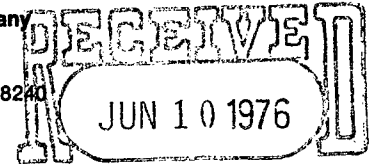




DHC - 197
Due 6/30/76

L. P. Thompson
Division Manager
Production Department
Hobbs Division
Western Hemisphere Petroleum Division

Continental Oil Company
P.O. Box 460
1001 North Turner
Hobbs, New Mexico 88240
(505) 393-4141



OIL CONSERVATION COMM.
Santa Fe

June 8, 1976

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

Attention: Mr. Joe D. Ramey, Secretary Director

Gentlemen:

Application for Downhole Commingling - Nolan No. 2
Unit N Section 11 T-21S, R-37E, Lea County, New Mexico

DC-241A

Continental Oil Company, P.O. Box 460, Hobbs, New Mexico, as operator of the Nolan lease, respectfully requests Administrative Approval under the provisions of Order No. R-3845, to commingle in the wellbore production from the Blinebry Oil and Drinkard Oil Pools in the subject well. This dual completion was authorized by Administrative Order No. R-1467. The attached plat shows the Nolan lease outlined in red and the No. 2 well by the red circle.

No *

The bottom hole pressure in the Blinebry is estimated to be 670 psi. The Drinkard pressure is estimated to be 790 psi. These pressures are based on the average BHP of nearby wells.

Attached is Form C-116 indicating the latest well tests. Also attached is a production decline curve for each zone. Anticipated production from the well after commingling is 15 BOPD by flowing.

The fluid from these two pools has been commingled at the battery since 1963 as approved under Administrative Order No. PC-200 and there has been no indication of incompatibility. Both crudes are typical Permian High Gravity crude.

USGS is being notified of this application by copy of this letter. Your approval and further handling of this application will be sincerely appreciated.

Yours very truly,

L. P. Thompson
Division Manager

BG:dlh
Enc.

Assignment of allowable
and allocation of production to
be determined by district supervisors
after well re-completed.

Bottom of @
6711'

* R-1467 applies to Lockhart B-11 Well No. 8 in O-11-21S-37E

Mr. Joe D. Ramey
Page 2
June 8, 1976

CC + Enc:

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, NM 88240

FEE: FOH: JWK

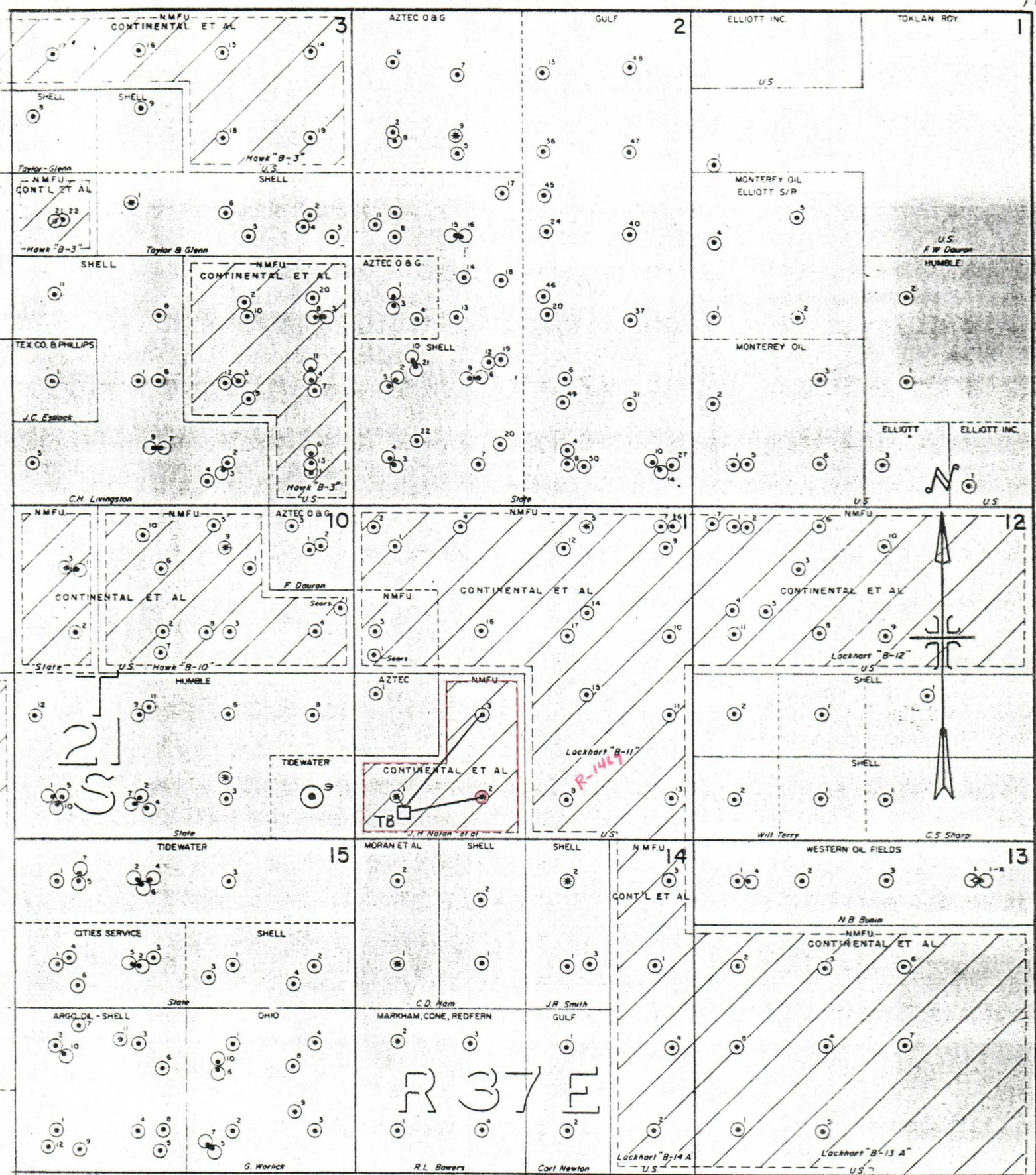
Amoco Production Co.
Drawer "A"
Levelland, Texas 79336

Arco Production Co.
P. O. Box 1710
Hobbs, NM 88240

Chevron Oil Co.
P. O. Box 1660
Midland, TX 79701

Offset Operator
Shell Oil Co.
P. O. Box 1509
Midcontinent Production Division
Midland, TX 79701

Moranco
Box 1860
Hobbs, NM 88240



□ TANK BATTERY

CONTINENTAL OIL COMPANY
 PRODUCTION DEPARTMENT
 HOBBS DIVISION
 J.H. NOLAN LEASE PLAT
 LEA COUNTY, NEW MEXICO
 SCALE: 1"=2000'

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

S. D. K. S.
(Signature)

(Signature) _____
(Title) _____

6-8, 76 (Date)

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FILE

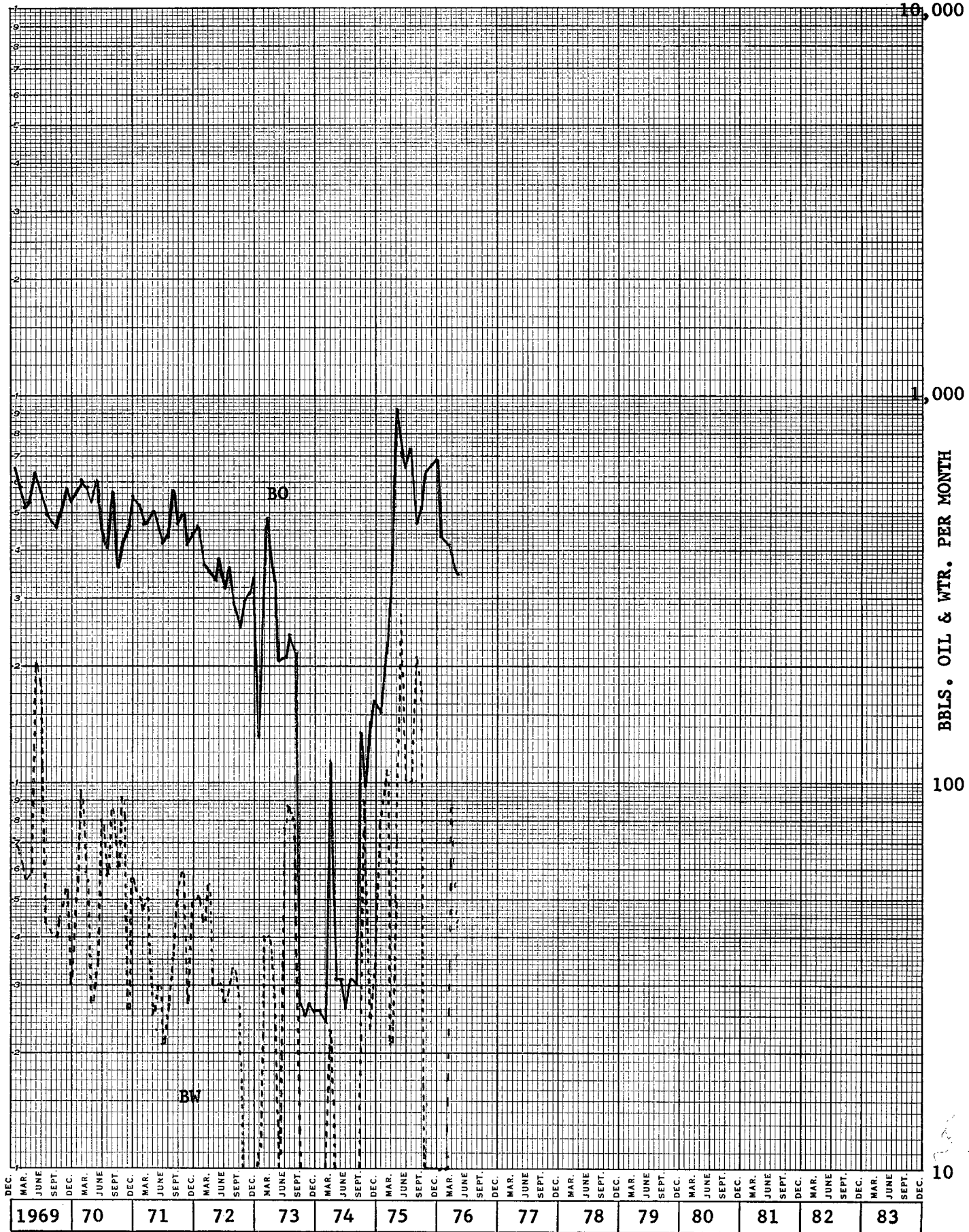
(Title)

(I)are

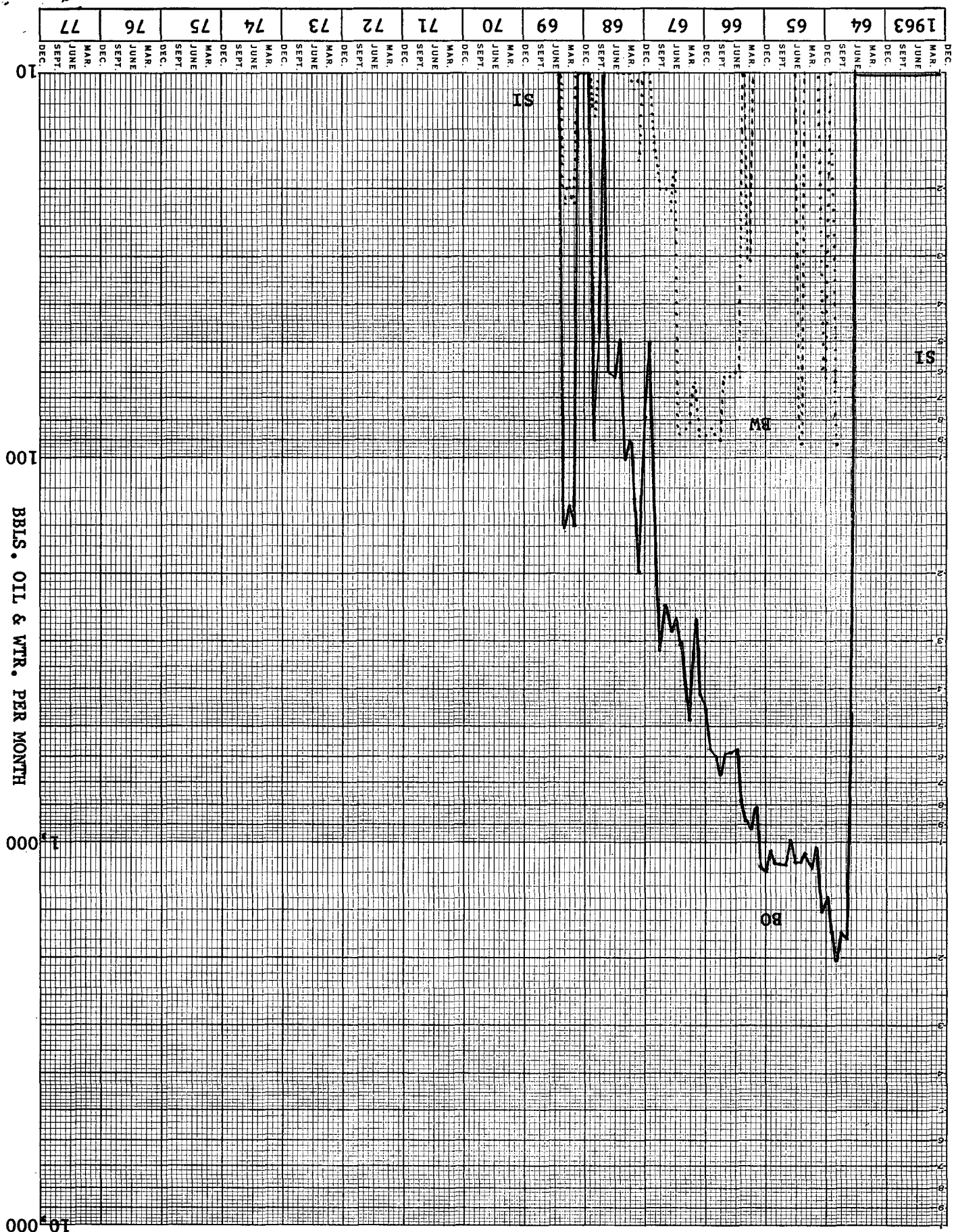
J. H. NOLAN WELL NO. 2
BLINEBRY ZONE

REORDER DIRECT FROM CODEX BOOK CO., NORWOOD, MASS. 02062
PRINTED IN U.S.A.

NO. SP-2644



J. H. NOLAN NO. 2
DRINKARD ZONE



OIL CONSERVATION COMMISSION
HOBBS DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE _____

RE: Proposed MC _____
Proposed DHC XX _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated June 8, 1976
for the CONTINENTAL OIL COMPANY Nolan #2-N 11-21-37
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K. -- Jerry Sexton

Yours very truly,

