



RELEASE 2-20-93

Midland Division
Exploration and Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79706-4600
(915) 686-5400

OIL CONSERVATION DIVISION
RECEIVED
93 FEB 10 13

January 27, 1993

State of New Mexico
Energy & Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Gentlemen:

**Application to Downhole Commingle Justis Blinebry
and Justis Tubb-Drinkard Production in the
State A-2 No. 4, 2310' FSL & 1980' FEL, Sec. 2,
T-25S, R-37E, Lea County, New Mexico**

Conoco Inc. requests administrative approval to downhole commingle production from the Justis Blinebry and Justis Tubb-Drinkard pools in its State A-2 No. 4 well to maximize the efficient and effective recovery of reserves from both pools.

This well was producing as a Tubb-Drinkard single completion until 11/3/92. On that date a retrievable bridge plug was set at the top of this completion so that the Blinebry could be completed and tested. The Tubb-Drinkard completion had been averaging 11 to 12 BOPD production for the previous 8 months. The Blinebry completion had declined to 28 BOPD (on pump) by 1/14/93 when the enclosed C-116 test was conducted. Therefore, the combined rates of the two completions is already down to 40 BOPD and should continue to decline.

These rates will not economically justify the installation and maintenance of dual completion equipment. The lower Tubb-Drinkard completion will remain shut-in until it can be downhole commingled with the Blinebry.

The following attachments are submitted in support of this application:

1. EXHIBIT A is a plat of Conoco's State A-2 Lease with the well No. 4 indicated by the arrow and all offset operators shown on the surrounding tracts.
2. EXHIBIT B is a decline curve for the Tubb-Drinkard completion.
3. EXHIBITS C and D are C-116's showing tests for the Tubb-Drinkard and Blinebry zones respectively.
4. EXHIBIT E records and describes the determination of reservoir pressures for both zones.

5. Allocation percentages based on the submitted C-116 tests are suggested as follows:

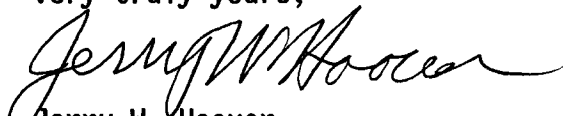
	<u>Oil</u>	<u>Gas</u>	<u>Water</u>
Justis Tubb-Drinkard	30%	52%	4%
Justis Blinebry	70%	48%	96%

6. Ownership is the same for both zones.
7. Blinebry and Tubb-Drinkard production are already surface commingled for this lease at the State A-2 Battery. Therefore, the value of the production from these two completions will be the same, if downhole commingled, as it is currently.
6. Offset operators to the 40-acre tract dedicated to this well are:

Arco	Chevron
JFG Enterprises	Lanexco, Inc.
Meredian	Tahoe Energy
Texaco	

EXHIBIT F shows copies of the certified mail receipts for the notices of this application that were sent to each offset operator.

Very truly yours,



Jerry W. Hoover

Senior Conservation Coordinator

CHEVRON OPERATED
STUART LANGLEIE
MATTIX UNIT
OUTLINE (SLMU)

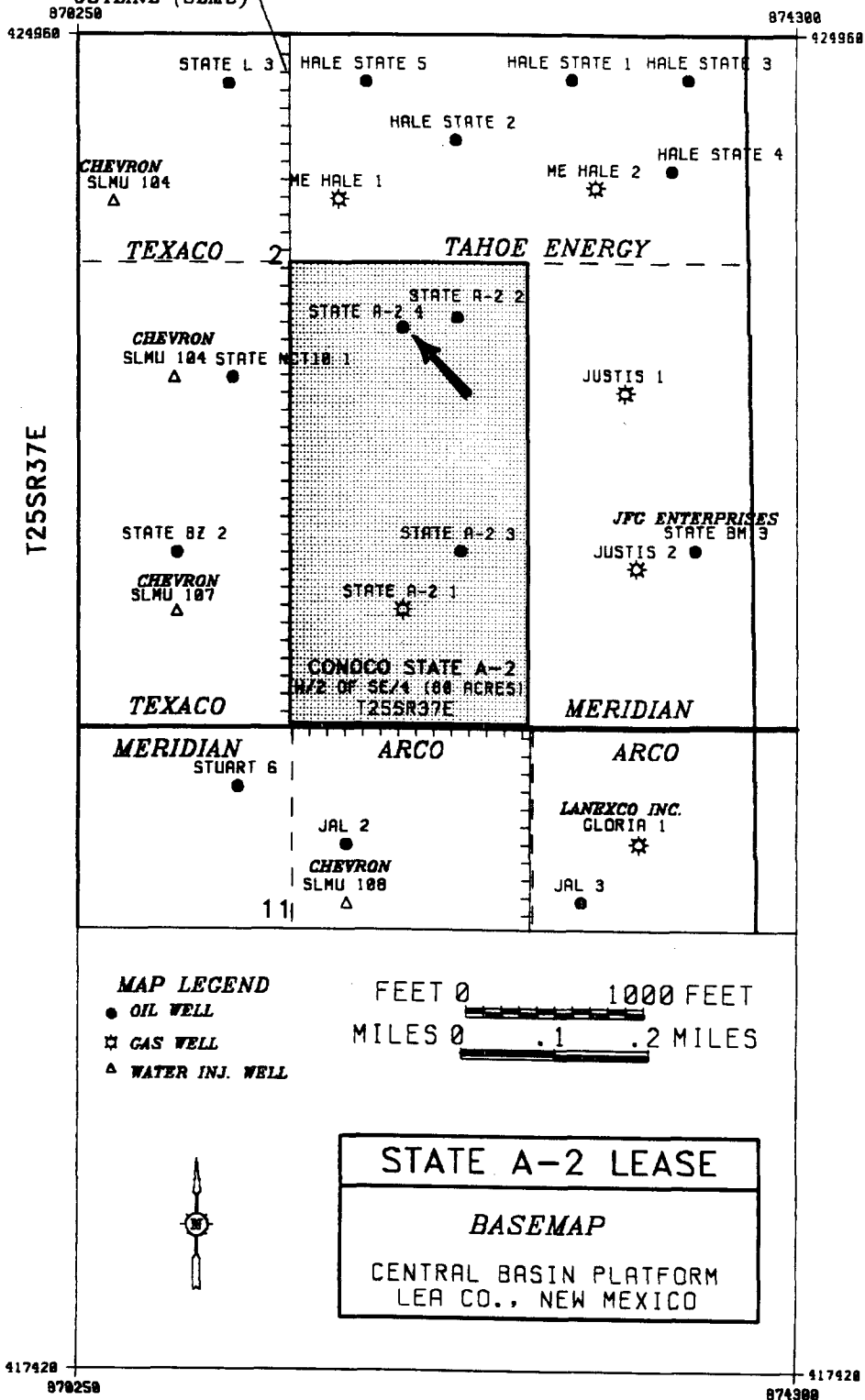


EXHIBIT A

CONOCO INC. STATE A-2 NO. 4: JUSTIS TUBB/DRINKARD
SEC. 2, T21S, R36E

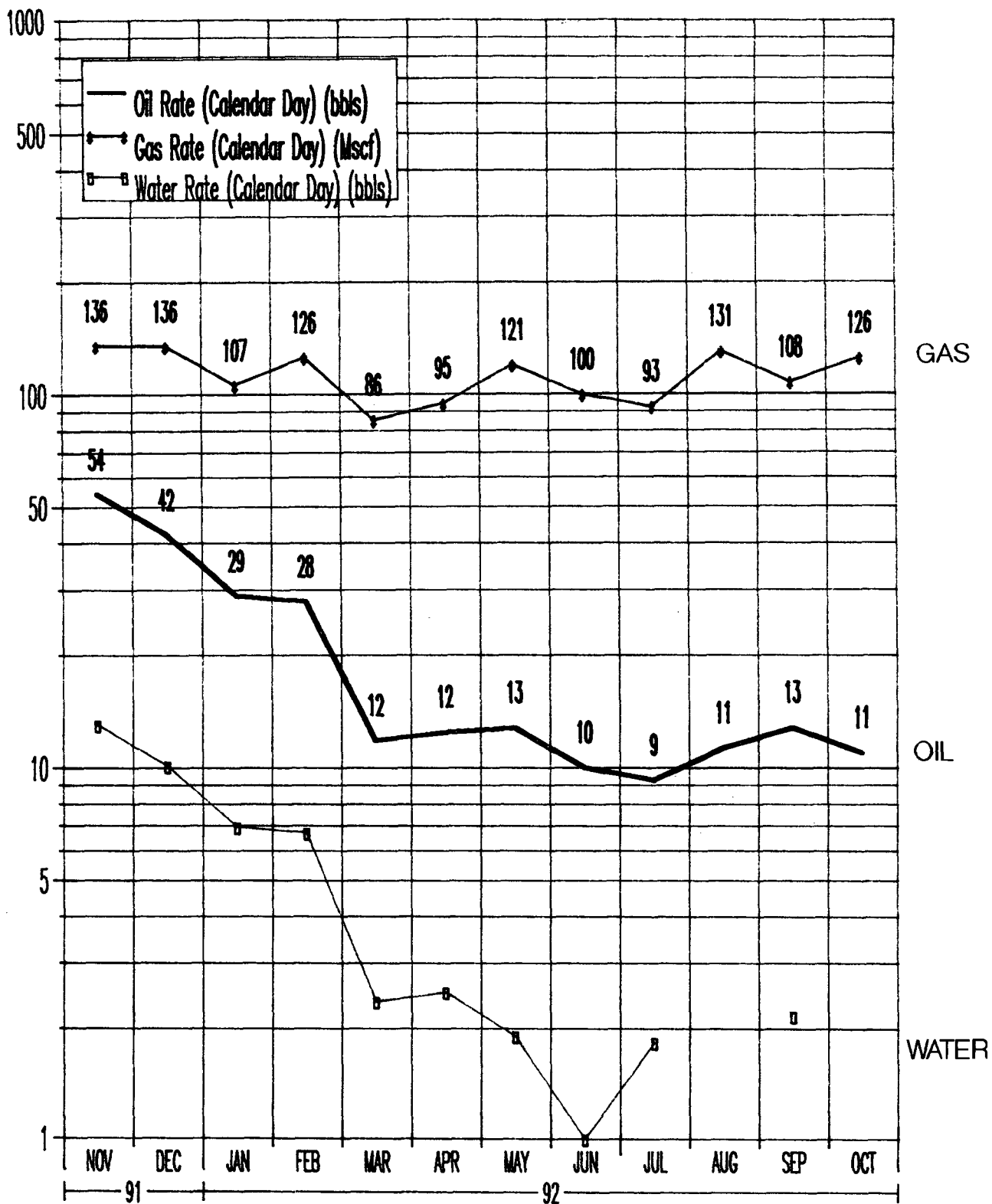


EXHIBIT B

Submit 2 copies to Appropriate District Office.
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-116
Revised 1/1/89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

GAS - OIL RATIO TEST

Operator Conoco, Inc.		Pool Justis Tubb Drinkard		County Lea											
Address 10 Desta Drive Ste 100W Midland, Tx. 79705		TYPE OF TEST - (X)		Completion <input type="checkbox"/> 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 BBL.S.	GRAV. OIL		OIL BBL.S.	GAS M.C.F.
State A-2	4	J	2	25s	37e	9-18-92	p	---	60	24.0	1	35.7	12	150	12500

Instructions:

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 Division.

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.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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

Signature

Olga Huerta Oil & Gas Assistant

Printed name and title

1-12-93

Date

(915) 686-5439

Telephone No.

Submit 2 copies to Appropriate
District Office.
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P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-116
Revised 1/1/89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

GAS - OIL RATIO TEST

Operator Conoco, Inc., Address 10 Desta Drive Ste 100W Midland, Tx. 79705	Pool Justis Blinbry	County Lea												
TYPE OF TEST - (X)		Scheduled <input type="checkbox"/>	Completion <input checked="" type="checkbox"/>	Special <input 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 BBL.S.	GRAV. OIL		OIL BBL.S.
State A-2	4	J	2	21s	37E	1-14-93	P		24.0	24	36.8	28	136	4857

Instructions:

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 Division.

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Signature

Olga Huerta Oil & Gas Assistant

Printed name and title

1-19-93 (915) 686-5439

Date

Telephone No.

EXHIBIT D

**ATTACHMENT 5
BOTTOM HOLE PRESSURE**

**JUSTIS TUBB/DRINKARD RESERVOIR PRESSURE - 897 PSIA
JUSTIS BLINEBRY ESTIMATED RESERVOIR PRESSURE - 1200 PSIA**

The Justis Tubb/Drinkard reservoir pressure is based on a 72 hour buildup test run October 19-22, 1992. The final pressure recorded after 72 hours was 661 psia. The 897 psia reservoir pressure was determined by extrapolating the radial flow portion of the buildup curve to an infinite shutin time. The buildup and Horner curves are attached.

The Justis Blinebry pressure was estimated from a flowing bottomhole pressure survey. The flowing pressure survey run on December 1, 1992 recorded 1013 psia. The static Justis Blinebry pressure is estimated at 1200 psia.

P 451 210 275
RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to	Texaco Exp. & Prod.
Street and No.	Box 3109
P.O. State and ZIP Code	Midland, TX 79702
Postage	\$
Certified Fee	XXX
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	1-28-93

P 451 210 274
RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to	Lanexco Inc.
Street and No.	Box 2730
P.O. State and ZIP Code	Midland, Tx 79702
Postage	\$
Certified Fee	XXXX
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	1-28-93

P 583 520 457
RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to	JFG Enterprises
Street and No.	Box 100
P.O. State and ZIP Code	Artesia, NM 88211-0100
Postage	\$
Certified Fee	XX
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	1-28-93

P 583 520 459
RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to	Meridian Oil Co.
Street and No.	21 Desta Dr.
P.O. State and ZIP Code	Midland, Tx 79705
Postage	\$
Certified Fee	XXX
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	1-28-93

P 583 520 461
RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to	Tahoe Energy
Street and No.	3909 W. Industrial
P.O. State and ZIP Code	Midland, TX 79703
Postage	\$
Certified Fee	XXX
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	1-28-93

P 583 520 458
RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to	Arco Oil & Gas Co.
Street and No.	P.O. Box 1610
P.O. State and ZIP Code	Midland, Tx 79701
Postage	\$
Certified Fee	XXX
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	1-28-93

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to	Chevron USA Inc.
Street and No.	Box 1150
P.O. State and ZIP Code	Midland, Tx 79702
Postage	\$
Certified Fee	XX
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	1-28-93

RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
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P 583 520 460

EXHIBIT F