Chevron U.S.A. Inc.
P.O. Box 670, Hobbs, NM 88240

Production Department
Hobbs Division

Hobbs, New Mexico
January 28, 1987

APPLICATION TO DOWNHOLE COMMINGLE W. A. RAMSAY (NCT-B) WELL NO. 3 LOCATED IN UNIT A SECTION 25-T21S-R36E LEA COUNTY, NEW MEXICO

W. J. Lemay
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Pursuant to the provision of Statewide Rule 303-C, Chevron respectfully requests administrative approval to commingle production within the subject wellbore from the Blinebry and Drinkard Pools. The Drinkard is presently pumping from below a packer. The Blinebry flows through the tubing - casing annulus above the packer and can no longer be produced efficiently without some form of artificial lift.

In the interest of conservation and the prevention of waste, we propose to downhole commingle the Blinebry and Drinkard in the subject well. Enclosed is pertinent data supporting this application as outlined in Rule No. 303-C. If additional information is necessary, please contact Tim Mighton at area code (505) 393-4121.

Yours very truly,

2-18-87
for R. C. ANDERSON

TMM/cjw

Attachments

cc: J. T. Sexton
District 1 Supervisor
Oil Conservation Division
P.O. Box 1980
Hobbs, N.M. 88240

Offset Operators List - List Attached

WELL LOCATION AND ACREAGE DEDICATION PLAT

Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator	Lease	Well No.
Chevron U.S.A. Inc.	W.A. Ramsey (NCT-B)	3

Unit Letter	Section	Township	Range	County
A	25	21S	36E	Lea

Actual Footage Location of Well:
330 feet from the North line and 330 feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
3500' GL	Drinkard	Drinkard	40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

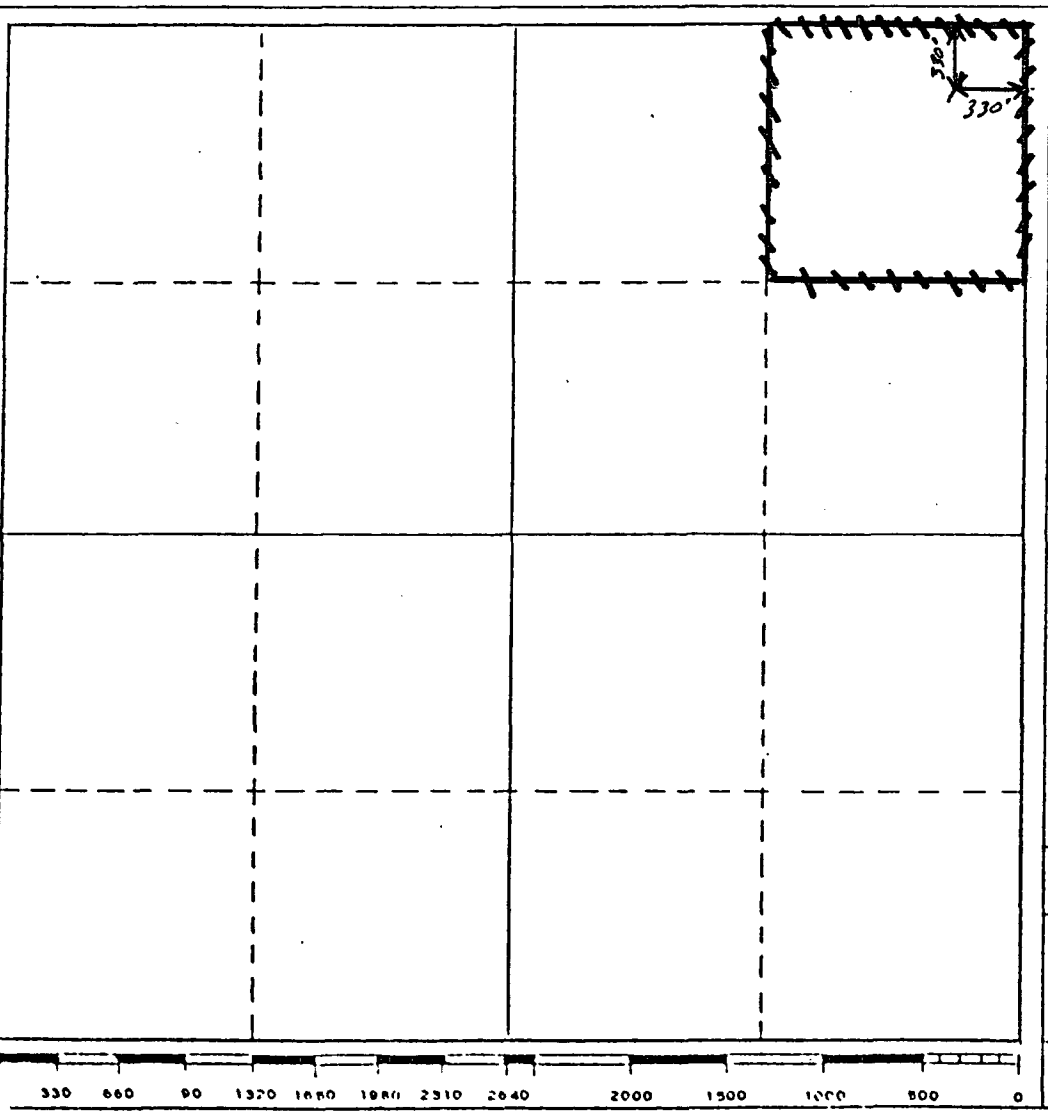
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling. etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name: P. H. Burleson Jr.

Position: Division Drilling Manager

Company: Chevron U.S.A. Inc.

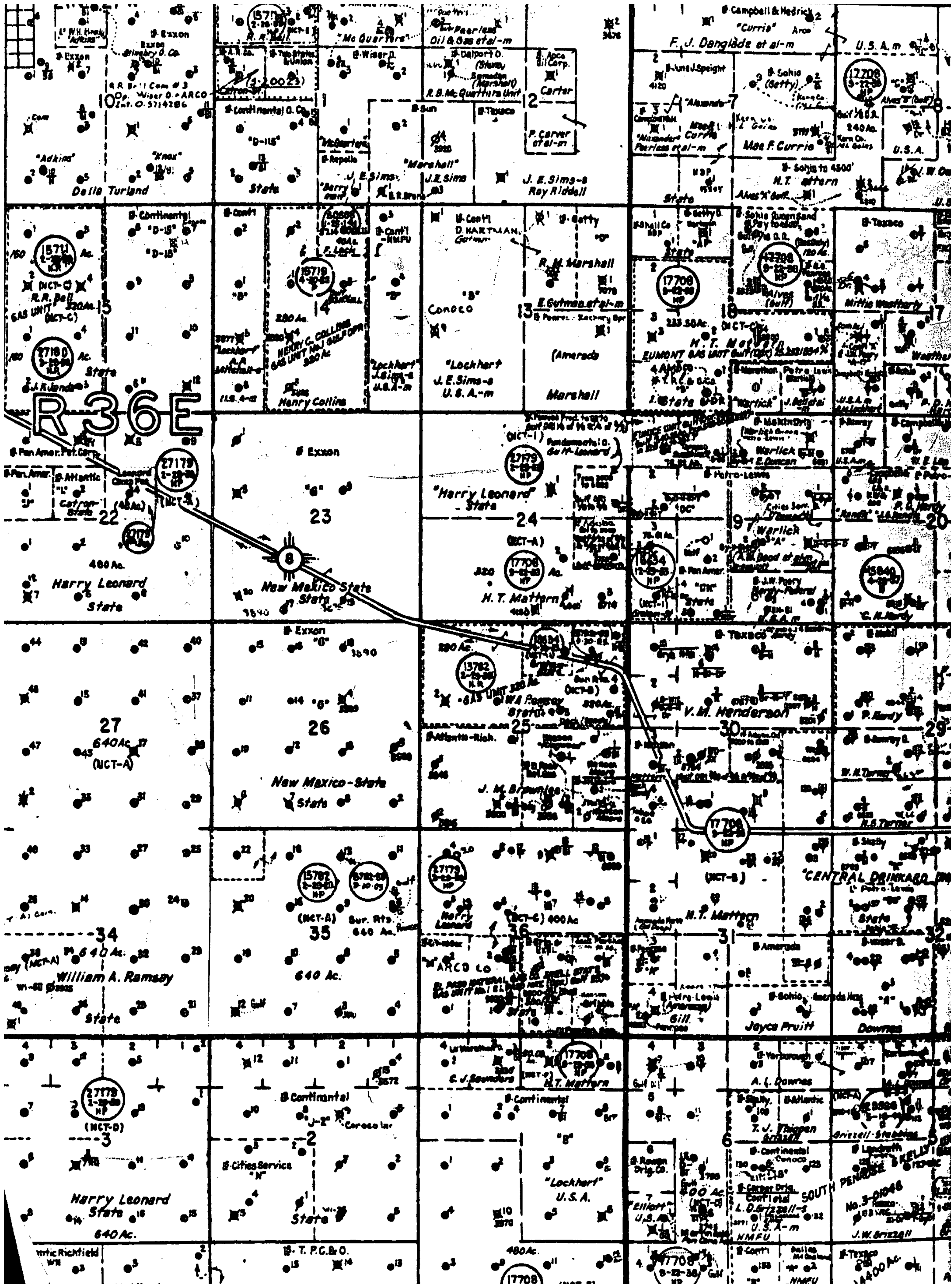
Date: 8-15-1986

I hereby certify that the well location shown on this plat 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

Registered Professional Engineer and/or Land Surveyor

Certificate No.



R36E
F. J. Danglade et al-m
U.S.A.
Mae F. Currie
Della Turland
State
J. E. Sims-s
Roy Riddell
R. M. Marshall
Conoco
E. Gutman et al-m
"Lockhart"
J. E. Sims-s
U. S. A.-m
Henry Collins
Marshall
Mittie Weatherly
Exxon
"Harry Leonard"
State
Harry Leonard
State
New Mexico State
H. T. Mattern
New Mexico-State
State
V. M. Henderson
J. M. Brownlee
"CENTRAL DRINKARD UNIT"
William A. Ramsay
State
640 Ac.
ARCO
Gill
Joyce Pruitt
Downes
A. L. Downes
H. T. Mattern
C. J. Saunders
Continental
"Lockhart"
U. S. A.
Harry Leonard
State
640 Ac.
Cities Service
T. J. Thigpen
Grizzell-Stebbins
SOUTH PENROSE SKELLY
L. D. Grizzell-S
U. S. A.-m
J. W. Grizzell

Chevron U.S.A. Inc.
W. A. Ramsay (NCT-B) Well No. 3
Downhole Commingle Application
List of Offset Operators

Hanson Operating Company, Inc.
P.O. Box 1515
Roswell, N.M. 88202

Arco Oil and Gas Company
P.O. Box 1710
Hobbs, N.M. 88240

Exxon Company U.S.A.
P.O. Box 1600
Midland, Tx. 79702

Texaco Producing Inc.
P.O. Box 728
Hobbs, N.M. 88240

1. OPERATOR: Chevron U.S.A. Inc., P.O. Box 670, Hobbs, N.M. 88240.

2. LEASE, WELL, AND LOCATION: W.A. Ramsay (NCT-B) Well No. 3, 330' FNL and 330' FEL of Section 25-T21s-R36E, Lea County, N.M.

3. PRODUCING ZONES: Blinebry and Drinkard

4. DECLINE CURVE: The Blinebry is expected to decline at 15% per year after an IP of 5 BOPD and 40 MCFGPD. The Drinkard is expected to decline at 15% per year after an IP of 25 BOPD and 130 MCFPD.

5. BOTTOM HOLE PRESSURE: The calculated BHP for the Blinebry is 1253 psi at a depth of 5888'. The measured BHP for the Drinkard is 1179 psi @ 6505'.

6. FLUID CHARACTERISTICS: The Blinebry and Drinkard are currently surface commingled at the battery under Administrative Order PLC-3. There has been no evidence of fluid incompatibility to date.

7. WELL HISTORY: The subject well was drilled in 1963 to total depth of 6700'. Thirteen and three - eights inch surface casing was set at 362' and cement was circulated to surface. Nine and five-eights inch casing was set at 3678' and cement was circulated to 2210' from surface. Seven inch liner was set from 6699' to 3551. Cement was circulated to the top of the liner. The well was originally completed as a dual in the Paddock and Drinkard. The Paddock was perforated from 5159'-69' and was acidized with 500 gal 15% NEA. The Drinkard was perforated from 6625' - 54' and was acidized with 3000 gal 15% NEA.

   2/64: Drinkard equipped to pump.

   2/69: Paddock acidized w/1500 gal 28% NEA.

   3/72: Drinkard temporarily abandoned.

7. (cont'd) 3/72: Blinebry perforated 5492'-5784' and fraced w/25,000 gal gelled brine water 1-3 lbs SPG.

8/86: Squeezed Paddock perforations from 5159'-69' with 194 sxs cmt.

9/86: Acid frac Drinkard w/15,000 gal 20% gelled acid through perforations at 6625' - 54'.

8. VALUE OF COMMINGLED FLUIDS: The subject pools are surface commingled, therefore downhole commingling will not affect the price.

9. CURRENT PRODUCTION: The Blinebry was last tested on 1/10/86, at which time it was producing 6 BOPD, 83 BWPD and 37 MCFPD. The Blinebry has been shut in since September, 1986. The Drinkard was last tested on 1/2/87, at which time it was producing 12 BOPD, 20 BWPD AND 65 MCFPD.

10. RECOMMENDED OIL AND GAS ALLOCATIONS: Based on expected IP's

BLINEBRY		DRINKARD
17%	OIL	83%
24%	GAS	76%

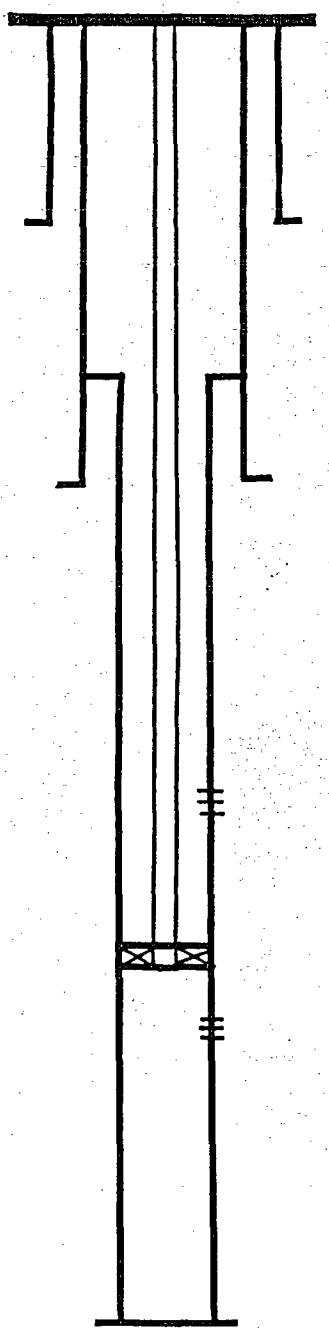
11. OWNERSHIP AND ROYALTY INTERESTS: Ownership of the two pools is common and correlative rights will not be violated.

12. FUTURE SECONDARY RECOVERY OPERATIONS: Commingling will not jeopardize the efficiency of future secondary recovery operations.

13. PRODUCTION METHODS: The commingled production will be rod pumped. The fluid level will be monitored to maintain a pumped off condition and to eliminate the possibility of cross flow between reservoirs.

14. Copies of this applicaiton have been furnished to all offset operators by certified mail.

CHEVRON U.S.A. INC.
W. A. RAMSAY (NCT-B) WELL NO. 3
WELLBORE DIAGRAM



13 3/8" CASING
SET @ 362'

9 5/8" CASING
SET @ 3678'

2 3/8" PRODUCTION
TUBING

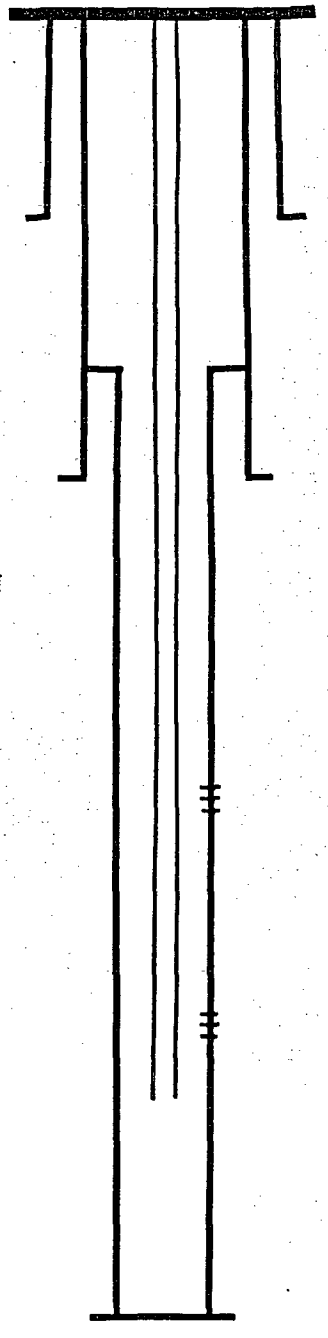
BLINEBRY PERFS
5492' - 5784'

LOK-SET PACKER

DRINKARD PERFS
6625' - 6654'

7" LINER
SET @ 6699'

PBTD @ 6670'
TD @ 6700'

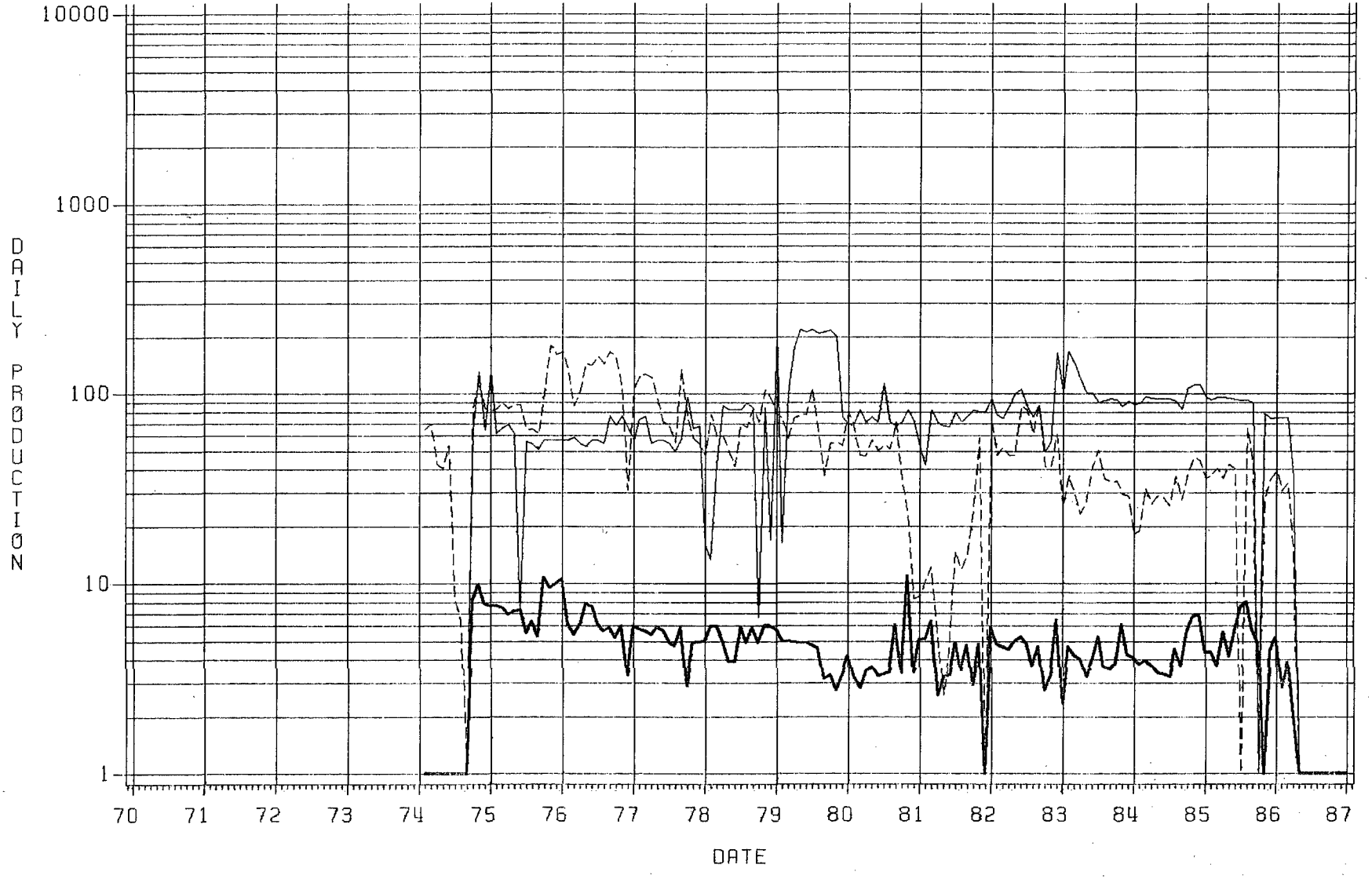


PBTD @ 6670'
TD @ 6700'

PRODUCTION DATA PLOT

PETROLEUM INFORMATION

FLDRESNA=BLINEBRY OIL AND GAS WELLNA=W A RAMSAY NCT B WELLNO=003 OPERNA=CHEVRON U.S.A. INC.



HEAVY SOLID LINE=BOPD
SOLID LINE=BWPD
LIGHT DASHED LINE=MCFD

NEW MEXICO OIL CONSERVATION COMMISSION
P.O. Box 2088 Santa Fe, New Mexico 87501

Operator's Monthly Report

1

Operator: Chevron U.S.A. Inc. Address: P.O. Box J, Section 724R, Concord, CA 94524 For Month, Year: NOVEMBER 1986 209

Pool Name (Unitized) / *Lease Name / Well No. Unit Sec. Twp. Rng / *Lease Name - Include State Land Lease Number or Federal Lease Number	Stat.	Injection Volume	Injection Pressure	Subsequent Production Monthly Oil Allowable	Subsequent Production Actual Barrels Produced	Subsequent Production Barrels of Water Produced	Gas Produced MCF	Days Prod.	Disposition of Gas Sold	Disposition of Gas Trans porter	Disposition of Gas Other	Stat.	Gas on Hand Beg. of Month	Remarks Barrels to Transporter	Remarks Trans porter	Remarks Other	Stat.	Gas Vented & Flared MCF
DRINKARD			COUNTY	OF LEA														
A-1543-1 GRAHAM STATE NCT I																		
0001 M 19 21S 37E	P			3750	1845	150	3876	30										
LEASE TOTAL				3750	1845	150	3876		3876	WAR			SEE GRAHAM STATE NCT-I BTY					
DRINKARD			COUNTY	OF LEA														
RAMSEY W.A NCT B																		
0003 A 25 21S 36E	P			540	251	990	1837	30										
0006 H 25 21S 36E	P			270	133	2430	1711	30										
0008SING A 25 21S 36E	P			300	89	180	1026	30										
LEASE TOTAL				1110	473	3600	4574		4574	WAR			SEE GRAHAM STATE NCT I BTY					
PADDOCK			COUNTY	OF LEA														
A-1543-1 GRAHAM STATE NCT I																		
0001 M 19 21S 37E	P			600	222	1650	1027	30										
LEASE TOTAL				600	222	1650	1027		1003	WAR	24U		SEE GRAHAM STATE NCT-I BTY					

Status Code: F Flowing; P Pumping; G Gas Lift; S Shut-in; T Temp. Abandoned; I Injection; D Dismantled

"Other" Gas Disposition Code: X Use Off Lease; D Used for Drilling; G Gas Lift; T Test (MCF Estimation); E Explanation Attached; R Repressuring or Pressure Maintenance; V Vented; (Detail on Form C-111)

"Other" Gas Disposition Code: C Circulating Oil; L Lost; S Sedimentation (BS&W); E Explanation Attached

I hereby certify that the information given is true and complete to the best of my knowledge

Name: Position:

Signature: Date:

W. A. RAMSAY (NCT-B) WELL NO. 3
BLINEBRY BHP CALCULATIONS

P_1 = static bottom hole pressure
P_2 = casing pressure
P_3 = gas column hydrostatic
P_4 = oil column hydrostatic

Static liquid level = 2255' from surface.
Mid-Perf depth = 5638'

$P_1 = P_2 + P_3 + P_4$
P_2 = 0 psi (measured)
P_3 = (.002 psi/ft) * (2255') = 4.5 psi

P_4 = (.369 psi/ft) * (5638'-2255') = 1248

P_1 = 0 psi + 4.5 psi + 1248 psi = 1253 psi

Static bottom-hole pressure @ 5888 = 1253 psi

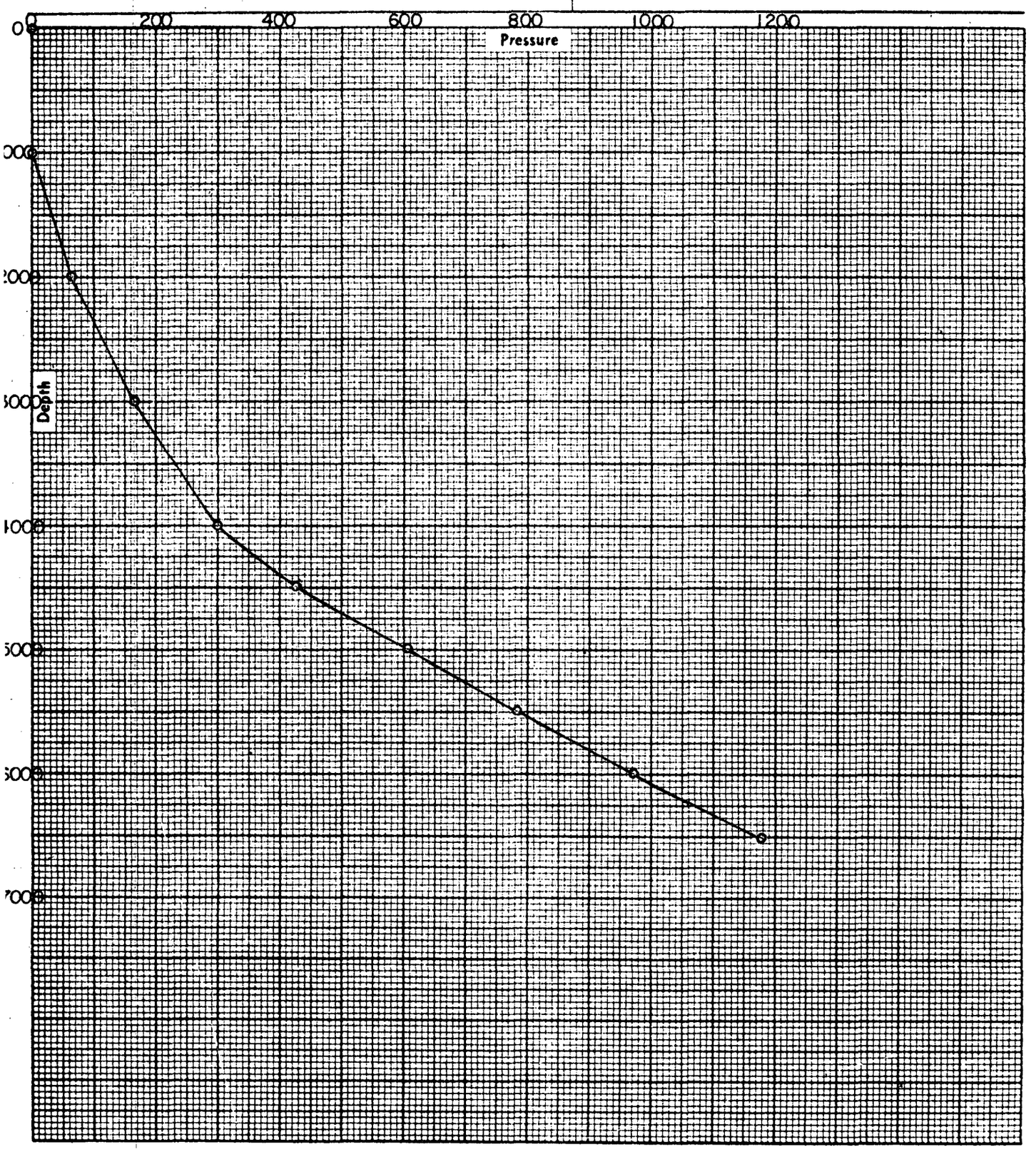
JOHN W. WEST ENGINEERING COMPANY
412 NORTH DAL PASO, HOBBS, NEW MEXICO
TELEPHONES 393-3942
393-3117

BOTTOM HOLE PRESSURE SURVEY REPORT

OPERATOR CHEVRON U S A, INC.
LEASE W.A. Ramsey "B"
WELL NO. 3
FIELD DRINKARD
DATE 1-26-87 TIME 8:00 A.M.

STATUS Shut-in TEST DEPTH 6,505'
TIME S.I. LAST TEST DATE
CAS. PRES. BHP LAST TEST
TUB. PRES. 0 psi BHP CHANGE
ELEV. FLUID TOP Foamy
DATUM WATER TOP
TEMP RUN BY R.B. & B.T.
CLOCK NO. 22123 GAUGE NO. 12434
ELEMENT NO. 18129 (0-2500 PSI)

DEPTH	PRESSURE	GRADIENT
000	00	
1000	00	Neg.
2000	68	.068
3000	166	.098
4000	300	.134
4500	426	.395
5000	607	.362
5500	784	.354
6000	971	.374
6505	1179	.412



STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

HOBBS DISTRICT OFFICE

February 26, 1987

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161

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

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

Gentlemen:

I have examined the application for the:

Chevron USA Inc.	W.A. Ramsay NCT-B #3-A		25-21-36
Operator	Lease & Well No.	Unit	S-T-R

and my recommendations are as follows:

OK -- Jerry Sexton

Yours very truly,

Jerry Sexton
Supervisor, District 1

/mc