

THE PETROLEUM CORPORATION
OF DELAWARE
Turtle Creek Centre
3811 Turtle Creek Boulevard
DALLAS, TEXAS 75219-4419

April 14, 1986

Tenneco Oil Company
7990 IH 10 West
San Antonio, Texas 78230

Union Texas Petroleum
4000 N. Big Spring
Midland, Texas 79705

Yates Petroleum Corporation
Yates Building
207 South 4th
Artesia, New Mexico 88210

Maralo, Inc.
P.O. Box 832
Midland, Texas 79702

Forest Oil Corporation
P.O. Box 1916
Midland, Texas 79702

Mr. Bob Pitske
Bureau of Land Management
P.O. Box 1778
Carlsbad, New Mexico 88220

RE: Proposed down hole commingling of the Ellenburger, Fusselman, and Devonian zones in our Tenneco Federal No. 1 located in Unit letter N, Sec. 12, T26S, R37E, Lea Co., New Mex.

Gentlemen:

We have recently filed for administrative approval to commingle in the well bore, the above referenced zones. This is an effort to further deplete the Ellenburger and Fusselman zones while the Devonian is still making a profit. It is very unlikely that we could go back to each zone and make an economic completion.

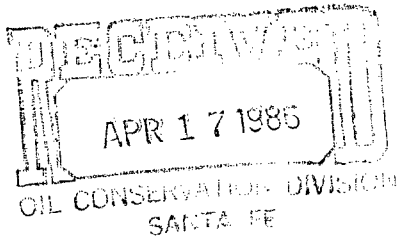
We do not feel that there will be cross flow nor is there any evidence of non compatibility of fluids.

If you need further information please contact me either by letter or telephone.


L.E. Thomas

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April 14, 1986

Mr. David Catanach
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Downhole Commingling - TENNECO Federal No. 1
Dublin Field, Lea Co.

Dear David:

I have received the requirements for approval for downhole commingling that you sent me.

We earlier submitted data and a request for downhole commingling on our Tenneco Federal No. 1 located in Unit letter N, Sec. 12, T26S, R37E, Lea Co.

Please add this additional data to the previously submitted package.

- a - ok
- b - ok
- c - attached is a plat showing our lease outlined in yellow and the proration unit outlined in green. Note that we have two wells (#1 & #3) producing from the same 320 acre unit.
- d - Production history from each zone was submitted earlier, however it was on a monthly basis. The last producing rates from each zone are as follows:
 - Ellenburger - 30 MCF gas, 8 Bbls oil per day
 - Fusselman - 50 MCF gas, 2 Bbls oil per day
 - Devonian - Currently 400 MCF gas, 0 fluid per day
- e - attached decline curve showing production from the three zones involved
- f - ok
- g - ok

- h - computation showing comparison of daily revenue currently & after commingling

$$400 \text{ MCF per day} \times \$1.33/\text{MCF} = \underline{\$532} \text{ per day}$$

- after downhole commingling:

Devonian	400 MCF,	0 fluid per day
Fusselman	50 MCF,	& 2 Bbls oil per day
Ellenburger	<u>30 MCF,</u>	<u>& 8 Bbls oil per day</u>

480 MCF & 10 bbls oil

$$480 \text{ MCF} \times \$1.33/\text{MCF} + 10 \text{ bbls} \times \$10/\text{bbl} = \underline{\$738.40} \text{ per day}$$

- i) formula for allocation of production from each zone:

Devonian -	400 MCF,	& 0 fluid per day
Fusselman -	50 MCF,	& 8 Bbls oil per day
Ellenburger -	<u>30 MCF,</u>	<u>& 2 Bbls oil per day</u>

TOTAL 480 MCF 10 bbls

Gas allocation:

$$\text{Devonian - } \frac{400}{480} = 83.3\%$$

$$\text{Fusselman - } \frac{50}{480} = 10.4\%$$

$$\text{Ellenburger - } \frac{30}{480} = 6.3\%$$

Oil allocation:

$$\text{Fusselman - } \frac{8}{10} = 80\%$$

$$\text{Ellenburger - } \frac{2}{10} = 20\%$$

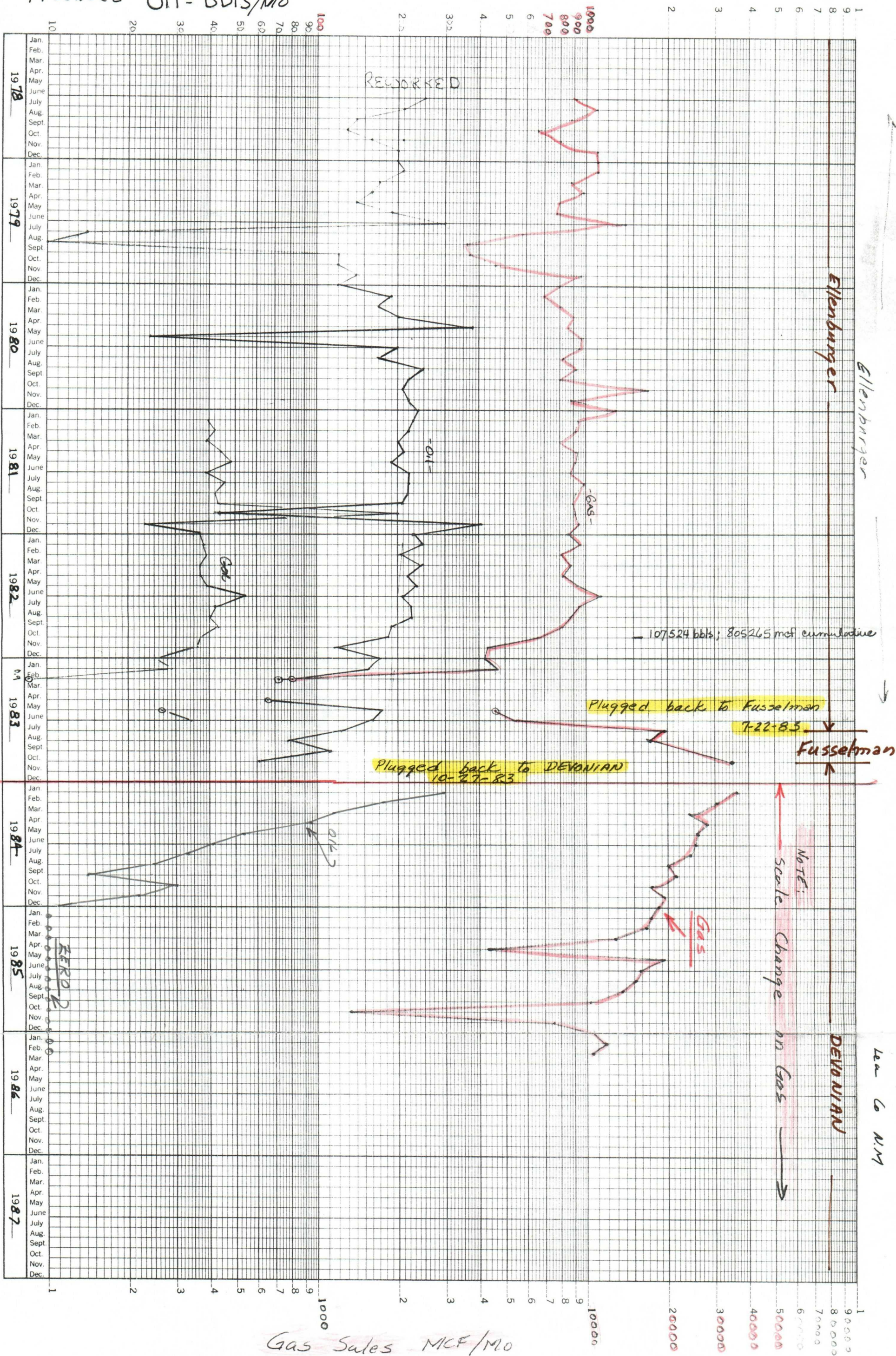
- j) copy of letters to offset operators and the USGS.



L. E. Thomas

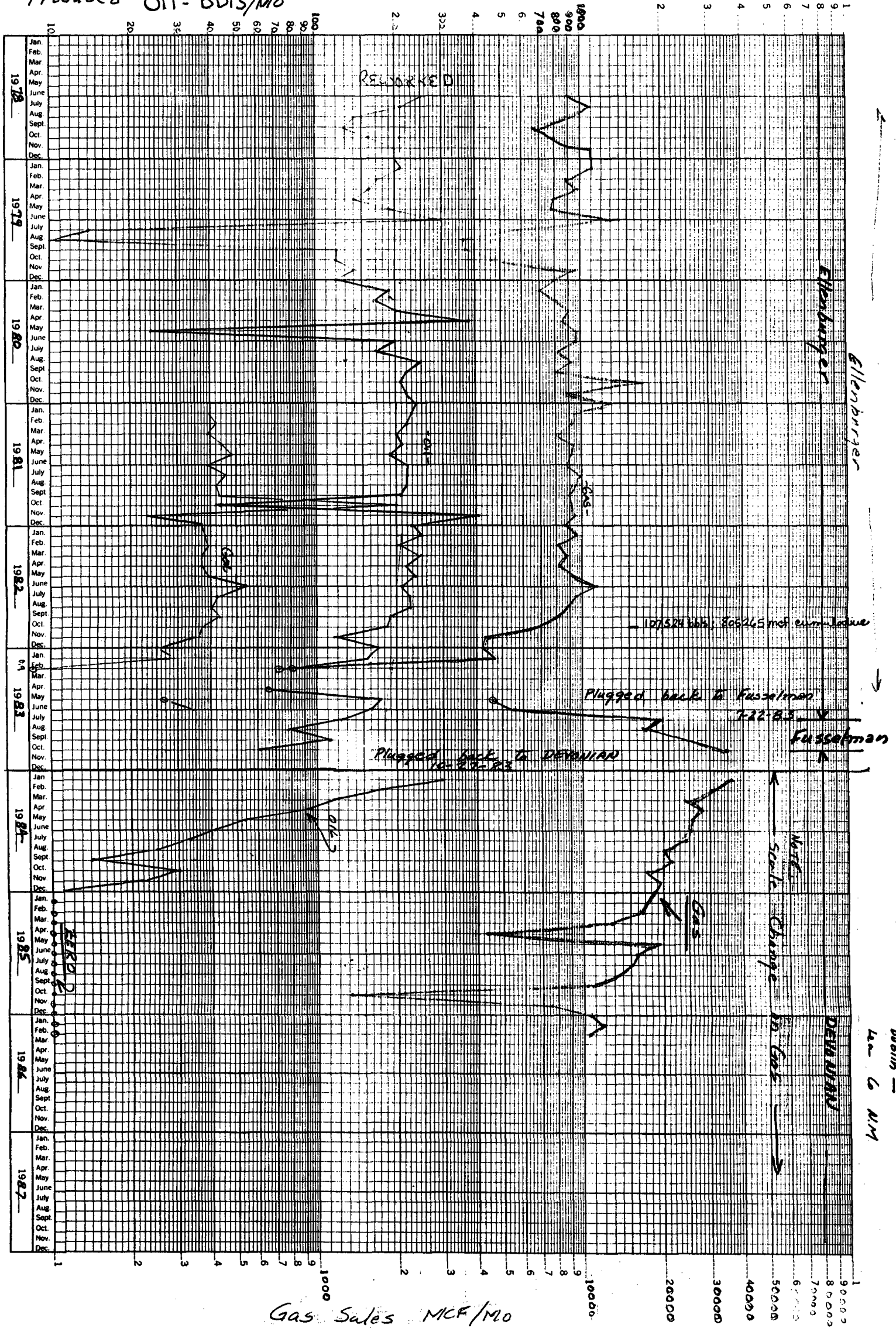
Gas Sales - MCF/Mo.

Produced Oil - bbls/Mo



Gas Sales - MCF/Mo.

Produced Oil - bbls/Mo



TRUENO FEDERAL No. 1
Dublin —
La. Co. N.M.

Gas Sales MCF/Mo

R-37-E

Getty
1 Riggs Fed.

R-38-E

2

CITIES SERVICE

1

GETTY

6

MARALO OIL COMPANY

AMOCO

11

TENNECO

Stanolind
Leonard

Stanolind
12

Humble
1-B

12

Petr. Corp.
Tenneco-Fed.

3

Humble
1

Forest
1

MARALO OIL COMPANY

Forest
Lowe-Fed.

7

Plymouth
Lowe-Fed.

1

HOWELL SPEAR

C&K

T
26
S

14

Union Tex.
Leonard-Fed.

TENNECO

Chomplin
Leonard-Fed.

1

Humble
Leonard-Fed.

2

13

C&K PETROLEUM

18

23

24

Ledbet
Linaberry

Blankes Ener.
Roberts-Yales
19

THE PETROLEUM CORPORATION

DUBLIN PROSPECT
LEA CO., NEW MEXICO

"C"

MARCH, 1984

SCALE: 1" = 2000'