

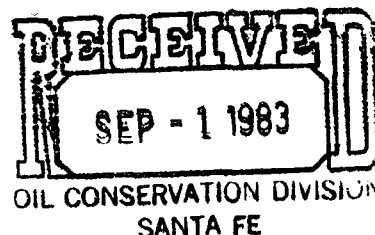


Mark K. Mosley  
Division Manager  
Production Department  
Hobbs Division  
North American Production

Conoco Inc.  
P.O. Box 460  
726 E. Michigan  
Hobbs, NM 88240  
(505) 393-4141

August 24, 1983

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



Attention: Mr. Gilbert P. Quintana

Gentlemen:

Application For Permission To Downhole Commingle State 10 No. 3

Conoco respectfully requests an exception to Division Rule 303-A to allow downhole commingling of the Tubb and Drinkard pools in the above referenced well. This well is located 990' FNL and 840' FWL of Section 10, T-21S, R-37E.

The NW/4 of the NW/4 of Section 10 is dedicated to this well as evidence by the attached dedication plat. We have also attached a plat of the area showing ownership of offsetting leases, a Form C-116 for each zone, a graph of gas, oil and water production from each zone, and schematics of the present and proposed wellbore.

Bottom-hole pressures and our recommended allocation of production is as follows:

<u>Zone</u>	<u>BHP PSI</u>	<u>Oil Allocation*</u>	<u>Gas Allocation*</u>
Tubb	352	57%	57%
Drinkard	368	43%	43%

\*Based on production ratio for total of both zones as shown on C-116.

These zones are presently commingled at the battery for the State 10 lease, therefore, we believe the fluids to be compatible in the wellbore, and the value of production will not be diminished by downhole commingling. The ownership of these two zones is identical.

We have notified all offset operators per your requirements. If you should have any questions regarding this application, please contact M. E. Gordon at extension 119 of this office.

Yours very truly,

MEG:cyg  
Attachment  
cc: NMOCD - Hobbs  
Commissioner of Public Lands

*File*

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

RECEIVED  
EUNICE FORM C-128  
Revised 5/1/57  
SEP 14 1959

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE OF THIS FORM

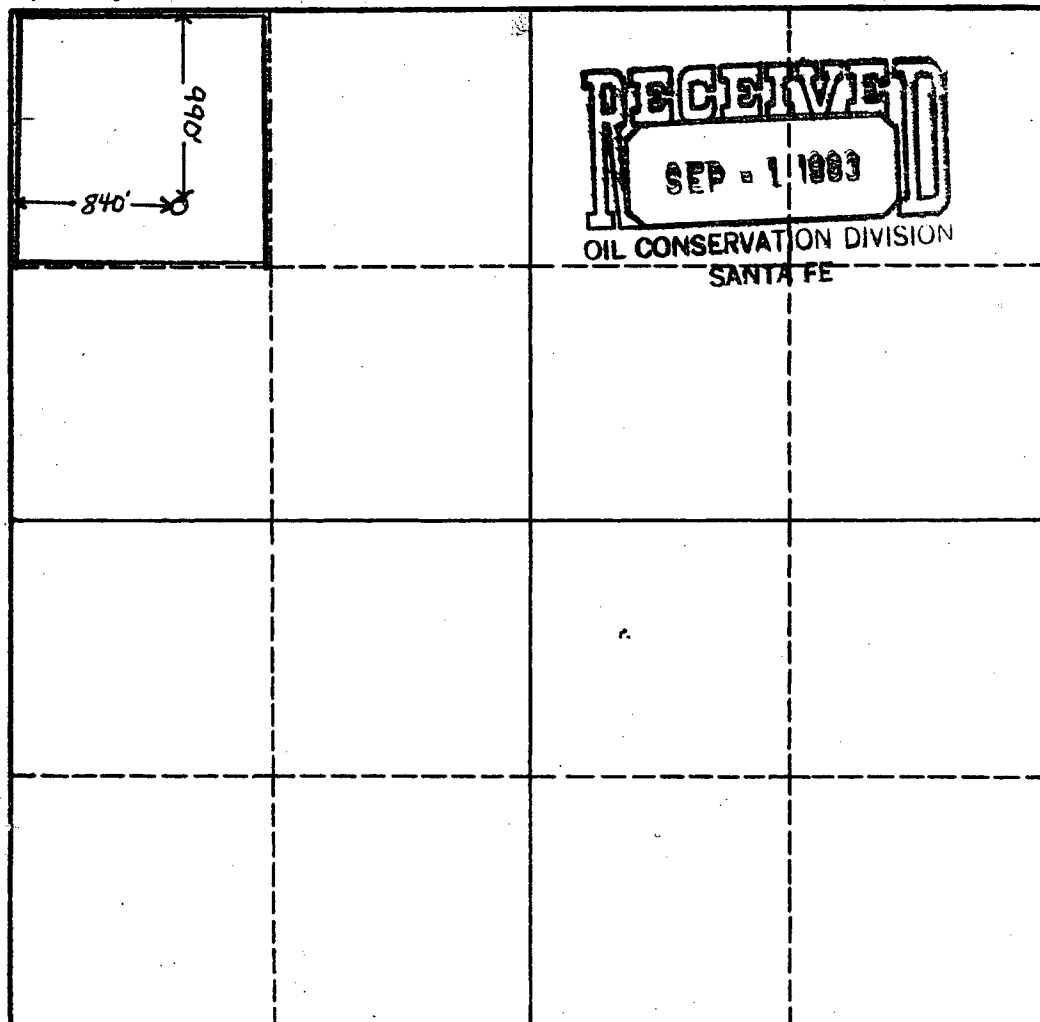
SECTION A

Operator <b>Continental Oil Company</b>		Lease <b>3-D</b>		State- <b>1058</b>		Well No. <b>323-D</b>	
Unit Letter <b>D</b>	Section <b>10</b>	Township <b>21-S</b>	Range <b>37-E</b>	County <b>Lea</b>			
Actual Footage Location of Well: <b>990'</b> feet from the <b>North</b> line and <b>840'</b> feet from the <b>West</b> line							
Ground Level Elev. <b>3473' DF</b>	Producing Formation <b>Tubb</b>		Pool <b>Tubb Oil</b>			Dedicated Acreage: <b>40</b> Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES **XX** NO \_\_\_\_ . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES \_\_\_\_ NO \_\_\_\_ . If answer is "yes," Type of Consolidation \_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

SECTION B



CERTIFICATION

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

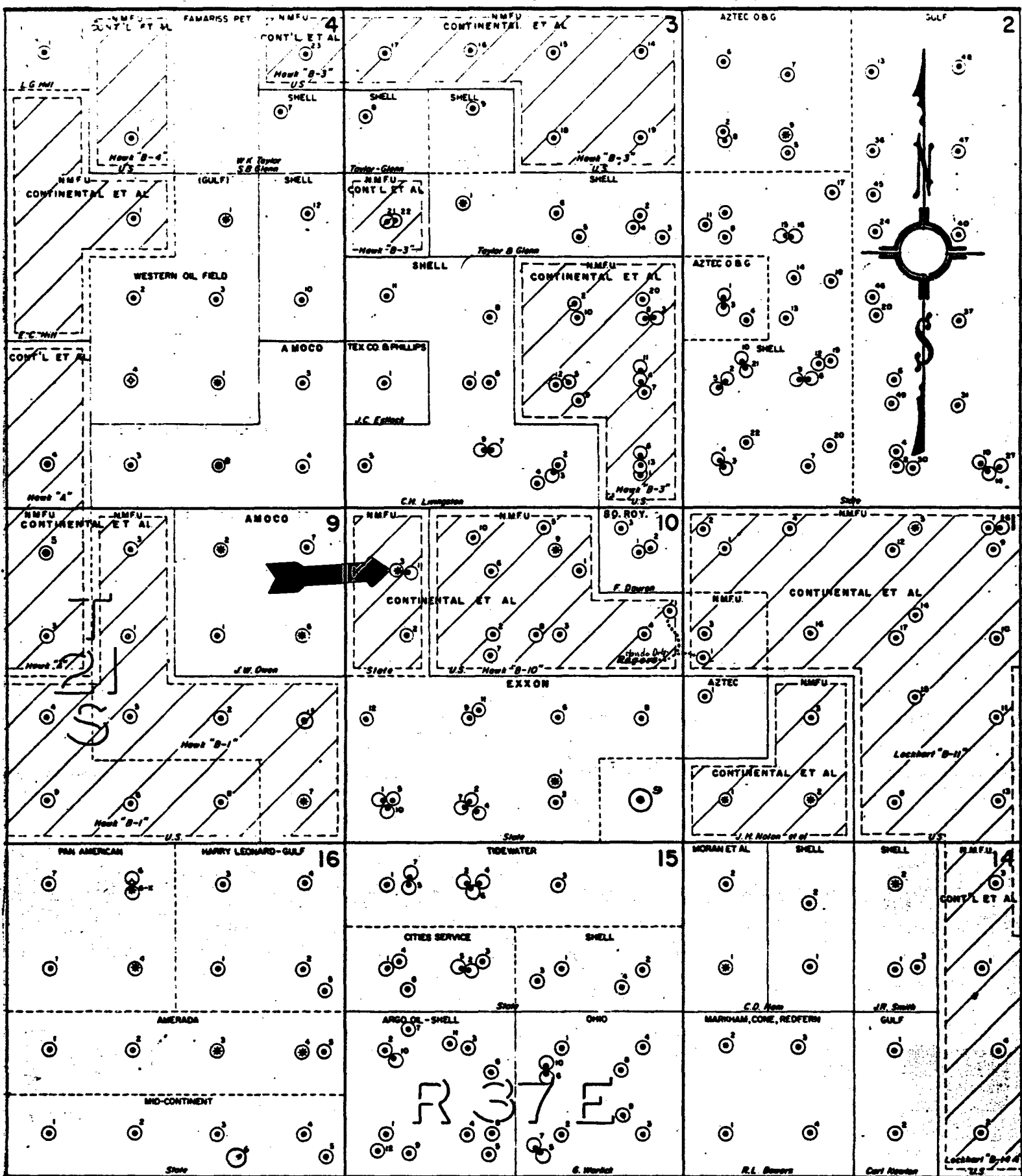
*J. R. Parker*  
Name  
**J. R. Parker**  
Position  
**District Superintendent**  
Company  
**Continental Oil Company**  
Date  
**September 14, 1959**

I hereby certify that the well location shown on the plat in SECTION B was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
**Unknown**  
Registered Professional Engineer and/or Land Surveyor

Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



**NEW MEXICO OIL CONSERVATION COMMISSION  
GAS - OIL RATIO TESTS**

C-116  
Revised 1-1-65

Operator <b>Conoco Inc.</b>		Pool <b>Lea</b>		County <b>Lea</b>	
Address <b>P. O. Box 460, Hobbs, NM 88240</b>				Tubb	
LEASE NAME <b>State 10</b>				TYPE OF TEST - (X) <input checked="" type="checkbox"/> TEST - (X)	
WELL NO. <b>003</b>		LOCATION U S T R <b>D 10 21S 37E</b>		DATE OF TEST <b>6-83</b>	
STATUS <b>F</b>		CHOKE SIZE <b>6-83</b>		T.B.G. PRESS. <b>6-83</b>	
DAILY ALLOW-ABLE <b>24</b>		LENGTH OF TEST HOURS <b>24</b>		PROD. DURING TEST WATER BBL.S. GRAV. OIL BBL.S. GAS M.C.F. <b>0 38.5 4 57</b>	
GAS - OIL RATIO CU.FT./BBL. <b>14,250</b>					

**RECEIVED**  
SEP - 1 1983  
OIL CONSERVATION DIVISION  
SANTA FE

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.

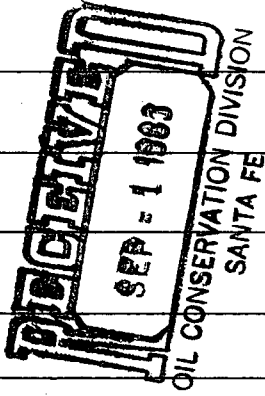
I hereby certify that the above information is true and complete to the best of my knowledge and belief.

*David L. Turner*  
(Signature)  
Administrative Supervisor  
(Title)  
August 24, 1983  
(Date)

NEW MEXICO OIL CONSERVATION COMMISSION  
GAS-OIL RATIO TESTS

C-116  
Revised 1-1-65

Operator		Pool		County		Drinkard		Lea						
Conoco Inc.														
Address		P. O. Box 460, Hobbs, NM 88240		TYPE OF TEST - (X)		SCHEDULED		COMPLETION						
								Special <input checked="" type="checkbox"/>						
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT./BBL.
		U	S	T						R	WATER BBLs.	GRAV. OIL	OIL BBLs.	
State 10	003	D	10	21S 37E	6-83	F			24	0	38.5	3	43	14333



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.

*David L. Lujan*  
(Signature)

Administrative Supervisor

(Title)

August 24, 1983

(Date)

ELEVATION: 3473' DF

ZERO: 13' AGL

990' ENL & 840' FWL  
Sec 10-T215-R376

## COMPLETION &amp; WORKOVER HISTORY:

7-8-52: COMPLETED

PERF (ABO) 7445'-7475'

ACIDIZED W/1000 GALS.

1-30-55: SET RETAINER @ ±7400'

SQUEEZED ABO PERFS W/25 SX

PERF (DRINKARD) 6655'-6745'

ACIDIZED W/4000 GALS. SET RET. @ ±6705'

SQUEEZED 6710'-6745' W/25 SX

PERF (DRINKARD) 6598'-6624' ACIDIZED W/1000 GALS

PERF (TUBB) 6191'-6300' FRACD W/12000 GALS

CRUDE &amp; 10,500 # SAND.

DUAL COMPLETED.

8-29-59: ACIDIZED (TUBB) W/8000 GALS

5-17-65: SQUEEZED (DRINKARD) 6598'-6701' W/100 SX

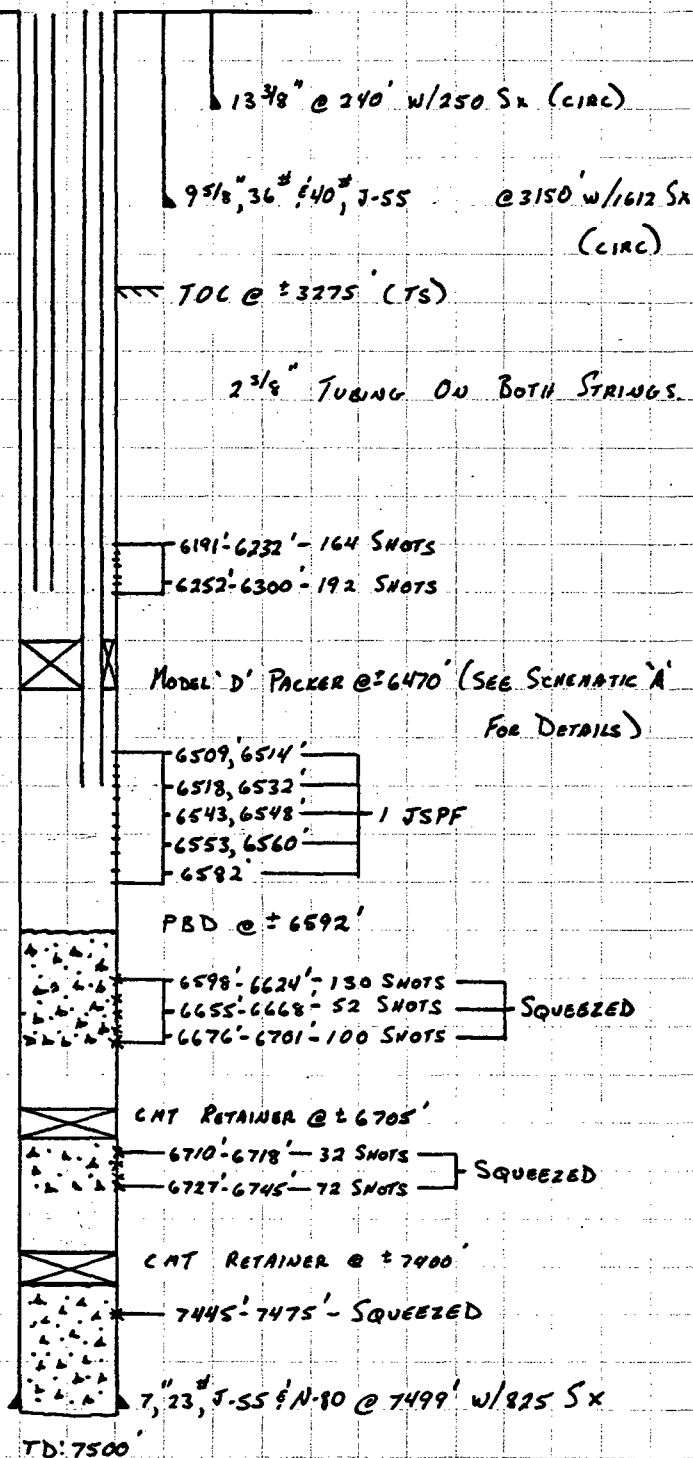
D.O. TO ±6592'

PERF (DRINKARD) 6509'-6582'

FRAC 6509'-6582' W/30,000 GAL CRUDE

&amp; 27,000 # SAND.

ACIDIZED (TUBB) W/3000 GALS.



Made By JLS

Checked By

Date 6-15-83

Page 1 of 2

Conoco Inc.  
Calculation Sheet

Title STATE 10 No. 3

PRESENT

Job No.

Field DRINKARD / TUBB

State N.M.

ELEVATION: 3473' DF

ZERO: 13' AGL

990' FWL & 840' FWL

SEC 10 - T215 - R37E

2 3/8" TUBING  
S.N. @ ± 6550'  
OPSHA

13 3/8" @ 240' w/ 250 SX (CIRC)

9 5/8", 36 #40, J-55 @ 3150' w/ 1612 SX  
(CIRC)

TOP TOC @ ± 3275' (TS)

6191'-6232'  
6252'-6300' } 356 SHOTS

6509'-6514'  
6518'-6532'  
6543'-6548'  
6553'-6560'  
6582' } 1 JSPF

PBD @ ± 6592'

6598'-6624'- 130 SHOTS  
6655'-6668'- 52 SHOTS  
6676'-6701'- 100 SHOTS } SQUEEZED

CMT. RETAINER @ ± 6705'

6710'-6718'- 32 SHOTS - SQUEEZED  
6727'-6745'- 72 SHOTS - SQUEEZED

CMT. RETAINER @ ± 7400'

7445'-7475'- 120 SHOTS - SQUEEZED

7' 23" J-55 & N-80 @ 7499' w/ 825 SX

TD: 7500'

Made By FLS

Checked By \_\_\_\_\_

Date 6-15-83

Page 1 of 1

Conoco Inc.  
Calculation Sheet

Title STATE 10 No. 3

PROPOSED

Job No. \_\_\_\_\_

Field DRINKARD / TUBB

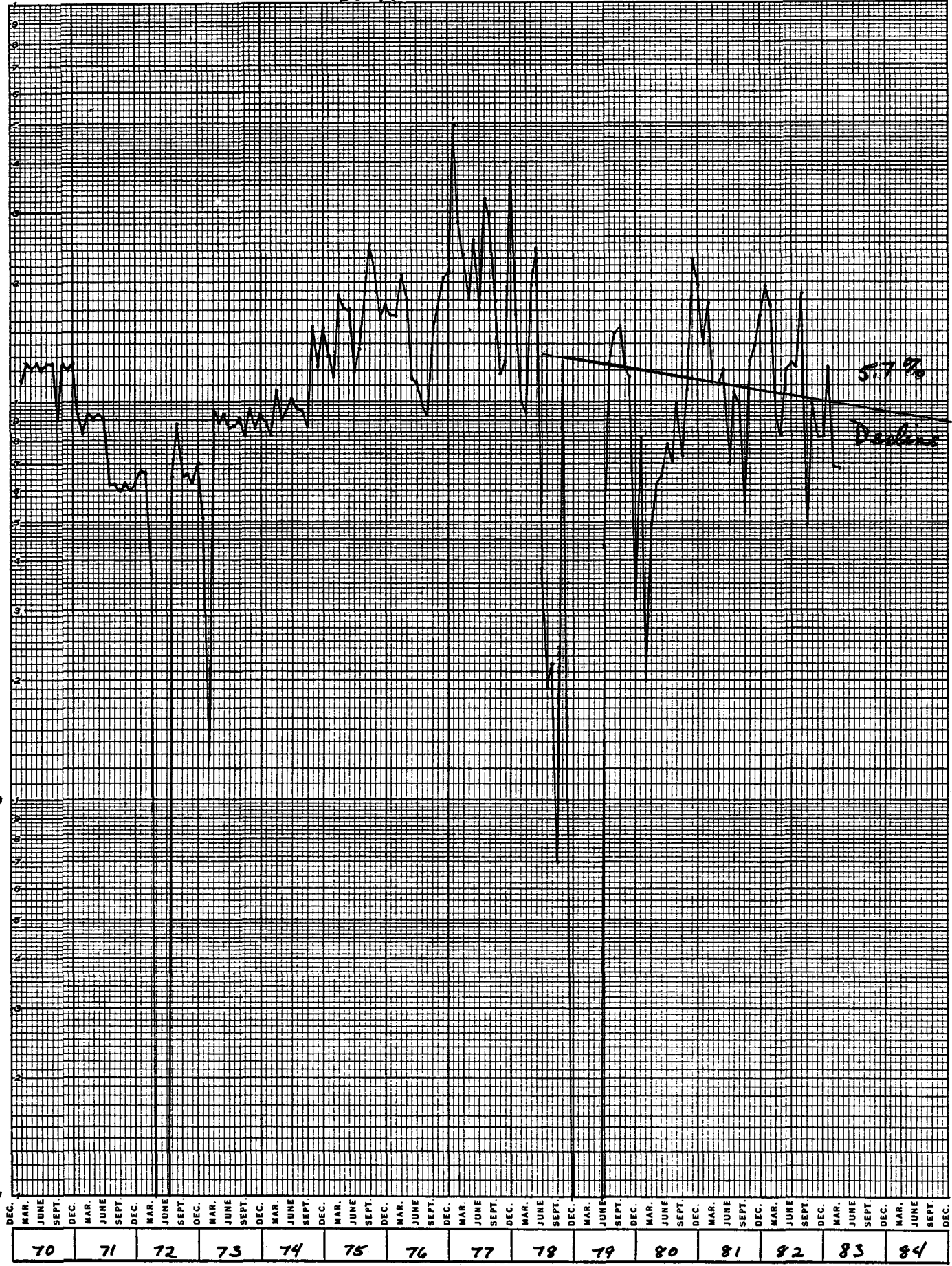
State N.M.

TUBB

BOPM

COOEX®  
GRAPH PAPER  
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NO. SP-2644



STATE 10 No. 3

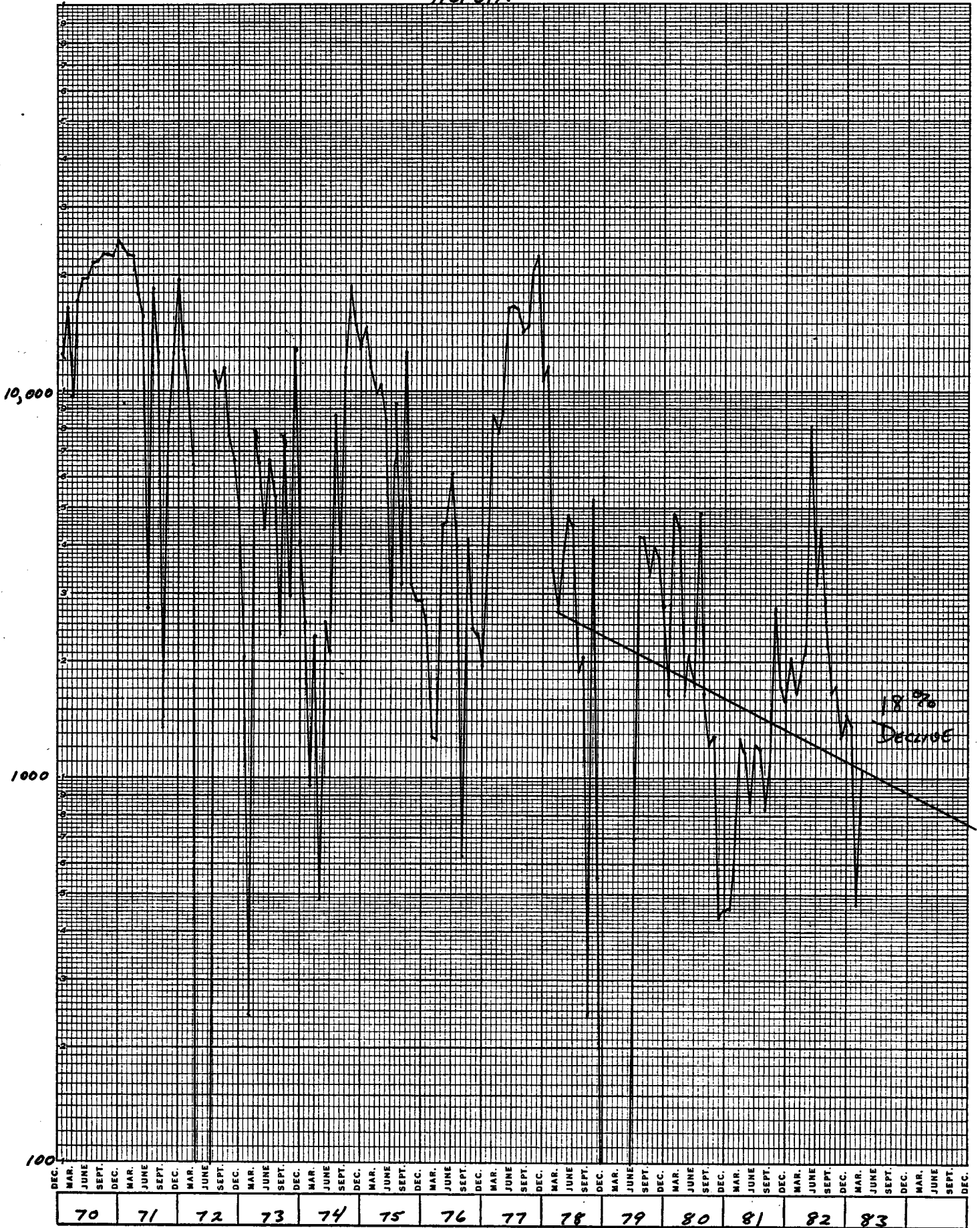
TUBB

MCF6PM

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GRAPH PAPER

NU. SF-2044



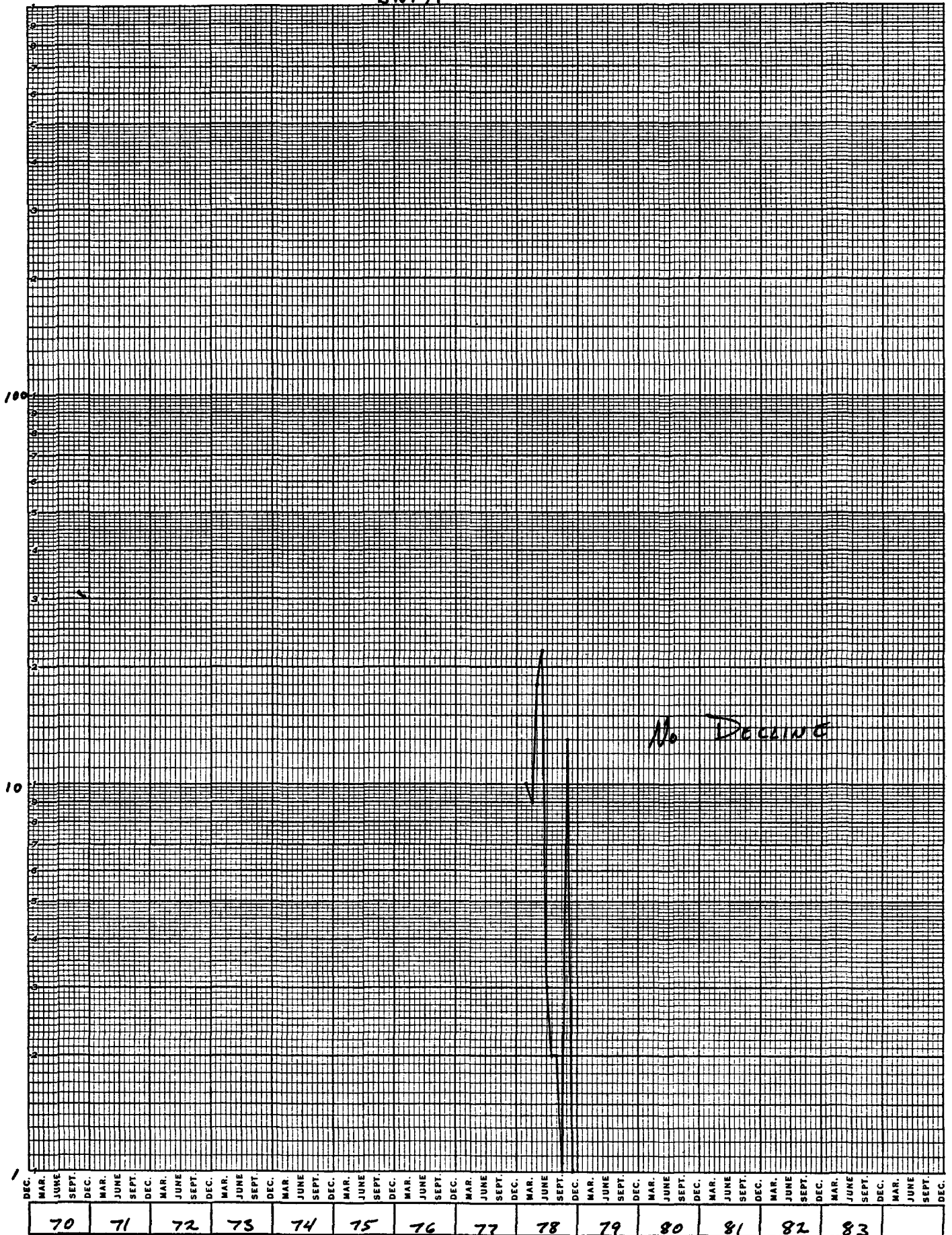
TUBB

BWPM

WILEY-SONS, INC., NEW YORK, N. Y.  
PRINTED IN U. S. A.

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**GRAPH PAPER**

**NO. SP-2644**



BOPM

**1000**

100

NO DECLINE

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McFGPM

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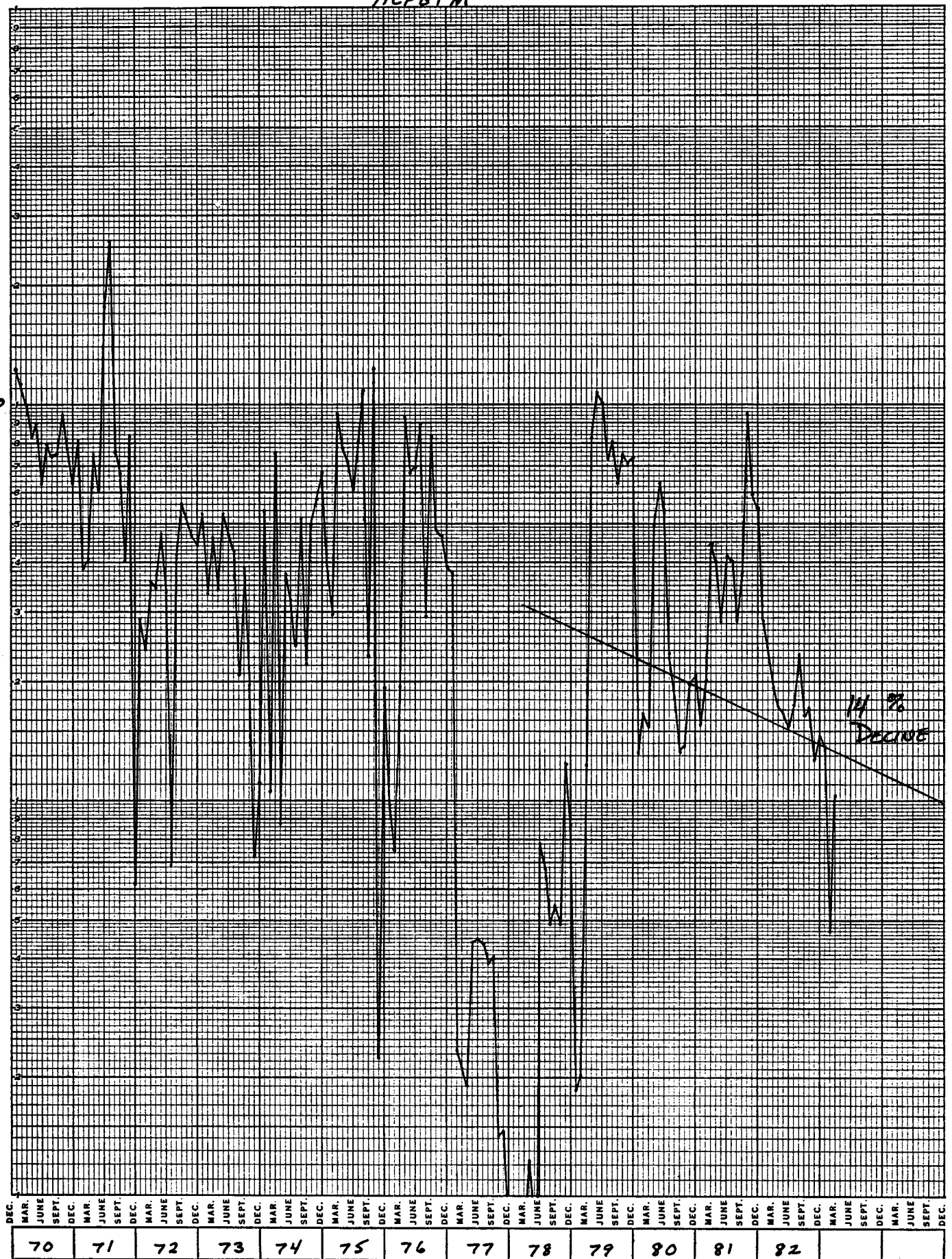
**Codeex®**  
**GRAPH PAPER**

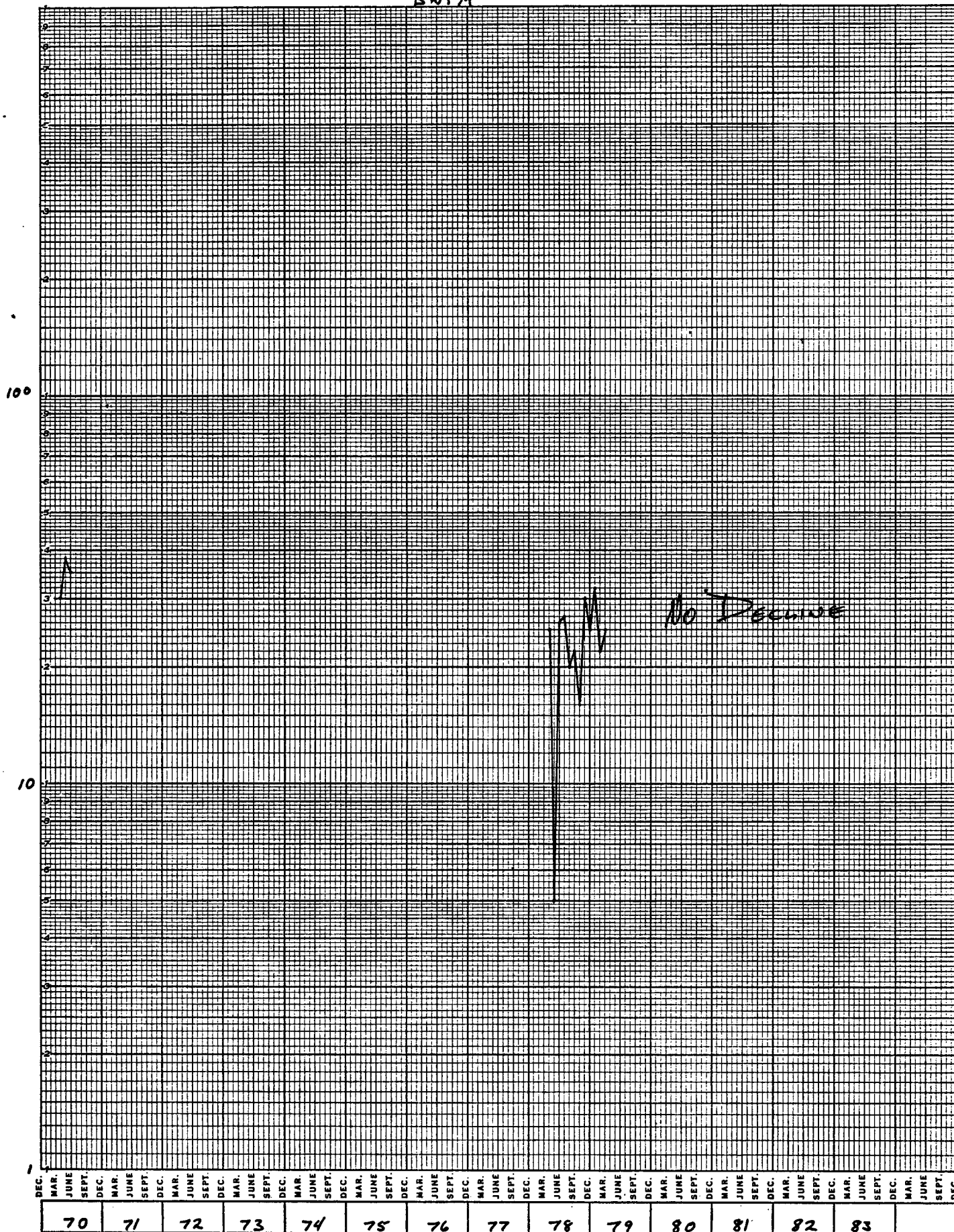
**NO. SP-2644**

10,000

**1,000**

100



BWPM

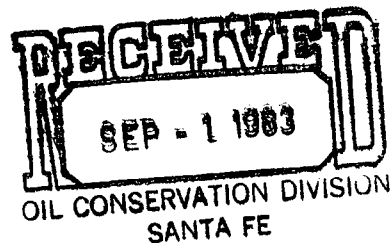


Mark K. Mosley  
Division Manager  
Production Department  
Hobbs Division  
North American Production

Conoco Inc.  
P. O. Box 460  
726 E. Michigan  
Hobbs, NM 88240  
(505) 393-4141

August 24, 1983

See Attached List



Gentlemen:

Application To Downhole Commingle State 10 No. 3

Conoco Inc. is making an application to the New Mexico Oil Conservation Division to downhole commingle Tubb and Drinkard production in the subject well. This well is located 990' FNL and 840' FWL of Section 10, T-21S, R-37E. A location plat is attached.

As required under Rule 303(c) of NMOCD's Rule and Regulations, this letter is your notification, as an offset operator, of the proposed commingling.

Yours very truly,

MEG:cyg  
Attachment

Conoco Inc.  
State 10  
Offset Operator List

Exxon Company, USA  
P. O. Box 1600  
Midland, TX 79701

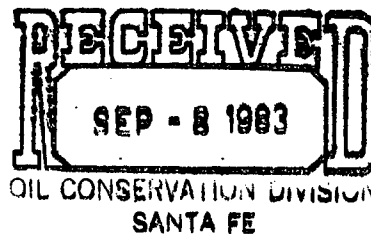
Amoco Production Co.  
P. O. Box 68  
Hobbs, NM 88240

Shell Oil Company  
600 N. Marienfield  
Suite 310  
Midland, TX 79701

Southland Royalty Company  
1000 Ft. Worth Club Bldg.  
Ft. Worth, TX 76102

Hondo Drilling Co.  
P. O. Drawer 2516  
Midland, TX 79701

OIL CONSERVATION DIVISION  
DISTRICT 1



OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

DATE September 2, 1983

RE: Proposed MC \_\_\_\_\_  
Proposed DHC X \_\_\_\_\_  
Proposed NSL \_\_\_\_\_  
Proposed NSP \_\_\_\_\_  
Proposed SMD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_

Gentlemen:

I have examined the application for the:

Conoco Inc.	Hawk B-10	#3-G	10-21-37
Operator	Lease and Well No.	Unit, S - T - R	

and my recommendations are as follows:

O.K.----J.S.

Yours very truly,

A handwritten signature in dark ink, appearing to read "James J. Salas", written over a horizontal line.

/mc