
R.R. Sims A Lease
Lea County, New Mexico**

	API Gravity	Average Production (BOPD)
Present Commingled Facility	42.2	103
Wolfcamp Production	46.9	3

R. R. Sims A Battery



NORTH TEAGUE FIELD



T-23-S, R-37-E

3 - 29 - 85

SECTION
LINE

SECTION
LINE

RAILROAD

PC-894
(E2, NW/4)

PC-894
(NE/4)

HWY 18

PC-893
(SW/4)

PC-789-4
(NE/4)

PC-789-4
(NW/4)

PC-892
(NE/4)

- ELLSBURGER
- RUSSELL
- DEVONIAN
- DRIVWARDS
- TUB
- BLINNEY
- PHOOCK
- SAN ANDRES
- ◆ Partial Devonian

F.B. DAVIS

G.W. SIMS

5

4

8

9

B.F. HARRISON 'B'

B.F. HARRISON 'C'

B.F. HARRISON 'B'

R.R. SIMS 'B'

R.R. SIMS 'B'

Wolcamp Recombination

Paddock

Blinney/Rob/Deinard

Devonian

Alo/Deinard

Tubb/Blumberg

Fasselman

PC-898
(S2, SW/4)

Sweet Battery

Sweet Battery

1" Sweet Battery

2" Sweet Battery

3" Sweet Battery

4" Sweet Battery

5" Sweet Battery

6" Sweet Battery

7" Sweet Battery

8" Sweet Battery

9" Sweet Battery

10" Sweet Battery

11" Sweet Battery

12" Sweet Battery

13" Sweet Battery

14" Sweet Battery

15" Sweet Battery

16" Sweet Battery

17" Sweet Battery

18" Sweet Battery

19" Sweet Battery

20" Sweet Battery

21" Sweet Battery

22" Sweet Battery

23" Sweet Battery

24" Sweet Battery

25" Sweet Battery

26" Sweet Battery

27" Sweet Battery

28" Sweet Battery

29" Sweet Battery

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 30483		² Pool Code		³ Pool Name WILDCAT - WOLFCAMP	
⁴ Property Code 11060		⁵ Property Name SIMS, R. R. "A"			⁶ Well No. 1
⁷ OGRID Number 022351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.			⁹ Elevation 3317' GR

¹⁰ Surface Location

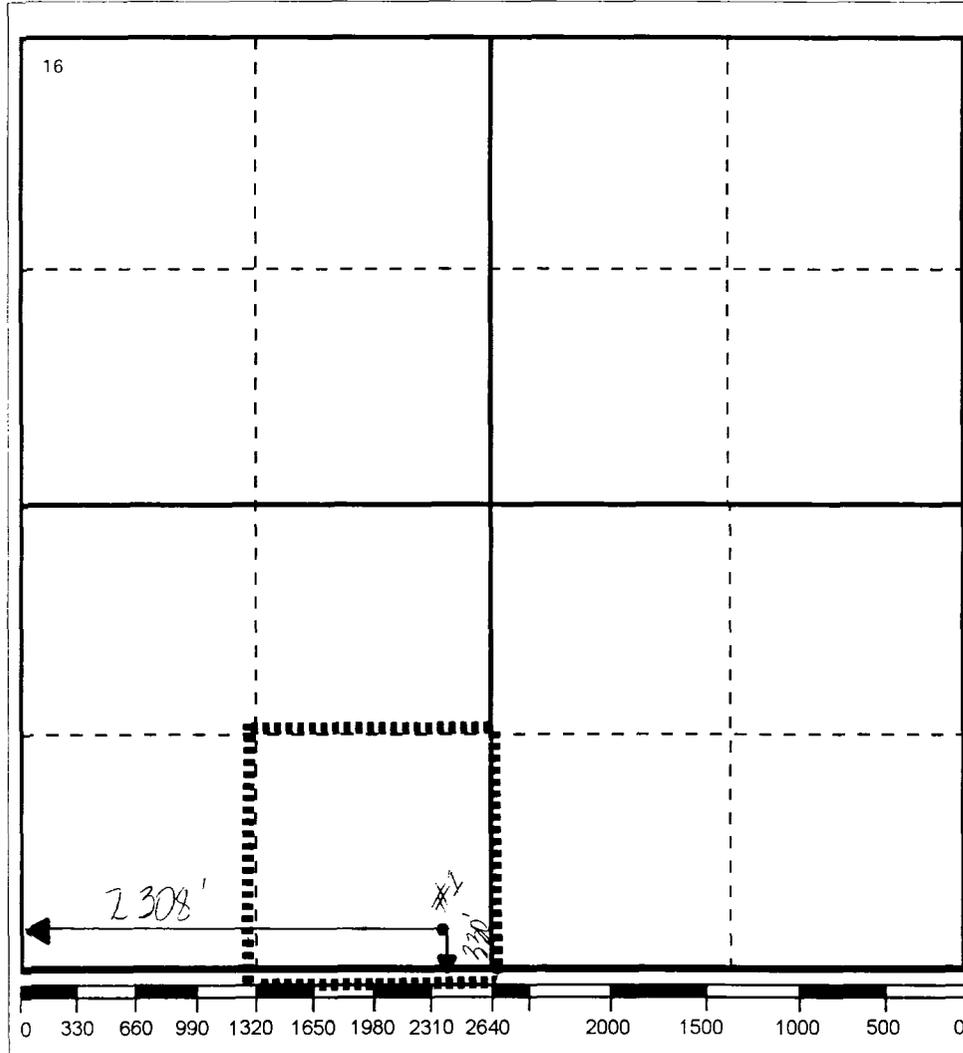
Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
N	4	23S	37E		330	S	2308	W	Lea

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 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: *J. Denise Leake*
Printed Name: J. Denise Leake
Position: Engineering Assistant
Date: 5/24/99

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.:

LEA COUNTY**Off-Lease Storage (Order OLS-173)**

Charles B. Gillespie has received an exception to Rule 309-A for off-lease storage for the West Lovington-Strawn Pool production from the Wiley Lease, located in the S/2 NE/4 of Sec. 33, T-15-S, R-35-E, Lea County. Production is to be transported prior to measurement to its own tank battery to be located in Unit L, Sec. 34, T-15-S, R-35-E, Snyder "S" Com Lease. This is Order OLS-173, signed August 29, 1994.

LEA COUNTY**Pool Commingling (Order PC-789 - 4th Amendment)**

Texaco USA has received an order to commingle North Teague-Fusselman, North Teague-Ellenburger, Teague-Tubb, Northwest Teague-Devonian, North Teague Lower Paddock-Blinebry, Wildcat Abo and Wildcat Drinkard Pool production in the B. F. Harrison "B" Lease located in the NW/4 of Sec. 9 and SE/4 of Sec. 5, T-23-S, R-37-E, Lea County, in a common tank battery and to determine the production from each pool by separately metering the production from each pool prior to commingling. This is Order PC-789, amended, signed August 24, 1994.

LEA COUNTY**Pool Commingling (Order PC-818 - Amended)**

Texaco USA has received an order to commingle North Teague-Fusselman, North Teague-Ellenburger, Teague-Tubb, Northwest Teague-Devonian, North Teague Lower Paddock-Blinebry, Wildcat Abo and Wildcat Drinkard Pool production in the R. R. Sims "A" Lease located in the S/2 SW/4 of Sec. 4, T-23-S, R-37-E, Lea County, in a common tank battery and to determine the production from each pool by separately metering the production from each pool prior to commingling. This is Order PC-818, amended, signed August 29, 1994.

LEA COUNTY**Pool Commingling (Order PC-892 - Amended)**

Texaco USA has received an order to commingle North Teague-Fusselman, North Teague-Ellenburger, Teague-Tubb, Northwest Teague-Devonian, North Teague Lower Paddock-Blinebry, Wildcat Abo and Wildcat Drinkard Pool production in the G. W. Sims Lease located in the NE/4 of Sec. 9, T-23-S, R-37-E, Lea County, in a common tank battery and to determine the production from each pool by separately metering the production from each pool prior to commingling. This is Order PC-892, amended, signed August 29, 1994.

LEA COUNTY**Pool Commingling (Order PC-893)**

Texaco USA has received an order to commingle North Teague-Fusselman, North Teague-Ellenburger, Teague-Tubb, Northwest Teague-Devonian, North Teague Lower Paddock-Blinebry, Wildcat Abo and Wildcat Drinkard Pool production in the B. F. Harrison "C" Lease located in the SW/4 of Sec. 9, T-23-S, R-37-E, Lea County, in a common tank battery and to determine the production from each pool by separately metering the production from each pool prior to commingling. This is Order PC-893, signed August 29, 1994.

LEA COUNTY**Pool Commingling (Order PC-894)**

Texaco USA has received an order to commingle North Teague-Fusselman, North Teague-Ellenburger, Teague-Tubb, Northwest Teague-Devonian, North Teague Lower Paddock-Blinebry, Wildcat Abo and Wildcat Drinkard Pool production in the F. B. Davis Lease located in the NE/4, E/2 NW/4 of Sec. 8, T-23-S, R-37-E, Lea County, in a common tank battery and to determine the production from each pool by separately metering the production from each pool prior to commingling. This is Order PC-894, signed August 29, 1994.

LEA COUNTY**Salt Water Disposal (Order SWD-561 - Amended)**

Chevron USA, Inc. is authorized to complete its No. 7 Graham State (NCT-F) Well located 330 feet from the South line and 1650 feet from the East line (Unit O) of Sec. 36, T-19-S, R-36-E, Lea County, in such a manner as to permit the injection of salt water for disposal purposes into the San Andres formation at 4550 feet to 5000 feet through 2 3/8 or 2 7/8-inch plastic lined tubing set in a packer located at 4500 feet. The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing or packer. The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 890 psi. This is Order SWD-561, amended, signed August 30, 1994.

LEA COUNTY**Salt Water Disposal (Order SWD-565)**

Meridian Oil Company is authorized to complete its No. 7 Little Jack "30" Federal Well located 660 feet from the South line and 2485 feet from the East line (Unit O) of Sec. 30, T-23-S, R-32-E, Lea County, in such a manner as to permit the injection of salt water for disposal purposes into the Lower Bell Canyon formation at 5340 feet to 5720 feet through 2 7/8-inch plastic lined tubing set in a packer located at 5250 feet. The casing-