ELEASE Z·ZO·93 conoco

Midland Division Exploration and Production Conoco Inc. 10 Desta Drive, Suite 100W Midland, TX 79705-4500 (SERVER AND (915) 686-5400 207 FF 111 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 shutin 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>0i1</u>	<u>Gas</u>	<u>Water</u>
Justis Tubb-Drinkard	30%	52%	4%
Justis Blinebry	70%	48%	96%

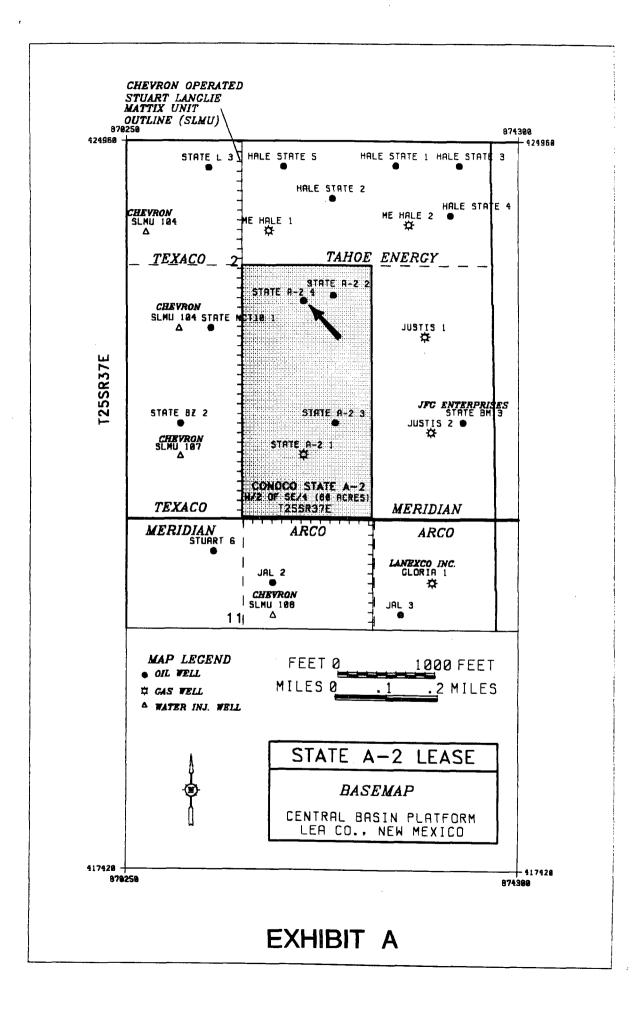
- 6. Ownership is the same for both zones.
- 7. Blinebry and Tubb-Drinkard production are already surface commingled for this lease at the State A-2 Battery. Therefore, the value of the production from these two completions will be the same, if downhole commingled, as it is currently.
- 6. Offset operators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

Jerry W. Hoover Senior Conservation Coordinator



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

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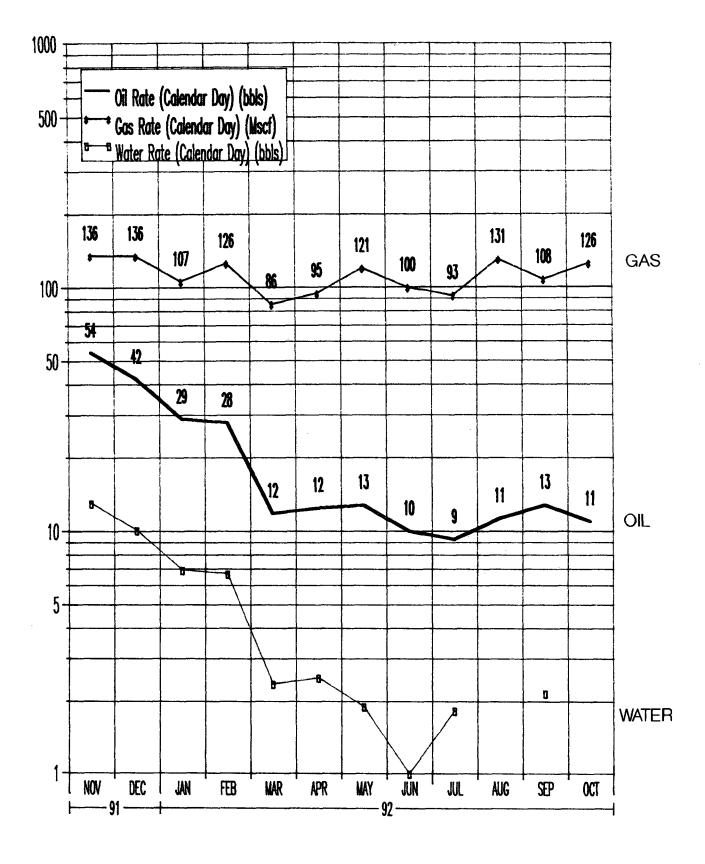


EXHIBIT B

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 Submit 2 copies to Appropriate District Office.

Energy, Minerals and Natural Resources Department

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Form C-116 Revised 1/1/89

OIL CONSERVATION DIVISION

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

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Conoco, Inc.					Ju	Justis Tubb Drinkard	Drj	nkard				Ľ	Lea			
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(Con Buls 301 Buls 1116 & 2002)		alua laar	- 1-1- 							Date	e				Teleph	Telephone No.

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

EXHIBIT С

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

- State of New Mexico Energy, Minerals and Natural Resources Department

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

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(See R	(See Rule 301, Rule 1116 & appropriate pool rules.)	ropriate	pool n	ules.)							Date	4				Teleph	Telephone No.

EXHIBIT D

Form C-116 Revised 1/1/89

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ATTACHMENT 5 BOTTOM HOLE PRESSURE

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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.

EXHIBIT E

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