



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

**AMENDED COMMINGLING ORDER PC-4
(2ND AMENDMENT)**

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

Attention: Mr. Greg Maes

LEASE NAME: C.H. Lockhart Federal (NCT-1) Lease (Federal Lease No.LC-032100)
DESCRIPTION: N/2 NW/4 and E/2 of Section 18, Township 22 South, Range 38East, NMPM,
Lea County, New Mexico

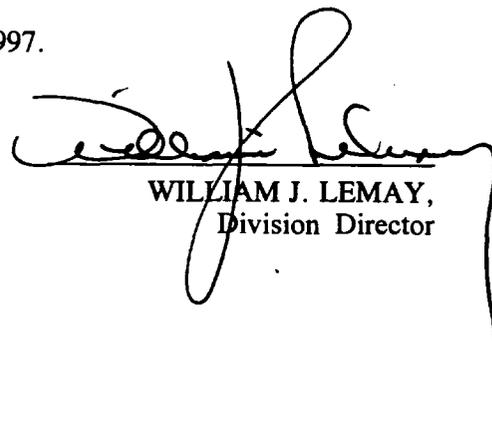
The above-named company is hereby authorized to commingle South Paddock (49210), Blinebry Oil and Gas (6660), Tubb Oil and Gas (60240), South Brunson Drinkard Abo (7900), and Wantz Granite Wash (62730) Pool production in a common tank battery and to determine the production from each pool by well tests. (If this method is to be authorized, all commingled production must be of marginal nature; further, the operator shall notify the Santa Fe office of the Division in the event any well in the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate.)

FURTHER: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

REMARKS: 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.

NOTE: Commingled production shall be stored in the C.H. Lockhart Federal (NCT-1) tank battery facility located in Unit Letter 'J' of Section 18, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

DONE at Santa Fe, New Mexico, on this 17th day of September, 1997.



WILLIAM J. LEMAY,
Division Director

WJL/BES

cc: Oil Conservation Division - Hobbs
Bureau of Land Management - Carlsbad



July 14, 1997

JUL 17 1997

New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Attn: Mr. Ben Stone, New Mexico Oil Conservation Division

RE: Amendment to Commingling Order PC-4
C.H. Lockhart Federal NCT-1 Battery (LC-032100)
Unit letter S, Section 18, T-22-S, R-38-E
2 Blinebry Oil and Gas Pool (06660)
4 Brunson Drinkard-Abo, South Pool (7900)
3 Tubb Oil and Gas Pool (60240)
5 Wantz Granite Wash Pool (62730)
1 Paddock, South Pool (49210)
Lea County, New Mexico

Gentlemen:

Texaco Exploration and Production Inc. requests an amendment to Commingling Order PC-4 concerning the above Federal lease. Attached is a similar request package for amendment to the surface commingling and off-lease storage to the Bureau of Land Management. Approval for the surface commingling and off-lease storage of production from the Blinebry Oil and Gas Pool, the Brunson Drinkard-Abo Pool, the Tubb Oil and Gas Pool and the Wantz Granite Wash Pool was obtained in 1990. Texaco proposes to commingle the production from the Paddock South Pool with the above mentioned Pools at the above battery. There are presently a total of eight wells from the lease producing into this battery. One well produces from the Blinebry Oil and Gas Pool and the Tubb Pool, one well produces from the Blinebry Pool, the Paddock Pool and the Tubb Pool, one well produces from the Blinebry Pool and the Brunson Drinkard-Abo, South Pool, one well produces from the Brunson Drinkard-Abo, South Pool, one well produces from the Wantz Granite Wash and the Brunson Drinkard-Abo, South Pool, and three wells produce from the Blinebry, Tubb, and the Brunson Drinkard-Abo, South Pool. The C.H. Lockhart Federal NCT-1 #4 is proposed to be recompleted into the Paddock, South 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 two phase test separator. All of the working interest ownership on these wells/pools/ leases is 100% TEPI.



I have attached a plat showing the location of both the producing wells and the battery. Also attached is a schematic of the tank battery. The Battery will have one three phase vertical separator to handle the production from the five pools. The oil will continue to be sold to Texas New Mexico Pipeline, and the gas will continue to be sold to Texaco E & P Inc. Water from the battery is disposed of at Texaco's Salt Water Disposal System.

If you have any questions concerning this request, please contact me at 397-0431. Thank you for your assistance in this matter.

Yours very truly,

Greg Maes
Engineer Assistant

cc: Bureau of Land Management



Texaco E & P

215 E. Bender Blvd.
Hobbs, NM 88240
505 393 7191

RECEIVED

1997 JUL 16 A 9 29

July 9, 1997

Bureau of Land Management
2909 West Second Street
Roswell, New Mexico 88201

BUREAU OF LAND MGMT.
ROSWELL OFFICE

Attn: Mr. Armando Lopez, Bureau of Land Management

RE: Amendment to Commingling Order PC-4
C.H. Lockhart Federal NCT-1 Battery (LC-032100)
Unit letter S, Section 18, T-22-S, R-38-E
Blinebry Oil and Gas Pool (06660)
Brunson Drinkard-Abo, South Pool (7900)
Tubb Oil and Gas Pool (60240)
Wantz Granite Wash Pool (62730)
Paddock, South Pool (49210)
Lea County, New Mexico

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Texaco E & P

205 E. Bender Blvd
Hobbs NM 88240
505 393 7191

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Yours very truly,

Greg Maes
Engineer Assistant

cc: New Mexico Oil Conservation Division

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N. H. ON COPY
100-110-110
100-110-110

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

SUBMIT IN TRIPLICATE

| | |
|--|--|
| 1. Type of Well: <input checked="" type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER | 5. Lease Designation and Serial No. LC 032100 |
| 2. Name of Operator TEXACO EXPLORATION & PRODUCTION INC. | 6. If Indian, Allottee or Tribe Name |
| 3. Address and Telephone No. 205 E. Bender, HOBBS, NM 88240 397-0431 | 7. If Unit or CA, Agreement Designation |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit Letter <u>H</u> : Feet From The _____ Line and _____ Feet From The _____ Line Section <u>18</u> Township <u>22S</u> Range <u>38E</u> | 8. Well Name and Number LOCKHART, C. H. FEDERAL NCT-1 |
| | 9. API Well No. |
| | 10. Field and Pool, Exploaratory Area Paddock/Blinebry/Tubb/Drinkard/Wantz GW |
| | 11. County or Parish, State LEA, NEW MEXICO |

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"/> Atlering Casing |
| | <input checked="" type="checkbox"/> OTHER: Amend surf. comm. & off Lease |
| | <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 Commingling Order PC-4 concerning the above Federal lease. Approval for the surface commingling and off-lease storage of production from the Blinebry Oil and Gas Pool, the Brunson Drinkard-Abo Pool, the Tubb Oil and Gas Pool and the Wantz Granite Wash Pool was obtained in 1990. Texaco proposes to commingle the production from the Paddock South Pool with the above mentioned Pools at the above battery. There are presently a total of eight wells from the lease producing into this battery. One well produces from the Blinebry Oil and Gas Pool and the Tubb Pool, one well produces from the Blinebry Pool, the Paddock Pool and the Tubb Pool, one well produces from the Blinebry Pool and the Brunson Drinkard-Abo, South Pool, one well produces from the Brunson Drinkard-Abo, South Pool, one well produces from the Wantz Granite Wash and the Brunson Drinkard-Abo, South Pool, and three wells produce from the Blinebry, Tubb, and the Brunson Drinkard-Abo, South Pool. The C.H. Lockhart Federal NCT-1 #4 is proposed to be recompleted into the Paddock, South 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 two phase 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.

SEE ATTACHED MAP
CONDITIONS OF APPROVAL

BUREAU OF LAND MGMT.
HOBBS, NEW MEXICO

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

SIGNATURE V. Greg Maes TITLE Engineering Assistant DATE 7/14/97

TYPE OR PRINT NAME V. Greg Maes

(This space for Federal or State office use)

APPROVED BY (ORIG. SGD.) ARMANDO A. LOPEZ TITLE PETROLEUM ENGINEER DATE 7/17/97

CONDITIONS OF APPROVAL, IF ANY:

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. LC-032100 Lease Name: C.H. LOCKHART FEDERAL NCT-1

| <u>Well No.</u> | <u>Loc.</u> | <u>Sec.</u> | <u>Twp.</u> | <u>Rng.</u> | <u>Formation</u> |
|--------------------------|-------------|-------------|-------------|-------------|-------------------------------------|
| <u>C.H. LOCKHART #2</u> | <u>D</u> | <u>18</u> | <u>22-S</u> | <u>38-E</u> | <u>Blinebry - Tubb</u> |
| <u>C.H. LOCKHART #3</u> | <u>O</u> | <u>18</u> | <u>22-S</u> | <u>38-E</u> | <u>Blinebry, Paddock, Tubb</u> |
| <u>C.H. LOCKHART #4</u> | <u>J</u> | <u>18</u> | <u>22-S</u> | <u>38-E</u> | <u>Blinebry, Drinkard, Tubb</u> |
| <u>C.H. LOCKHART #5</u> | <u>C</u> | <u>18</u> | <u>22-S</u> | <u>38-E</u> | <u>Blinebry, Drinkard, Tubb</u> |
| <u>C.H. LOCKHART #6</u> | <u>G</u> | <u>18</u> | <u>22-S</u> | <u>38-E</u> | <u>Blinebry, Drinkard, Tubb</u> |
| <u>C.H. LOCKHART #7</u> | <u>P6</u> | <u>18</u> | <u>22-S</u> | <u>38-E</u> | <u>Blinebry - Drinkard</u> |
| <u>C.H. LOCKHART #9</u> | <u>I</u> | <u>18</u> | <u>22-S</u> | <u>38-E</u> | <u>Brunson Drinkard-Abo, S.</u> |
| <u>C.H. LOCKHART #10</u> | <u>H</u> | <u>18</u> | <u>22-S</u> | <u>38-E</u> | <u>Shut in</u> |
| <u>C.H. LOCKHART #11</u> | <u>D</u> | <u>18</u> | <u>22-S</u> | <u>38-E</u> | <u>Wantz Granite Wash, Drinkard</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>C.H. LOCKHART #2</u> | <u>5</u> | <u>39.8</u> | <u>80</u> | <u>-</u> |
| <u>C.H. LOCKHART #3</u> | <u>17</u> | <u>39.8</u> | <u>80</u> | <u>-</u> |
| <u>C.H. LOCKHART #4</u> | <u>8</u> | <u>39.8</u> | <u>30</u> | <u>-</u> |
| <u>C.H. LOCKHART #5</u> | <u>2</u> | <u>39.8</u> | <u>30</u> | <u>-</u> |
| <u>C.H. LOCKHART #6</u> | <u>2</u> | <u>39.8</u> | <u>30</u> | <u>-</u> |
| <u>C.H. LOCKHART #7</u> | <u>5</u> | <u>39.8</u> | <u>2</u> | <u>-</u> |
| <u>C.H. LOCKHART #9</u> | <u>2</u> | <u>39.8</u> | <u>10</u> | <u>-</u> |
| <u>C.H. LOCKHART #10</u> | <u>Shut-in</u> | | | |
| <u>C.H. LOCKHART #11</u> | <u>32</u> | <u>39.8</u> | <u>80</u> | <u>-</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. H, Section 18, T-22-S, R-38-E, on lease No. LC-032100 Lea 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. Texaco proposes to commingle the production from the Paddock South Pool with the above mentioned Pools at the above battery. There are presently a total of eight wells from the lease producing into this battery. One well produces from the Blinebry Oil and Gas Pool and the Tubb Pool, one well produces from the Blinebry Pool, the Paddock Pool and the Tubb Pool, one well produces from the Blinebry Pool and the Brunson Drinkard-Abo, South Pool, one well produces from the Brunson Drinkard-Abo, South Pool, one well produces from the Wantz Granite Wash and the Brunson Drinkard-Abo, South Pool, and three wells produce from the Blinebry, Tubb, and the Brunson Drinkard-Abo, South Pool. The C.H. Lockhart Federal NCT-1 #4 is proposed to be recompleted into the Paddock, South 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 two phase test separator. All of the working 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 wells require additional commingling approvals.

Signature: 

Name: Greg Maes

Title: Engineer Assistant

Date: July 14, 1997

TEXACO E & P INC.

C.H. LOCKHART
FEDERAL NCT-1 TANK
BATTERY

E/2, N/2 of NW/4, SEC.
18, T-22-S, R-38-E

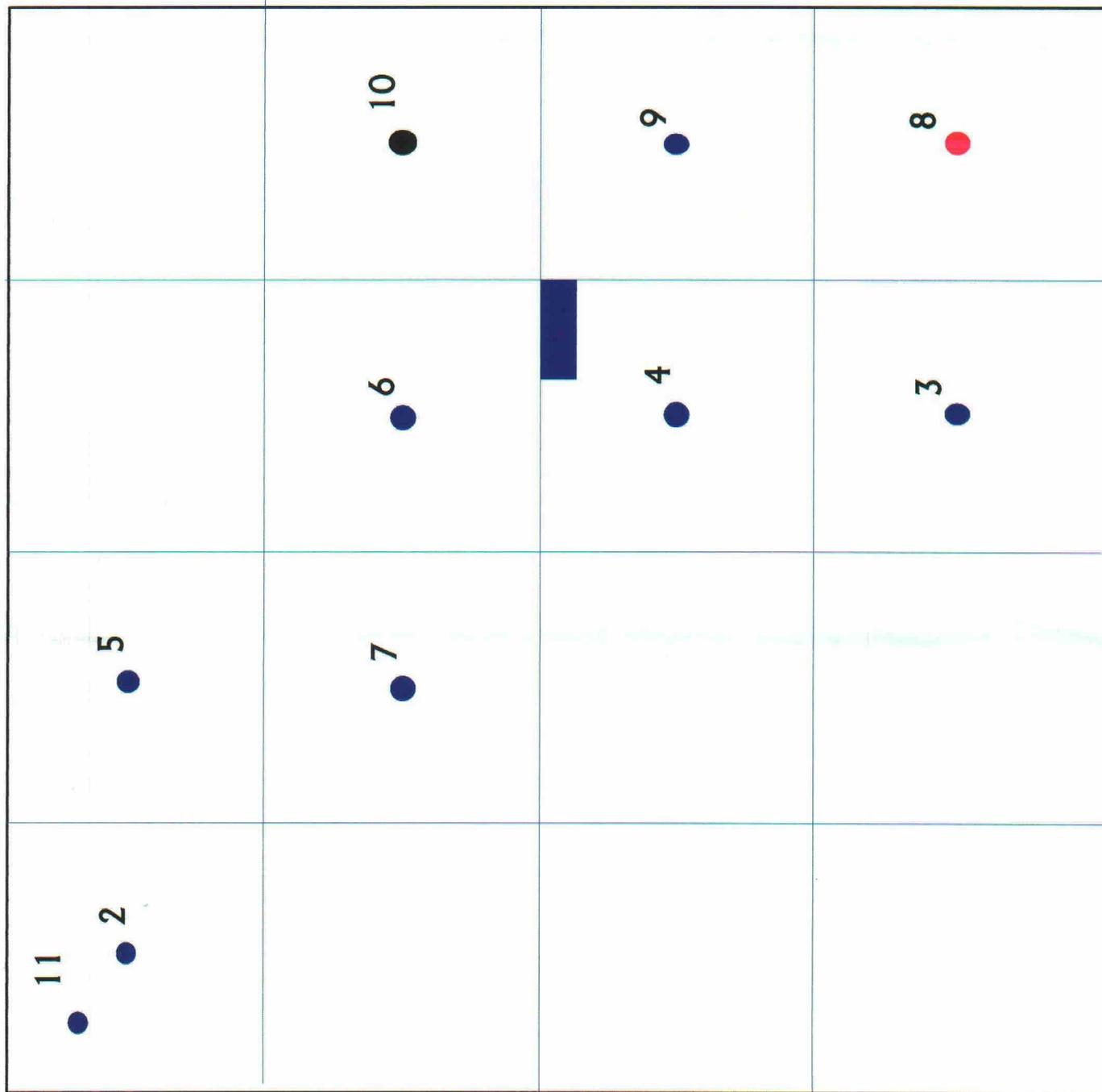
LEA COUNTY,
NEW MEXICO

● Producing wells

● Non-Producing wells

● SWD

■ BATTERY



TEXACO EXPLORATION AND PRODUCTION INC. C.H. LOCKHART FEDERAL NCT-1 TANK BATTERY E/2,N/2 of NW/4, Section 18, T-22-S, R-38-E LEA COUNTY, NEW MEXICO

