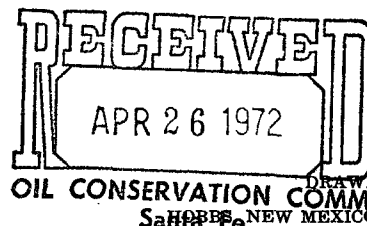


TEXACO
INC.

PETROLEUM PRODUCTS



April 24, 1972

New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

DHC-111
Rev May 16
Re: Wellbore Commingling
C.H. Weir 'A' Well No. 4
Skaggs Glorieta & Skaggs Drinkard
Pools
Lea County, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Texaco Inc. requests administrative approval to commingle in the wellbore oil production from the Skaggs Glorieta Pool and the Skaggs Drinkard Pool which are dually completed as permitted by Administrative Order No. DC-741 dated March 12, 1959 in Well No. 4 on the C. H. Weir 'A' Lease, located in Section 12, Township 20 South, Range 37 East, Lea County, New Mexico.

The subject well, for which wellbore commingling approval is requested, qualifies under the provisions of Statewide Rule 303C, which provides for administrative application and approval of wellbore commingling. Both zones are classified as oil zones and produce oil and gas at rates below the limits specified in the subject order. Both the Glorieta and Drinkard zones are pumping; therefore, production after commingling will be by artificial lift. The Drinkard zone does not produce water, and the Glorieta zone produces water below the limits specified. The fluids from these two reservoirs have been commingled on the surface in common storage for several years and are known to be compatible. Ownership of the minerals in both zones is common, and the value of the commingled fluids is not less than the total value of the fluids if they were marketed separately. Secondary operations will not be jeopardized by approval of this application.

A data sheet is attached listing all required data for the two reservoirs that are productive in the well. Also attached is a production decline curve for each zone in the well which may be used for allocating production. Well tests are included as submitted on Form C-116.

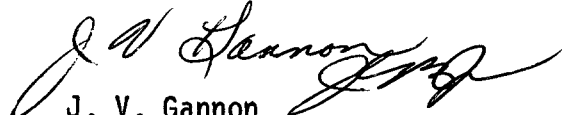
N.M.O.C.C.

- 2 -

April 24, 1972

Copies of this application are being mailed to each of the offset operators shown on the attached list.

Yours very truly,


J. V. Gannon
District Superintendent

CPC-JBS-bh

MAS, Jr.

NMOCC - Hobbs

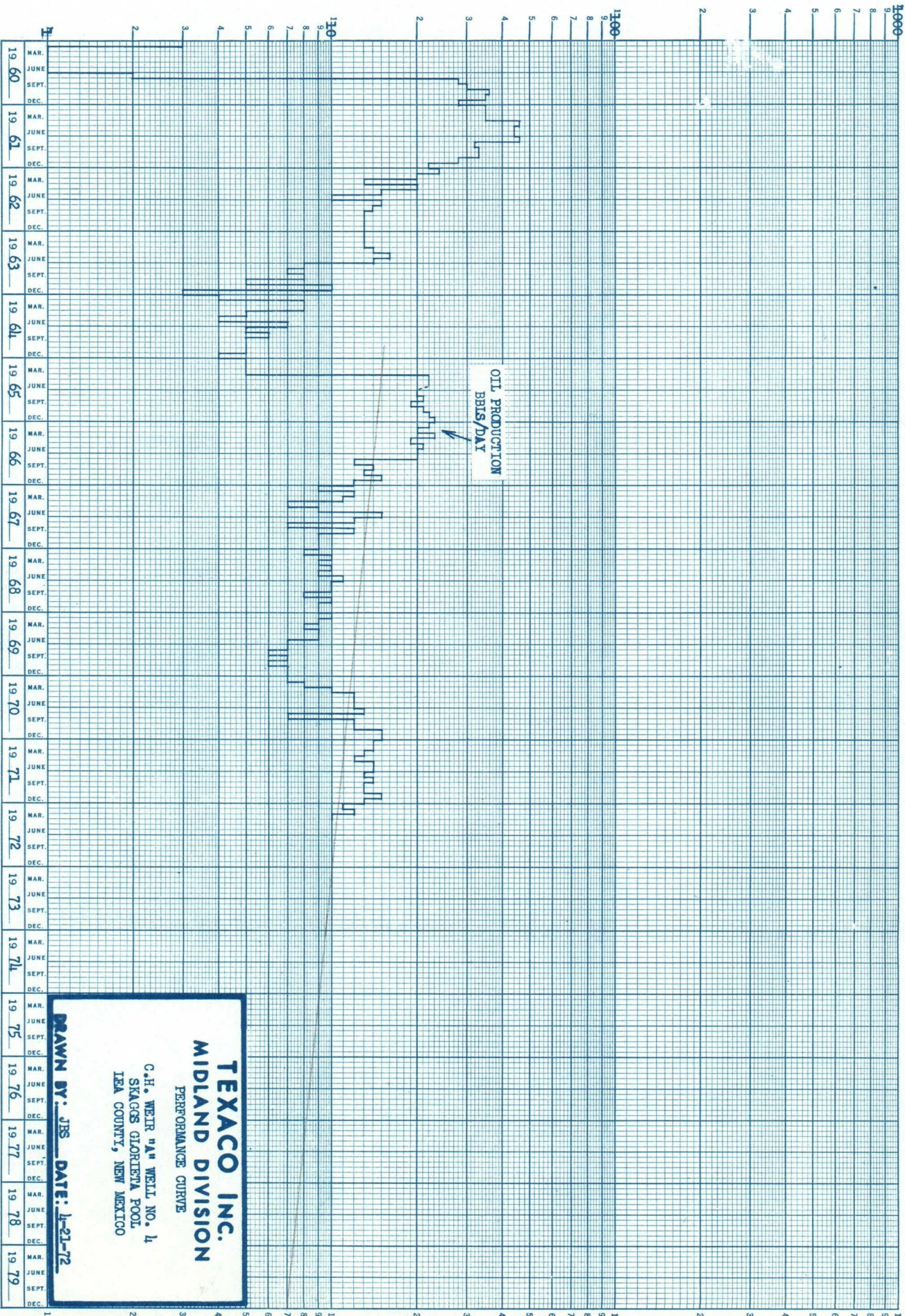
Attachments

OFFSET OPERATORS

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico 88240

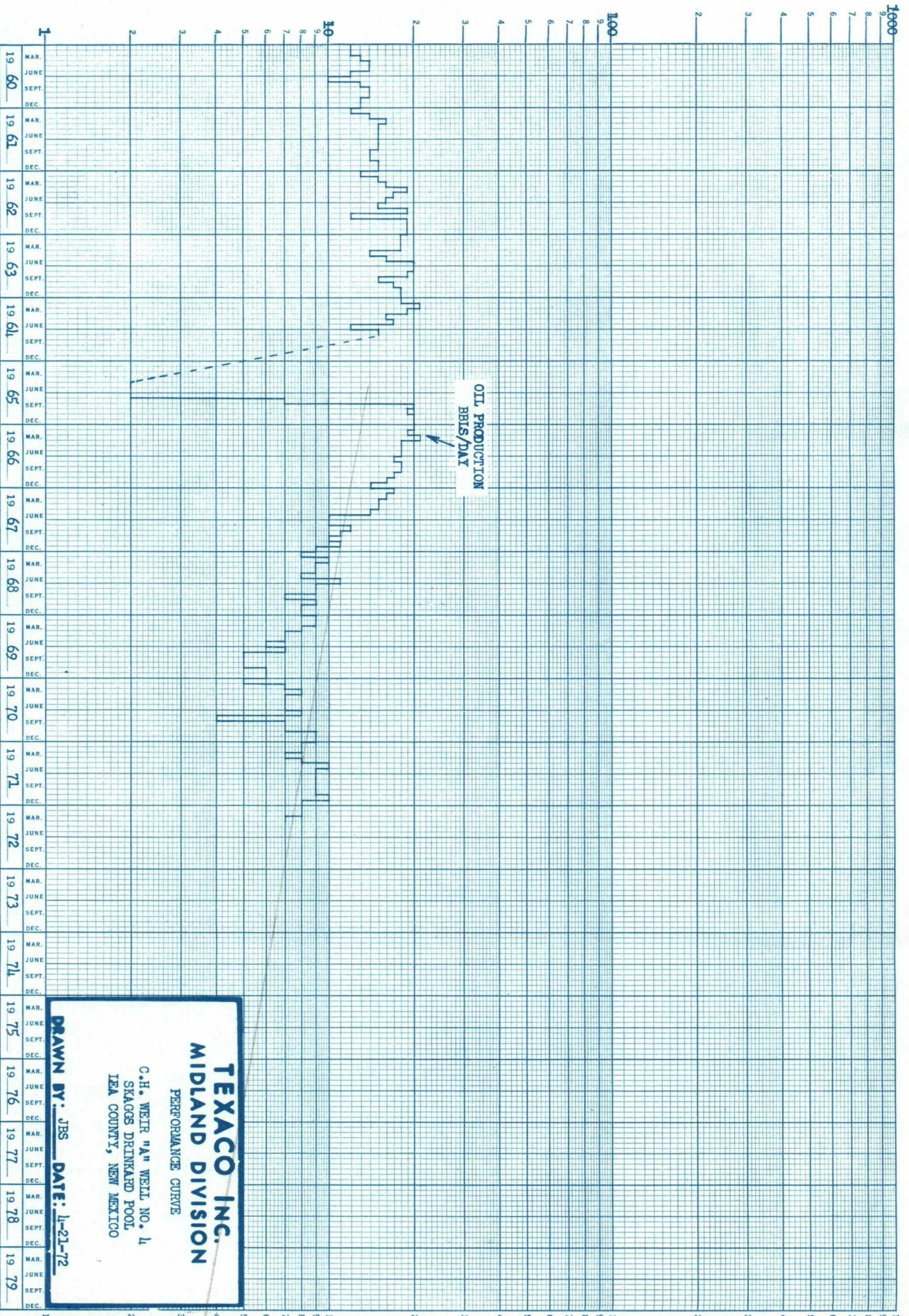
Colorado Oil Company
P. O. Box 1567
Big Spring, Texas 79720

Hissom Drilling Company
818 Building of Southwest
Midland, Texas 79701



DRAWN BY: JBS DATE: 1-21-72

TEXACO INC.
MIDLAND DIVISION
 PERFORMANCE CURVE
 C.H. WEIR "A" WELL NO. 1
 SKAGGS GLORIEVA POOL
 IEA COUNTY, NEW MEXICO



TEXACO INC.
MIDLAND DIVISION
PERFORMANCE CURVE
C.H. WEIR "A" WELL NO. 1
SKAGGS DRINKARD POOL
IEA COUNTY, NEW MEXICO
DRAWN BY: JBS DATE: 4-21-72

DATA SHEET FOR WELLBORE COMMINGLING

Operator: TEXACO Inc.

Address: P.O. Box 728 - Hobbs, New Mexico 88240

Location: Unit E; 1984 Feet from the North Line and
660 Feet from West Line of Section 12;
Township 20S, Range 37E; Lea County.

WELL DATA

	<u>Upper Pool</u>	<u>Lower Pool</u>
Name of Pool	<u>Skaggs Glorieta</u>	<u>Skaggs Drinkard</u>
Producing Method	<u>Pumping</u>	<u>Pumping</u>
BHP	<u>550 psi</u>	<u>1500 psi</u>
Type Crude	<u>Sour</u>	<u>Sour</u>
Gravity	<u>36.6°</u>	<u>37.8°</u>
GOR Limit	<u>2,000</u>	<u>2,000</u>
Completion Interval	<u>5,300-5,320'</u>	<u>6,849-6,900'</u>
Current Test Date	<u>4-13-72</u>	<u>4-1-72</u>
Oil	<u>12</u>	<u>9</u>
Water	<u>2</u>	<u>0</u>
GOR	<u>6,250</u>	<u>16,444</u>
Selling Price of Crude-\$/BBL.	<u>\$3.37</u>	<u>\$3.37</u>
Daily Income - \$/Day	<u>\$40.00</u>	<u>\$30.00</u>

COMMINGLED DATA:

Gravity of Commingled Crude - The crude is presently commingled at the battery so that there will be no change in the sale price of the crude.

Selling Price of Commingled Crude - \$/BBL. 3.37

Daily Income - \$/Day 81.00

Net (Gain) (~~Loss~~) From Wellbore Commingling - \$/Day \$11.00
based on current producing rates.

C-116
Revised 1-1-65

April 24, 1972