

OIL CONSERVATION DIVISION
RECEIVED
1992 DEC 21 07 08 52



December 18, 1992

Mr. Ben Stone
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

RE: Application to Commingle Tank Batteries
E. C. Hill Federal Lease
Sections 34,35 - T23S - R37E
Lea County, New Mexico

Dear Ben:

Per our conversation today, the following description is intended to help to clarify the past and current status of the wells to be commingled into one tank battery on the E. C. Hill Federal Lease, operated by Plains Petroleum Operating Company.

Initially, I would like to clarify the Federal lease number discrepancy noticed on the C-115 Forms that I faxed to you on Wednesday, December 16, 1992. The Federal lease numbers listed on the C-115 forms for the Teague-Paddock wells are incorrect, the Federal lease number should be the same as the Teague-Blinebry wells, 71-064118, to indicate a common lease for all E. C. Hill Federal wells.

Please note that the prior operator's naming convention for the E.C. Hill Federal wells was: 'B' for a Blinebry producer as in E. C. Hill 'B' Federal No. 1; and 'D' for a Devonian/Abo producer as in E. C. Hill 'D' Federal No. 1; and 'E' for Ellenburger producer. Subsequent to this naming convention, the E. C. Hill 'B' Nos. 1, 2 and 4 have been recompleted from the Teague-Blinebry zone to the Teague-Paddock zone in October 1990, October 1992, and November 1991, respectively. In addition, the E. C. Hill 'D' Federal No. 6 was recompleted from the Devonian and Abo to the Blinebry in April 1992. Conversely, the E. C. Hill 'B' Federal No. 5 was recompleted from the Blinebry to the Abo in September 1989.

Prior to the recompletion of the E. C. Hill 'B' Federal No. 1 from the Blinebry to the Paddock, the previous operator produced the well to the E. C. Hill 'B' Federal battery. After the recompletion, the well was produced to a separate tank battery, named the E.C. Hill 'B-1' battery. At this time, all of the Blinebry producers along with the E.C. Hill 'B' No. 5 were produced to the E. C. Hill 'B' battery and the remaining Devonian/Abo producers were produced to the E.C. Hill 'D' battery.

After the E. C. Hill Nos. B-4, D-6, and B-2 were recompleted, they wells were produced to the same tank batteries as they produced to before being recompleted, or in other words they were not produced to a different tank battery after being completed in a different zone.

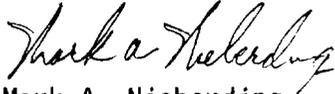
Furthermore, the E.C. Hill 'B' Nos. 7 and 8, which were recently drilled in May and September 1992 respectively, have been produced to the E. C. Hill 'B' battery.

At this time, I believe the above description is an accurate account of the status of the E.C. Hill Federal wells and history of the particular wells producing to each tank battery. The following table summarizes the E.C. Hill Federal wells, their producing zone, well location, and tank battery prior to the consolidation of the E.C. Hill 'B-1', 'B', and 'D' tank batteries into the E.C. Hill Federal Lease tank battery.

Well Name	Producing Zone	Well Location	Tank Battery
E.C. Hill 'B' No. 1	Paddock	Sec. 34A-23S-37E	B-1
E.C. Hill 'B' No. 2	Paddock	Sec. 34H-23S-37E	B
E.C. Hill 'B' No. 3	Blinebry	Sec. 34B-23S-37E	B
E.C. Hill 'B' No. 4	Paddock	Sec. 34G-23S-37E	B
E.C. Hill 'B' No. 5	Abo	Sec. 34B-23S-37E	B
E.C. Hill 'B' No. 6	Blinebry	Sec. 35E-23S-37E	B
E.C. HILL 'B' No. 7	Blinebry	Sec. 34J-23S-37E	B
E.C. Hill 'B' No. 8	Blinebry	Sec. 34O-23S-37E	B
E.C. Hill 'D' No. 1	Devonian	Sec. 34H-23S-37E	D
E.C. Hill 'D' No. 3	Abo	Sec. 35D-23S-37E	D
E.C. Hill 'D' No. 4	Devonian	Sec. 34A-23S-37E	D
E.C. Hill 'D' No. 5	Abo	Sec. 35E-23S-37E	D
E.C. Hill 'D' No. 6	Blinebry	Sec. 34I-23S-37E	D

If you should have any questions, please call me at (915)-683-4434.

Sincerely yours,
Plains Petroleum Operating Company


 Mark A. Nieberding
 Petroleum Engineer



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

December 22, 1992

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Plains Petroleum Operating Company
415 West Wall Street, Suite 1000
Midland, Texas 79701

Attention: Dominic J. Bazile
Mark A. Nieberding

*RE: Unacceptable Production
Commingling Practices*

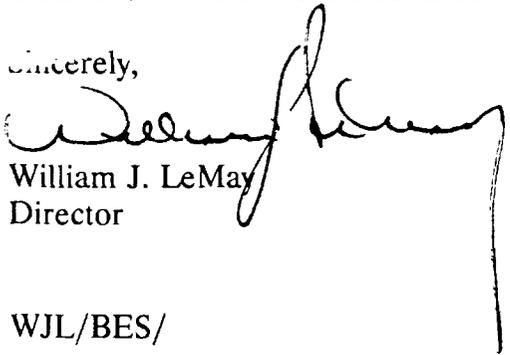
Dear Sirs:

Reference is made to your company's recent application to commingle production from several pools in the E.C. Hill Federal lease. In the process of my staff's review of the application, it became apparent that production commingling had indeed been implemented prior to applying for such authority. The fact that commingling occurred during the re-completion of several wells in the lease, does not relieve the operator of its responsibility to conduct operations in accordance with Division Rules and Regulations.

This letter will serve as notice that future similar operations by your company, will be conducted in strict compliance with said rules and regulations.

When there is any question as to procedure, please contact the Supervisor of the applicable OCD District Office for assistance.

Sincerely,


William J. LeMay
Director

WJL/BES/

cc: OCD - Hobbs



August 18, 1992

New Mexico Oil Conservation Division
 P. O. Box 1980
 Hobbs, New Mexico 88240
 Attention: Jerry Sexton

United States Department of Interior
 Bureau of Land Management
 P. O. Box 1778
 Carlsbad, New Mexico 8820
 Attention: Mr. Barry Hunt

Subject: Tank Battery Consolidation
 E. C. Hill Federal Lease
 Lea County, New Mexico

Gentlemen:

In regard to my discussion with Mr. Shannon Shaw and Ms. Evelyn Downs of your respective offices, I am attaching a Sundry Notice and supplemental information on the referenced subject.

Construction and modification of the batteries will begin immediately, following your approval.

Should you require additional information, please contact me at 915/683-4434.

Sincerely,
 PLAINS PETROLEUM OPERATING COMPANY

D. J. Bazile
 Dominic J. Bazile
 Petroleum Engineer

Attachments

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

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—" for such proposals.)

5. LEASE DESIGNATION AND SERIAL NO.
LC 064118

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
E. C. Hill 'B & D' Federal

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT
Blinebry, Devonian
Teague (ABO, Paddock, Glorie

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 35, T23S, R37E

12. COUNTY OR PARISH | 13. STATE
Lea | NM

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Plains Petroleum Operating Company

3. ADDRESS OF OPERATOR
415 W. Wall, Suite 1000, Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface

14. PERMIT NO. | 15. ELEVATIONS (Show whether DP, RT, GR, etc.)

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANE <input checked="" type="checkbox"/>	(Other) <input type="checkbox"/>	(Other) <input type="checkbox"/>

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

17. 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.)*

Plains Petroleum Operating Company proposes to commingle the E. C. Hill 'B' Federal and 'D' Federal Batteries to reduce expenses. The 'B' Battery presently receives production from the Blinebry and Paddock formations and the 'D' Battery production is from the Blinebry, ABO and Devonian. The majority of the production is in the 'D' Battery and receives a sour crude posting. By combining batteries and installing a well testing facility, a monthly well test report would be achieved for oil, gas, and water. Also, by blending the crude, the sulfur content may be reduced to receive sweet crude posting. This request is made in the interest of conservation of natural resources because only one pipeline would be in service and eliminate the risk of leaks occurring on two lines.

82.5' - 12.5' BLM 5% AMEN - CATER FORMER

82.8' - 12.5' BLM

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

SIGNED [Signature] TITLE Petroleum Engineer DATE 8-18-92

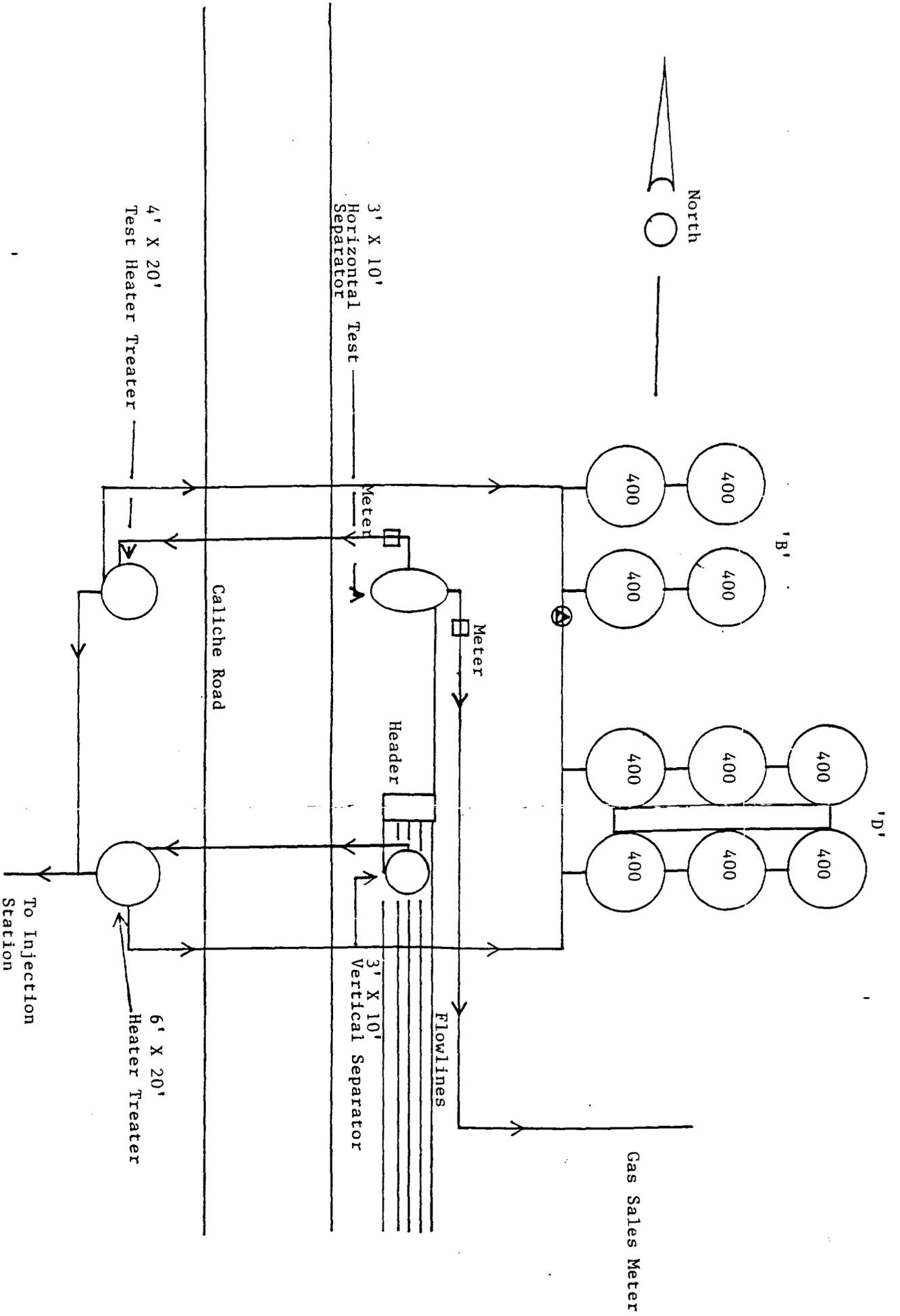
(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

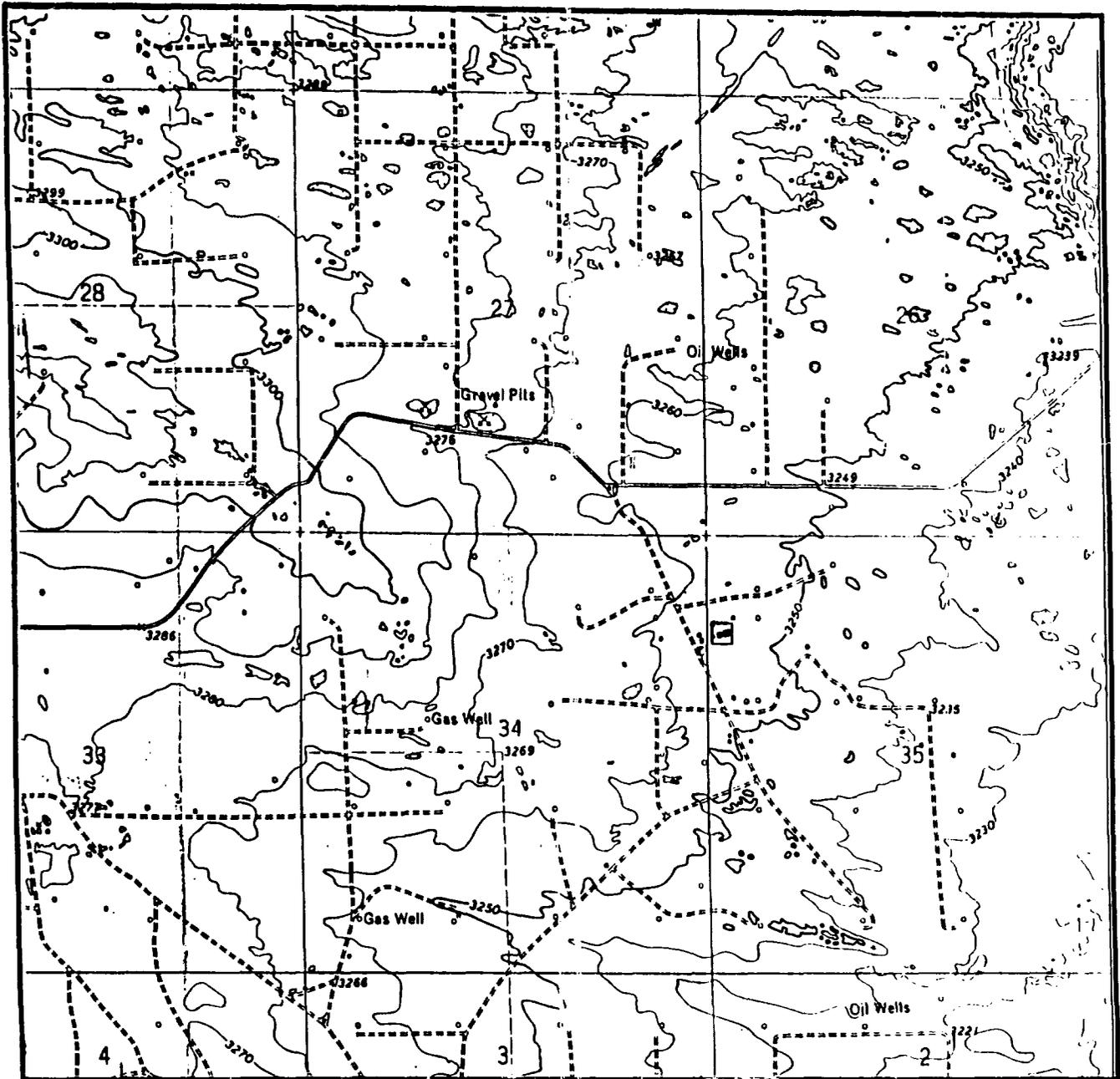
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

E. C. HILL 'B' & 'D' FEDERAL BATTERY



LOCATION & ELEVATION VERIFICATION MAP



SCALE : 1" = 2000'

CONTOUR INTERVAL 10'

SECTION 35 TWP 23-S RGE 37-E
 SURVEY NEW MEXICO PRINCIPAL MERIDIAN
 COUNTY LEA STATE NM

OPERATOR PLAINS PETROLEUM OPER. CO.
 LEASE E. C. Hill Federal Lease

U.S.G.S. TOPOGRAPHIC MAP
RATTLESNAKE CANYON, N. MEX.

SCALED LAT. N 32°15'52"
 LONG. W 103°08'01"



This location has been very carefully staked on the ground according to the best official survey records, maps, and other data available to us.
 Review this plot and notify us immediately of any possible discrepancy.

TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

1307 N. HOBART
 PAMPA, TX. 79065
 (806) 665-7218

2903 N. B.G SPRING
 MIDLAND, TX. 79705
 (915) 682-1653

621 SUNSET CIRCLE
 HOBBS, NM. 88240
 (505) 392-5173

RECEIVED
AUG 19 1992
OCD HOBBS OFFICE

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

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

Company of Operator Plains Petroleum Operating Company
 Address 415 West Wall, Suite 1000, Midland, TX 79705
 For Month, Year OCT 1992 Page 14 of 14

POOL NAME (Underline) *1889 Name WELL NO. UNIT SEC. TWP RANG	WELL STATUS	INJECTION		PRODUCTION			DISPOSITION OF GAS			DISPOSITION OF OIL					
		VOLUME	PRESS.	BARRELS PRODUCED	BARRELS OF WATER PRODUCED	GAS PRODUCED PILOT	DAYS PROD	SOLD	TRANS- FER	OTHER	OK ON HAND AT BEG. OF MONTH	BARRELS TO TRANS- PORTER	TRANS- FER	OTHER	OK ON HAND AT END OF MONTH
COMMINGLED BATTERIES SOUTH TEAGUE-ABO E.C. HILL B FED	P			97	1064	733	31	733							
E.C. HILL D FED 1889	P			104	355	256	31	256							
TEAGUE BUNEBRY E.C. HILL B FED 1889	F			2346	5077	7181	31	7181							
E.C. HILL D FED 1889	F			678	835	8258	21	8258							
TEAGUE DEVONION E.C. HILL D FED	F			229	97	1316	31	1316							
BATTERY TOTAL	P			3644	9455	18422	31	18422	SRC		686	3587	TNM		743

DISTRIBUTION
 Original OGD State Fe
 One Copy OGD Dist. Office
 in which lease is located
 One Copy to Transporter (4)
 DATE DUE
 To be postmarked by 24th day of next
 succeeding month.

STATUS CODE
 F FLOWING
 P PUMPING
 Q QUAULT
 S SHUT IN
 T TEMP ABANDONED
 I INJECTION
 D DISCONTINUED

OTHER GAS DISPOSITION CODE
 X USED OFFLEASE
 D USED FOR DRILLING
 B GAS LIFT
 L LOST PRT ESTIMATED
 E EXPLANATION ATTACHED
 R REPAIRS, INSURING OR
 PRESSURE MAINTENANCE
 V VENTED
 U UNLEADED

OTHER OIL DISPOSITION CODE
 C CIRCULATING OIL
 L LOST
 S SEDIMENTATION (S & M)
 E EXPLANATION ATTACHED
 T TEST

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE

Bonnie Husband
 Office Manager/Teach
 Signature: *Bonnie Husband*
 Position: Office Manager/Teach
 Date: 11/25/92

915/683-4434
 PHONE NUMBER

DISTRICT I
P.O. Box 1989, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brans Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION

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

OPERATOR'S MONTHLY REPORT
Form C-115 - Revised 1/1/89
See Distribution and Code
Information Bottom of Page

Company Plains Petroleum Operating Company Address 415 W. Wall Suite 1000 Midland, TX 79701 For Month Sept. 1992 Page 14 of 14
or Operator

POOL NAME (Underline)
*Lease Name

WELL NO. UNIT SEC. TWP RANG

LEASE NAME - Include State Land Lease Number or Federal Lease Number

COMMINGLED BATTERIES
SOUTH TEAGUE-ABO

E.C. HILL B FED 34 23 37

E.C. HILL D FED 1 H 24 37

TEAGUE BLINBERRY

E.C. HILL B FED 24 23 37

E.C. HILL D FED 24 23 37

TEAGUE DEVONION

E.C. HILL D FED 24 23 37

~~E.C. HILL D FED 24 23 37~~

BATTERY TOTAL

WELL NO. UNIT SEC. TWP RANG	LEASE NAME	STATUS	INJECTION		PRODUCTION			DISPOSITION OF GAS			DISPOSITION OF OIL							
			VOLUME	PRESS.	BARRELS OIL/1000 PRODUCED	BARRELS OF WATER PRODUCED	GAS PRODUCED (MCF)	DATE PROD.	SOLD	TRANS-FOR-TER	OTHER	ON OH HAND AT END OF MONTH	BARRELS TO TRANS-PORTER	TRANS-FOR-TER	OTHER	OIL OH HAND AT END OF MONTH		
	COMMINGLED BATTERIES																	
	SOUTH TEAGUE-ABO																	
	E.C. HILL B FED	P			128	131	537	30	537									
	E.C. HILL D FED	P			34	44	455	30	455									
	TEAGUE BLINBERRY																	
	E.C. HILL B FED	P			3099	625	5262	30	5262									
	E.C. HILL D FED	F			482	38	4034	30	4034									
	TEAGUE DEVONION																	
	E.C. HILL D FED	P			89	127	208	30	208									
	E.C. HILL D FED	P			94	108	164	30	164									
	E.C. HILL D FED	G			23	26	289	30	289									
	E.C. HILL D FED	P			3949	1099	10949		10949	E2N					607	3870	T2M	686

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preceding month.

STATUS

STANDARD CODE
FLOWING
PLUING
GAS LIFT
SHUT IN
TEMP ABANDONED
TEMP ABANDONED
DISCONTINUED

OTHER GAS DISPOSITION CODE
USED OFF LEASE
USED FROM DRILLING
GAS LIFT
LIFT INJECT ESTIMATE
EXPLANATION ATTACHED
PRESSURE MAINTENANCE
VENTED
USED ON LEASE

OTHER OIL DISPOSITION CODE
CIRCULATING OIL
LOST
SEDIMENTATION @ 8.8 W
EXPLANATION ATTACHED
DIEFT

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE

Bonnie Husband (915) 683-4434
Office Manager/Tech POSITION PHONE NUMBER

Bonnie Husband
10-22-92

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240
 DISTRICT II
 P.O. Drawer DD, 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

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

OPERATOR'S MONTHLY REPORT
 Form C-115 - Revised 11/89
 See Distribution and Code
 Information Bottom of Page

Company Platina Petroleum Operating Company Address 415 W. Wall, Suite 1000 Zip 79701 For Month Sept. 1992 Page 8 of 14
 or Operator Midland, Texas Year

POOL NAME (Underline) *Lease Name WELL NO. UNIT SEC. TWP RANG	LEASE NUMBER - Include State Land Lease Number or Federal Lease Number TEAGUE BLINBERY	STATUS P F F F	INJECTION		PRODUCTION			DISPOSITION OF GAS			DISPOSITION OF OIL						
			VOLUME	PRESS.	BARRELS OF WATER PRODUCED	BARRELS OF GAS PRODUCED (net)	DAYS PROD.	WELL SOLD	TRANS-PORTER	OTHER	OK ON HAND AT BEG. OF MONTH	BARRELS TO TRANS-PORTER	TRANS-PORTER	OTHER	OK ON HAND AT END OF MONTH		
<u>E C HILL B FED 71-64118</u>	<u>27-34-23-37</u>	P			27	264	328	30	328								
3-8-34-23-37	27-34-23-37	F			26	240	299	30	299								
3-8-34-23-37	27-34-23-37	F			14	296	180	30	180								
Lease Totals					67	800	807		807					224	60	TNM	231
<u>TEAGUE DEVONIAN</u>																	
<u>BAYLUS CADE FED 71-034711</u>	<u>4 L 35 23 37</u>	P			318	4776	1048	30	1048	EPN			72	257	TNM		133
<u>TEAGUE-PADDOCK</u>																	
<u>E C HILL B FED 71-034711</u>	<u>37</u>	P			336	16094	2202	30	2202	EPN			141	179	SCP		298
37	37	P															
<u>E C HILL B FED</u>	<u>37</u>	P			313	300	209	30	209	EPN			145	274	TNM		184

DISTRIBUTION
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 One Copy OGD Dist. Office
 One Copy to Transporter (6)
 One Copy to Transmitter (6)
 DATE DUE
 To be submitted by 20th day of next
 succeeding month.

STATUS
 F FLOWING
 P PLUMPING
 Q GAS LIFT
 R SHUT IN
 T YEAR ABANDONED
 U DISCONTINUED

OTHER INFORMATION CODE
 K USED OFF LEASE
 D USED FOR DRILLING
 Q GAS LIFT
 LOST IN CP ESTIMATED
 E EXPLANATION ATTACHED
 A REPAIRS REQUIRED
 PRESSURE MAINTENANCE
 V VENTED
 U US-DRY LEASE

OTHER INFORMATION CODE
 C DRILLING ON
 LOST
 SEDIMENTATION 8 & M
 EXPLANATION ATTACHED
 T HSEI

DISPOSITION OF GAS
 C O D E
 OK ON HAND AT BEG. OF MONTH

DISPOSITION OF OIL
 C O D E
 OK ON HAND AT END OF MONTH

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE

Bonnie Husband (915) 683-4434
 Office Manager/Tech
 PHONE NUMBER

POSITION
 10-79-00

