

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

COPY

July 10, 1987

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

COMMINGLING ORDER CTB-326

Texaco, USA
P.O. Box 730
Hobbs, NM 88240

Attention: J.A. Head

The above-named company is hereby authorized to commingle North Dagger Draw Upper Penn. Assoc. pool production from the following leases:

Lease Name: D.D. Federal 24
Description: SE/4, Section 24

Lease Name: D.D. Federal 25
Description: NE/4, Section 25

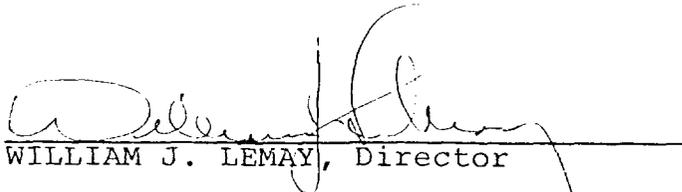
Lease Name: E.E. Federal 24 *
Description: NE/4, Section 24

All in Township 19 South, Range 24 East, NMPM,
Eddy County, New Mexico.

Production shall be allocated to each lease by well tests; therefore, all commingled production must be of identical ownership (working interest, royalty interest and overriding royalty interest).

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

DONE at Santa Fe, New Mexico, on this 7 day of July,
1987.


WILLIAM J. LEMAY, Director

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT --" for such proposals

5. Lease Designation and Serial No.
NM-56220; NM-58024; NM-58023

6. If Indian, Alottee or Tribe Name

7. If Unit or CA, Agreement Designation

SUBMIT IN TRIPLICATE

1. Type of Well: OIL WELL GAS WELL OTHER

2. Name of Operator
TEXACO EXPLORATION & PRODUCTION INC.

3. Address and Telephone No. 205 E. Bender, HOBBS, NM 88240 397-0418

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) (BATTERY LOCATION)
Unit Letter P : 990 Feet From The SOUTH Line and 660 Feet From The
EAST Line Section 24 Township 19S Range 24E

8. Well Name and Number
DD 24 FEDERAL LEASE
DD 25 FEDERAL LEASE
EE 24 FEDERAL LEASE

9. API Well No.

10. Field and Pool, Exploratory Area
Dagger Draw Upper Penn North
Wildcat Canyon Wolfcamp North
Siegrest Draw Abo Northeast
County of Parish, State
EDDY, N.M.

12. Check Appropriate Box(s) To Indicate Nature of Notice, Report, or Other Data

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Atfiring Casing
	<input checked="" type="checkbox"/> OTHER: <u>AMEND SURFACE</u>
	<u>COMMINGLING & OFF-LEASE</u>
	<u>STORAGE</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*.

Texaco Exploration and Production Inc. requests an amendment to the surface commingling and off-lease storage of production from the above three federal leases. In 1987, both the BLM and NMOCD (Commingling Order CTB-326) approved surface commingling and off-lease storage of production from the Dagger Draw Upper Penn North Pool on these three leases. TEPI proposes to commingle production from the Siegrest Draw Abo Northeast Pool and the Wildcat Canyon Wolfcamp North Pool with the Dagger Draw Upper Penn North Pool at the above battery. There are presently a total of ten wells from the three leases producing into this battery. Seven wells produce from the Dagger Draw Upper Penn North Pool, one well produces from the Wildcat Canyon Wolfcamp North Pool, one well is proposed to be recompleted into the Wildcat Canyon Wolfcamp North Pool, and one well is proposed to be recompleted into the Siegrest Draw Abo Northeast Pool.

Production will continue to be allocated to each lease by well tests. Each well will continue to be tested for a minimum of twenty- four hours at least once per month through a three phased test separator. All of the working interest ownership on these wells/pools/ leases is 100% TEPI.

Attached for the BLM's information are:

1. A map showing the lease and location of all the wells that contribute production to the facility.
2. A battery schematic diagram identifying all equipment that will be utilized in the operation of the facility.
3. A BLM application for amendment of surface commingling, off-lease storage, and measurement.

14. I hereby certify that the foregoing is true and correct

SIGNATURE Monte C. Duncan TITLE Engr Asst DATE 5/20/96

TYPE OR PRINT NAME Monte C. Duncan

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

TEXACO EXPLORATION & PRODUCTION INC.

DAGGER DRAW

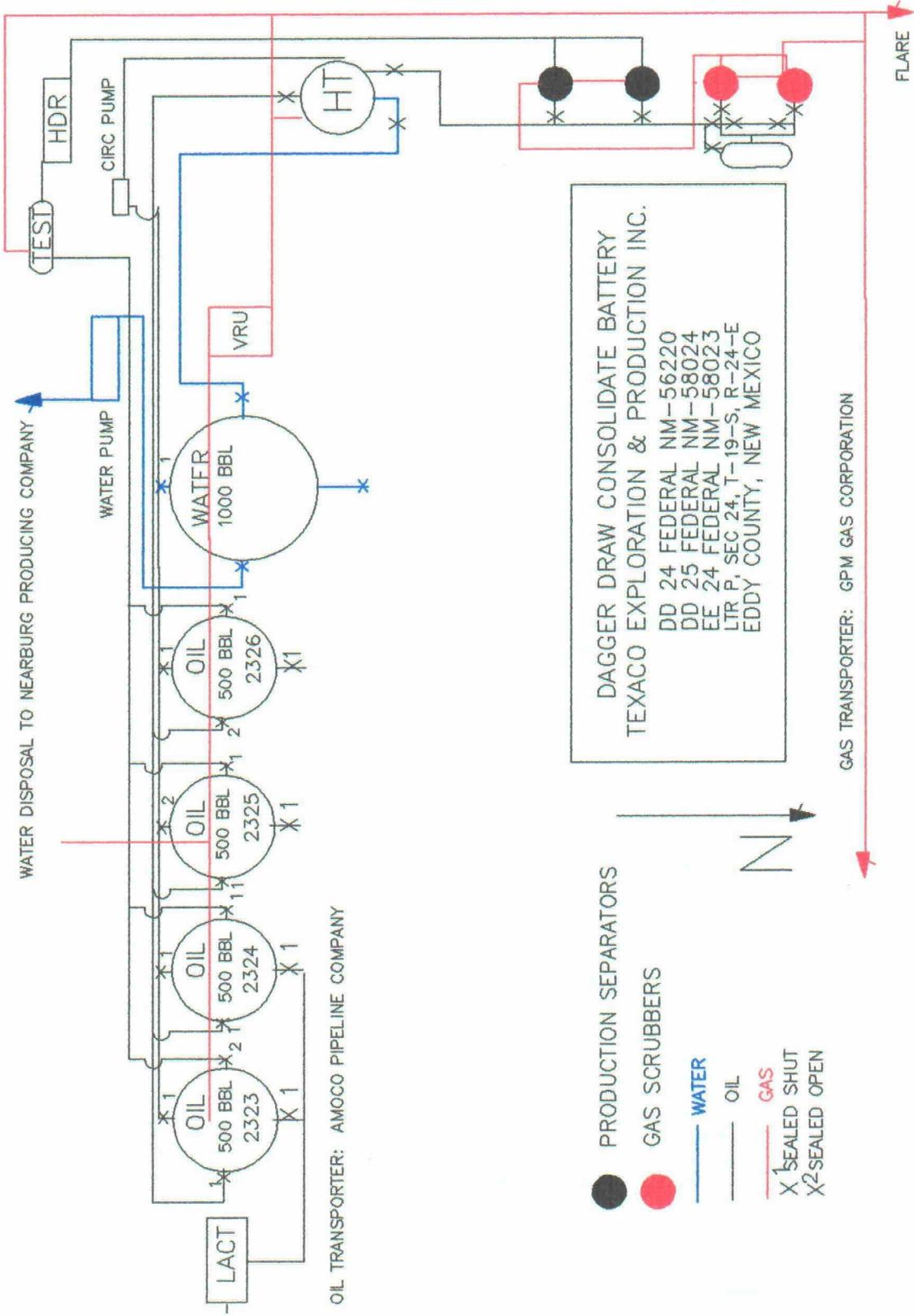
CONSOLIDATED TANK BATTERY

LTR P, SEC 24, T-19-S, R-24-E
 EDDY COUNTY, NEW MEXICO

● PRODUCING WELLS

□ BATTERY

				2 ●
				1 ●
EE 24 FEDERAL				
			4 ●	2 ●
			3 ●	1 ●
SEC 24	DD 24 FEDERAL			□
SEC 25			4 ●	3 ●
			2Y ●	1 ●
DD 25 FEDERAL				



WATER DISPOSAL TO NEARBURG PRODUCING COMPANY

WATER PUMP

CIRC PUMP

LACT

OIL 500 BBL 2323

OIL 500 BBL 2324

OIL 500 BBL 2325

OIL 500 BBL 2326

OIL 500 BBL 2325

OIL 500 BBL 2326

OIL 500 BBL 2326

WATER 1000 BBL

VRU

HT

TEST

HDR

PRODUCTION SEPARATORS

GAS SCRUBBERS

WATER

OIL

GAS

X1 SEALED SHUT

X2 SEALED OPEN

DAGGER DRAW CONSOLIDATE BATTERY
 TEXACO EXPLORATION & PRODUCTION INC.
 DD 24 FEDERAL NM-56220
 DD 25 FEDERAL NM-58024
 EE 24 FEDERAL NM-58023
 LTR P, SEC 24, T-19-S, R-24-E
 EDDY COUNTY, NEW MEXICO



GAS TRANSPORTER: GPM GAS CORPORATION

FLARE

OIL TRANSPORTER: AMOCO PIPELINE COMPANY

CRA BLM FORMAT

APPLICATION FOR SURFACE COMMINGLING,
OFF LEASE STORAGE AND MEASUREMENT

To: Bureau of Land Management
P.O. Box 1778
Carlsbad, New Mexico 88221-1778

Texaco E & P Inc. (Operator's name) is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following formation(s) and well(s) on federal Lease No. NM-56220; Lease Name: DD 24 FEDERAL

Well

<u>No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>DD 24 Federal #1</u>	<u>P</u>	<u>24</u>	<u>19-S</u>	<u>24-E</u>	<u>Siegest Draw Abo NE (Proposed)</u>
<u>DD 24 Federal #2</u>	<u>I</u>	<u>24</u>	<u>19-S</u>	<u>24-E</u>	<u>Dagger Draw Up Penn N</u>
<u>DD 24 Federal #3</u>	<u>O</u>	<u>24</u>	<u>19-S</u>	<u>24-E</u>	<u>Wildcat Canyon WC N</u>
<u>DD 24 Federal #4</u>	<u>J</u>	<u>24</u>	<u>19-S</u>	<u>24-E</u>	<u>Dagger Draw Up Penn N</u>

with hydrocarbon production from the following formation(s) and well(s) on federal Lease No. NM-58024; Lease Name: DD 25 FEDERAL

Well

<u>No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>DD 25 Federal #1</u>	<u>H</u>	<u>25</u>	<u>19-S</u>	<u>24-E</u>	<u>Dagger Draw Up Peen N</u>
<u>DD 25 Federal #2Y</u>	<u>G</u>	<u>25</u>	<u>19-S</u>	<u>24-E</u>	<u>Dagger Draw Up Penn N</u>
<u>DD 25 Federal #3</u>	<u>A</u>	<u>25</u>	<u>19-S</u>	<u>24-E</u>	<u>Wildcat Canyon WC N (Proposed)</u>
<u>DD 25 Federal #4</u>	<u>B</u>	<u>25</u>	<u>19-S</u>	<u>24-E</u>	<u>DaggerDraw Up Penn N</u>

with hydrocarbon production from the following formation(s) and well(s) on federal lease No. NM-58023; Lease Name: EE 24 FEDERAL

Well

<u>No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>EE 24 Federal #1</u>	<u>H</u>	<u>24</u>	<u>19-S</u>	<u>24-E</u>	<u>Dagger Draw Up Peen N</u>
<u>EE 24 Federal #2</u>	<u>A</u>	<u>24</u>	<u>19-S</u>	<u>24-E</u>	<u>Dagger Draw Up Penn N</u>

Production from the wells involved is as follows:

<u>Well Name and No.</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>	<u>Choke</u>
<u>DD 24 Federal #1</u>	<u>5</u>	<u>41.2</u>	<u>51</u>	<i>-(Presently Dagger Draw Up Penn N)</i>
<u>DD 24 Federal #2</u>	<u>12</u>	<u>41.2</u>	<u>295</u>	-
<u>DD 24 Federal #3</u>	<u>41</u>	<u>44.0</u>	<u>192</u>	-
<u>DD 24 Federal #4</u>	<u>12</u>	<u>41.2</u>	<u>332</u>	-
<u>DD 25 Federal #1</u>	SHUT-IN			-
<u>DD 25 Federal #2Y</u>	SHUT-IN			-
<u>DD 25 Federal #3</u>	<u>10</u>	<u>41.2</u>	<u>142</u>	<i>-(Presently Dagger Draw Up Penn N)</i>
<u>DD 25 Federal #4</u>	<u>8</u>	<u>41.2</u>	<u>275</u>	-
<u>EE 24 Federal #1</u>	<u>5</u>	<u>41.2</u>	<u>110</u>	-
<u>EE 24 Federal #2</u>	<u>8</u>	<u>41.2</u>	<u>280</u>	-

The proposed operation is described in detail on the attached diagrams.

A map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling/common storage facility. All unitized/ communitized areas, producing zones/pools are also clearly illustrated.

A schematic diagram is also attached which clearly identifies all equipment that will be utilized.

The storage and measuring facility is located at Unit Ltr. P, Section 24, T-19-S, R-24-E, on lease No. NM-56220 Eddy County, New Mexico. BLM will be notified if there is any future change in the facility location.

Details of the proposed method for allocating production to contribution sources is as follows:

Please see the attached diagram depicting the lease commingling facility installation. This installation is in compliance with the "Manual for the Installation and Operation of Commingling Facilities" which is published by the New Mexico Oil Conservation Division. TEPI proposes to commingle production from the Siegrest Draw Abo Northeast Pool and the Wildcat Canyon Wolfcamp North Pool with the Dagger Draw Upper Penn North Pool at the above battery. There are presently a total of ten wells from the three leases producing into this battery. Seven wells produce from the Dagger Draw Upper Penn North Pool, one well produces from the Wildcat

Canyon Wolfcamp North Pool, one well is proposed to be recompleted into the Wildcat Canyon Wolfcamp North Pool, and one well is proposed to be recompleted into the Siecrest Draw Abo Northeast Pool. Production will continue to be allocated to each lease by well tests. Each well will continue to be tested for a minimum of twenty- four hours at least once per month through a test separator. All of the interest ownership on these wells/pools/ leases is 100% TEPI.

The working interest owners have been notified of the proposal.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced Federal leases.

We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

Additional well require additional commingling approvals.

Signature: 

Name: Monte C. Duncan
Title: Engineer's Assistant
Date: May 20, 1996