District 1 - (505) 393-6161

Hobbs, NM 88241-1980 **Distric!** II - (505) 748-1283

PO Box 1980

811 S. First

new iviexico

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Energy Minerals and Natural Resources Department Oil Conservation Division

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

Submit Original Plus 2 Copies to appropriate District Office

Originated 11/1/95

Artesia, NM 88210

<u>District III</u> - (505) 334-6178
1000 Rio Brazos Road
Aztee, NM 87410

APPLICATION FOR QUALIFICATION OF WELL WORKOVER PROJECT AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION AND ALL ATTACHMENTS MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE CONSERVATION DIVISION.

I.	Operato	or: Texaco Exploration & Production Inc OGRID #: 1	31994
	Addres	s: 3300 N. Butler, Ste. 100, Farmington, New Mexico 87401	***************************************
	Contact	t Party: Mark Reinhold Phone #: (505) 325-4397 e	x. 19
II.	Locatio	of Well: Jicarilla C #18 API #: 3 on of Well: Unit Letter: H, 1850 feet from the North line and 790 feet from a 28 , Township 25N ,Range 5W, NMPM, Rio Arriba	n the <u>East</u> line,
III.		/orkover Procedures Commenced: 12/12/95 /orkover Procedures were Completed: 1/22/96	
IV.	Attach	a description of the Workover Procedures undertaken to increase the projection from	n the Well.
V.	table sh	an estimate of the production rate of the Well (a production decline curve or other a nowing monthly oil and/or gas Project Production) based on at least twelve (12) mor tion which shows the future rate of production based on well performance prior to p	nths of established
VI.	Pool(s)	on which Production Projection is based: Otero Gall	lup
VII.	AFFID.	AVIT: f New Mexico)	PECEIN APR - 2 19
	County	of San Juan	OM COAL
		Rached Hindi , being first duly sworn, upon oath st	tates: 2127 %
	1.	I am the Operator or authorized representative of the Operator of the above referen	nced Well.
	2.	I have made, or caused to be made, a diligent search of the production records wh available and contain information relevant to the production history of this Well. Restoration Project.	ich are reasonably
	3.	To the best of my knowledge, the data used to prepare the Production Projection f and accurate and this projection was prepared using sound petroleum engineering (Name)	•
		Senior Engineer - Farmington Opera (Title)	ting Unit

	AND SWORN TO before me this	
		Notary Public
Му Сс	mmission expires: /- -20</th <th>•</th>	•
	IL CONSERVATION DIVISION	
VIII.	CERTIFICATION OF APPROV	
	(Laws 1995, Chapter 15, Sections 1	f Well Workover Project is hereby approved and the above referenced Well is ect pursuant to the "Natural Gas and Crude Oil Production Incentive Act" through 8). The Oil Conservation Division hereby verifies the Production projection
	the Well Workover Project attached	to this application. By conv of this Application and Cartification of Approval, the Div
	the Well Workover Project attached	to this application. By copy of this Application and Certification of Approval, the Divide and Revenue Department of this Approval and certifies that this Well Workover Projection 1976.
	the Well Workover Project attached	to this application. By copy of this Application and Certification of Approval, the Divide and Revenue Department of this Approval and certifies that this Well Workover Proj

Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED Budget Bureau No. 1004-0135

Expires: March 31, 1993

Do not use this form for proposals to	S AND REPORTS ON WELLS drill or to deepen or reentry to a different reservoir. FOR PERMIT" for such proposals	5. Lease Designation and Serial No. JIC CONTRACT 34 6. If Indian, Alottee or Tribe Name JICARILLA APACHE
SUBN	IIT IN TRIPLICATE	7. If Unit or CA, Agreement Designation
. Type of Well: OIL GAS WELL	OTHER	8. Well Name and Number JICARILLA C
P. Name of Operator FOUR STAR OIL A	ND GAS COMPANY	18
Address and Telephone No. 3300 N. Butler Ave., Suite 100 Location of Well (Footage, Sec., T., R., M., or Suite 100 Unit Letter H : 1850 Feet From Ti		9. API Well No. 3003905837 10. Field and Pool, Exploratory Area OTERO GALLUP (GAS) 11. County or Parish, State RIO ARRIBA, NM
2. Check Appropriate	Box(s) To Indicate Nature of Notice, Ro	eport, or Other Data
TYPE OF SUBMISSION		YPE OF ACTION
✓ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing OTHER:	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form.)
3. Describe Proposed or Completed Operations (Clean	orly state all pertinent details, and give pertinent dates, inclu	iding estimated date of starting any proposed work

TEXACO E. & P., INC. HAS RE-OPENED THE OTERO GALLUP ZONE IN THE SUBJECT WELL. THE FOLLOWING PROCEDURE WAS FOLLOWED:

12/12/95. MIRUSU. POOH WITH PRODUCTION EQUIPMENT. RIH WITH TBG AND BIT. TAGGED AND DRILLED CIBP @ 3700'. CLEANOUT FILL TO 6207'. POOH. RIH WITH 2-3/8", 4.6# PRODUCTION TBG WITH SN @ 6159'. RU AND SWABBED. 12/18/95. RDMOL. PUT ON PRODUCTION.

14. Thereby certify that the foregoing is true and correct SIGNATURE SIGNATURE		_ TITLE_	Operating Unit Manager	DATE	3/19/96
TYPE OR PRINT NAME Ted A	A. Tipton				
(This space for Federal or State office use)	100				
APPROVED CONDITIONS OF APPROVAL, IF ANY:	TITLE		DAT	E	

If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work,)*.

ı

Discussion of Proposed Base Production Forecast Jicarilla C #18

We request that all production allocated to the Otero Gallup pool receive the workover incentive tax rate. Therefore, the proposed based production forecast is zero and all Gallup production will be considered an incremental increase due to the workover. In January of 1996, we re-entered the Otero Gallup interval and downhole commingled with 27 MCFD of existing Chacra production (Chacra decline curve attached) under administrative order DHC-1119 (copy attached). In 1965, the Otero Gallup completion in the subject well was plugged back and recompleted in the Otero Chacra gas pool. Prior to the plug back, the Gallup was producing 3 BOPD and 37 MCFD (Gallup decline curve attached).

STAFF OF THE STAFF

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 S. PACHECO SANTA FE, NEW MEXICO 87505 1505) 827-7131

ADMINISTRATIVE ORDER DHC-1119

Ted A. Tipton
Texaco Exploration & Production, Inc.
3300 North Butler Avenue
Farmington, New Mexico 87401

Attention: Ted A. Tipton

Jicarilla 'C' Well No.18 Unit H, Section 28, Township 25 North, Range 5 West Rio Arriba County, New Mexico.

Otero Chacra and Otero Gallup Pools

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Dear Mr. Tipton:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 20 barrels per day, and total water production shall not exceed 40 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Otero Chacra Pool	Oil	0 %	Gas	40 %
Otero Gallup Pool	Oil	100 %	Gas	60 %

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

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 7th day of April, 1995.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

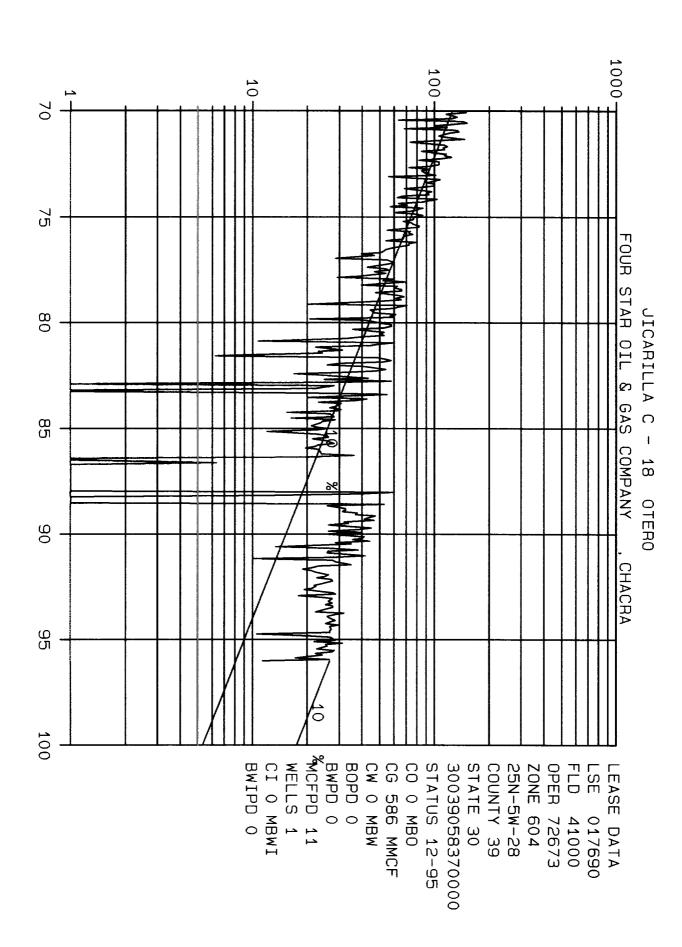
WILLIAM J. LEMAY

Director

SEAL

WJL/BES

cc: Oil Conservation Division - Aztec



Production Projection

Well Name & #: Jicarilla C #18 Current Oil Prod. Rate (BOPD):	Producing Formation: Otero Gallup & Otero Chacra (DHC) Oil Decline Factor:	Oil Decline Rate (%): 0 Current Gas Prod. Rate (MCFGD):):	Completion Date (m/yr): Jan-96 Gas Decline Factor:	Projected Oil Projected Gas Projected Cumulative Month Production Production Oil Production		Jan-96 0 821 0 Feb-96 0 814	0 807	0 799	0 792	0 786	0 779	0 772	0 765	/30		0 739	0 732	0 726	720	0 713	0 707	0 701	(0)	0 695	0 695	0 695 0 683 0 683 0 683	0 695 0 689 0 683 0 677 0 671	0 695 0 695 0 689 0 683 0 677 0 671	0 695 0 695 0 689 0 683 0 677 0 671 0 665 0 665	0 695 0 695 0 689 0 683 0 677 0 671 0 665 0 665 0 659	0 695 0 695 0 689 0 683 0 677 0 671 0 665 0 659 0 653	0 695 0 695 0 689 0 683 0 677 0 671 0 665 0 659 0 653 0 648	0 695 0 695 0 689 0 683 0 677 0 671 0 665 0 659 0 653 642 0 636	0 695 0 695 0 689 0 683 0 677 0 677 0 659 0 653 0 642 0 636
Current Oil Prod. Rate (BOPD):	Oil Decline Factor:	_		Gas Decline Factor:	Projected Cumulative Oil Production	,	0 0	-	0 (•	•	00	000	0000	00000	000000		0000000	00000000	000000000	0000000000	0000000000	00000000000	000000000000											
0)) : 27		0.991258389	Projected Cumulative Gas Production		821 1637	2441	3240	4033	4818	1 1 1 1 1	5597	5597 6369	5597 6369 7134	5597 6369 7134 7893	5597 6369 7134 7893 8644	5597 6369 7134 7893 8644 9390 10128	5597 6369 7134 7893 8644 9390 10128 10861	5597 6369 7134 7893 8644 9390 10128 10861 11586	5597 6369 7134 71893 8644 9390 10128 10861 11586 12306	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 13019	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 13019 13726	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 13019 13726 14427	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 13019 13726 14427 15122	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 13726 14427 15122 15810	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 13019 13726 14427 15122 15810 16493	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 13019 13726 14427 15122 15810 16493 17169	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 13019 13726 14427 15122 15810 16493 17169 17840	5697 6369 7134 7893 8644 9390 10128 10861 11586 12306 12306 13019 13726 14427 15122 15810 16493 17169 17840 18505	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 12306 13019 13726 14427 15122 15810 16493 17169 17840 18505 19164	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 13726 14427 15122 15810 16493 17169 17840 18505 19164 19817 20465	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 13019 13726 1427 15122 15810 16493 17169 17840 18505 19164 19817 20465	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 13726 13726 14427 15122 15810 16493 17169 17840 18505 19164 19817 20465 21107 21743	5597 6369 7134 7893 8644 9390 10128 10861 11586 12306 13019 13726 1427 15122 15810 16493 17169 17840 18505 19164 19817 20465 21107 21743

Production Projection

Jan-02 Mar-02 Mar-02 Apr-02 Apr-02 May-02 Jun-02	May-00 Apr-00 Apr-00 Apr-00 Jun-00 Jun-00 Oct-00 Oct-00 Dec-00 Jan-01 May-01 Apr-01 Apr-01 Oct-01 Oct-01	Oct-98 Nov-98 Dec-98 Jan-99 Mar-99 Mar-99 Jul-99 Jul-99 Aug-99 Oct-99 Nov-99 Jan-00
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Production Projection

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60283 60576	59986	59687	59385	59081	58774	58464	58152	57837	57519	57198	56874	56548	56218	55886	55551	55213	54872	54527	54180	53830	53477	53120	52761	52398	52032	51663	51290	50915	50536	50153	49767	49378	48986	48590	48190	47787	47380	46970	46556	46139