Mobil Exploration & Producing U.S. Inc.

184 JUL 6 AN 8 50 June 2, 1994

P.O. BOX 633 MIDLAND, TEXAS 79702-0633

MIDLAND SOUTH ASSET TEAM ENVIRONMENTAL, REGULATORY & LOSS PREVENTION

FACSIMILE (915) 688-1514

New Mexico Oil Division P.O. Box 2088 Santa Fe, New Mexico 87501 ATTN: Mr. William LeMay

REF:

Exception to Rule 303 (A)

North Vacuum Abo Unit #165/

Bridges State #165

North Vacuum Abo & Penn Pools

Lea County, New Mexico

Dear Mr. LeMay:

Mobil Exploration & Producing U.S. Inc. as agent for Mobil Producing TX & NM Inc., is requesting administrative approval to downhole commingle oil production from the North Vacuum Abo and the Penn Pools, in the subject well(s), located in Unit D, Section 13, T-17-S, R-34-E, Lea County, New Mexico.

This wellbore is currently producing 26 BOPD in the Abo and 25 BOPD in the Penn zone.

The subject well(s) meets all prerequisities for commingling, as set out in Rule 303 (C). The ownership of these zones has joint interest. Approval by sufficient owners has been received to proceed with commingling. A copy of the letter and ballot are attached.

In support of this application, the following is submitted:

- 1. Location plat
- 2. Data sheet for both zones (Exhibit A)
- 3. Computation of relative values for hydrocarbons (Exhibit B)
- 4. Present and proposed wellbore sketches
- 5. Well test curve, plats and C-116 for the zones
- 6. History of the wellbore



North Vacuum Abo/Penn Well #165 NMOCD, Santa Fe

- 7. List of offset operators
- 8. Notice of application for Downhole Commingle

Although bottom hole pressure data is not available for these two zones, no crossflow is anticipated, since the common pump will keep fluid levels low. Potential test will be submitted with allocation of production shown as soon as approval is received.

All offset operators have been notified of this request by copy of this application.

In conclusion, MEPUS believes that approval of this request will result in a more efficient recovery of hydrocarbons and will extend the productive life of both zones, therefore preventing waste. If any further information is needed, please call me at 915-688-2584.

Sincerely,

Kaye Pollock-Lyon

Environmental & Regulatory Technician

aux Hellock Lyn

Mobil Exploration & Producing US Inc.

as agent for

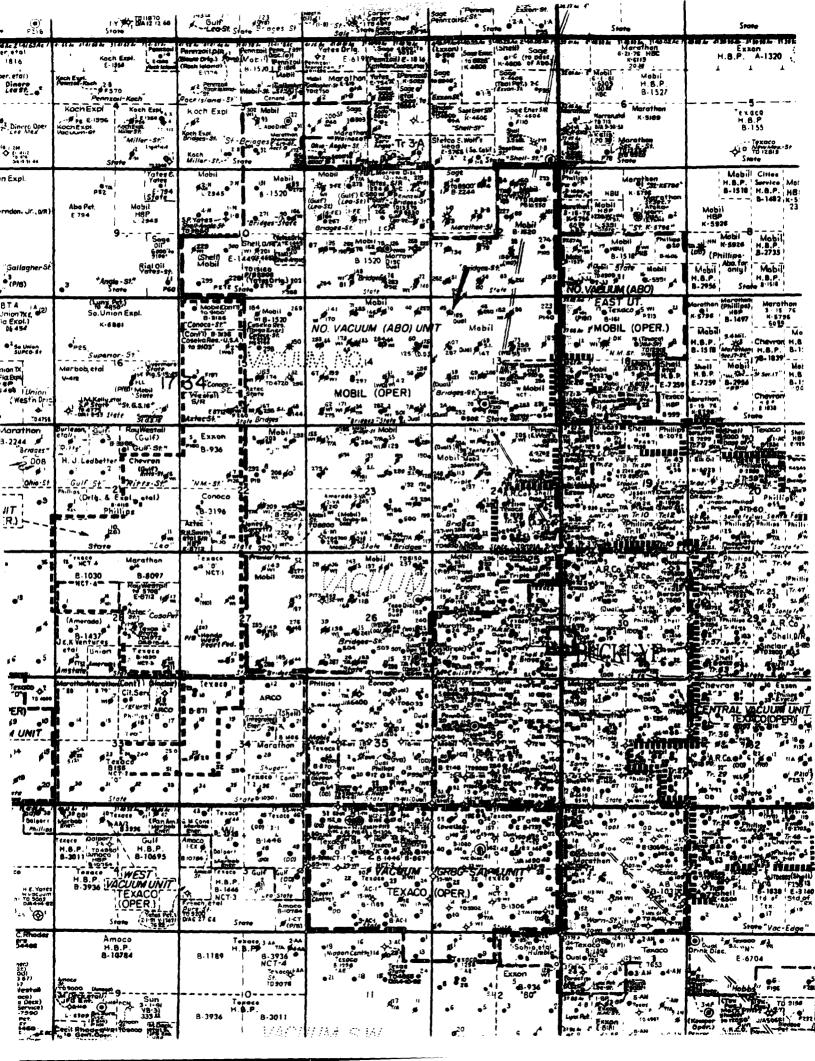
Mobil Producing TX & NM Inc.

KPL:s

Attachments

cc: N

NMOCD-Hobbs
Offset Operators



DATA SHEET

EXHIBIT A

Application for exception to Rule 303 (a) New Mexico Oil Conservation Commission's Rules & Regulations allowing downhole commingling of dually completed oil wells by administrative procedure (Order No. R-3845)

	F	,
1.	Lease Name	North Vacuum Abo Unit/Bridges State
2.	Well Number	165/165
3.	Well Location	Unit D, 660 FNL & 860 FWL Sec. 13, Township 17S, Range 34E Lea County, New Mexico
4.	Upper Zone	North Vacuum Abo
5.	Completion Interval:	8,493 to 8,553
6.	Lower Zone	Penn
7.	Completion Interval:	10,393 to 10,427
8.	Current Productivity	Test Summary:
		Upper Zone

		Upper Zone <u>Abo</u>	Lower Zone Penn
	Production Method	Pump	Pump
	BOPD	26	25
	MCFPD	10	20
	BWPD	18	108
	GOR	384	800
	GOR Limit	2000/1	2000/1
9.	Botom-hole pressure of Upper Zone	Not Available	
10.	Bottom-hole pressure of Lower Zone	Not Available	
11.	Fluid characteristics of Each Zone:	Both zones producted and we experience and producing the control of the control o	pect no problems in

DATA SHEET

EXHIBIT B

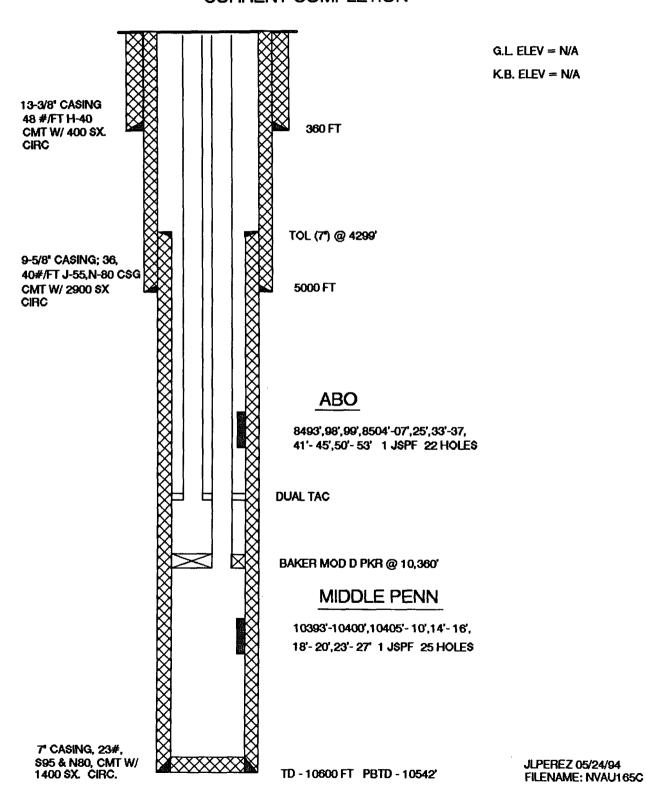
COMPUTATION OF RELATIVE VALUES OF THE HYDROCARBON PRODUCTION BEFORE & AFTER DOWNHOLE COMMINGLING (STATEWIDE RULE 303-C-2-H)

Lease & Well Number	North Vacuum Abo Un	nit 165/Bridges State 16	55
	UPPER POOL ABO	LOWER POOL PENN	COMMINGLED
Pool Name	North Vacuum	Bridges State	
Gravity, API 37.07	35.2	40.1	37.6
Selling Price/BO	16.75	16.75	16.75
Daily Production/BO	26	25	51
Daily Income	\$435.50	\$418.75	\$854.25
TOTAL DAILY INCOME			

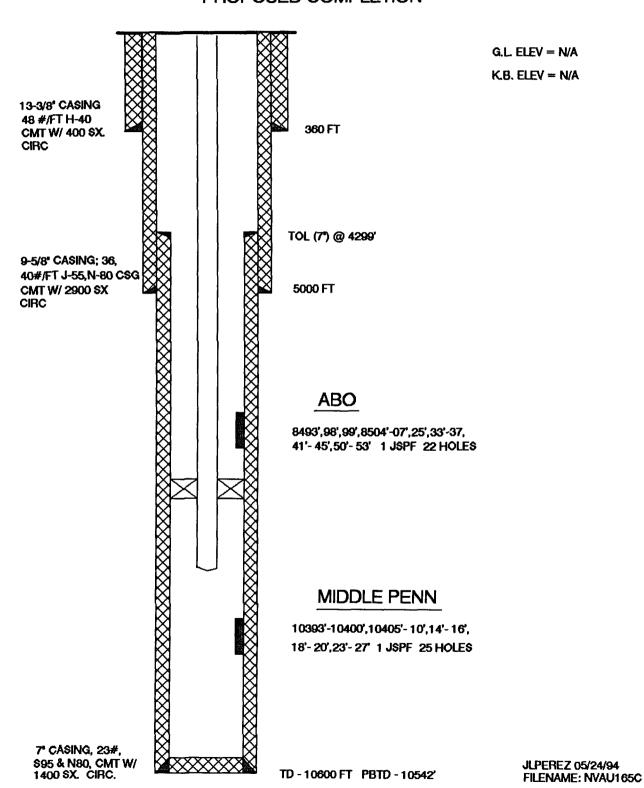
Net difference from downhole commingling based upon current well tests = \$-0- /day gain

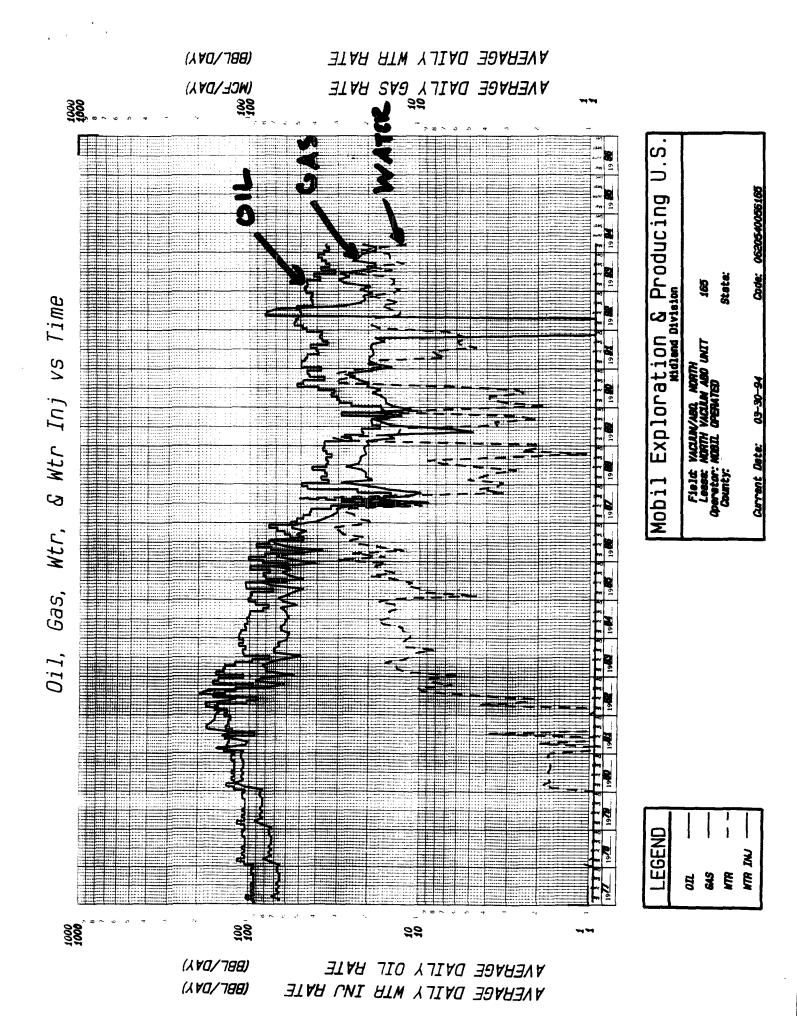
(POOLS SEPARATED) \$854.25

BRIDGES STATE/NORTH VACUUM ABO UNIT #165 VACUUM (ABO, PENN) FIELDS LEA COUNTY, NEW MEXICO CURRENT COMPLETION



BRIDGES STATE/NORTH VACUUM ABO UNIT #165 VACUUM (ABO, PENN) FIELDS LEA COUNTY, NEW MEXICO PROPOSED COMPLETION





AVERAGE DAILY WIR RATE

(ABC/DYX) AVERAGE DAILY GAS RATE (MCE/DAY)

3**8** & Wtr Inj vs Time Gas,

LEGEND

Exploration & Producing

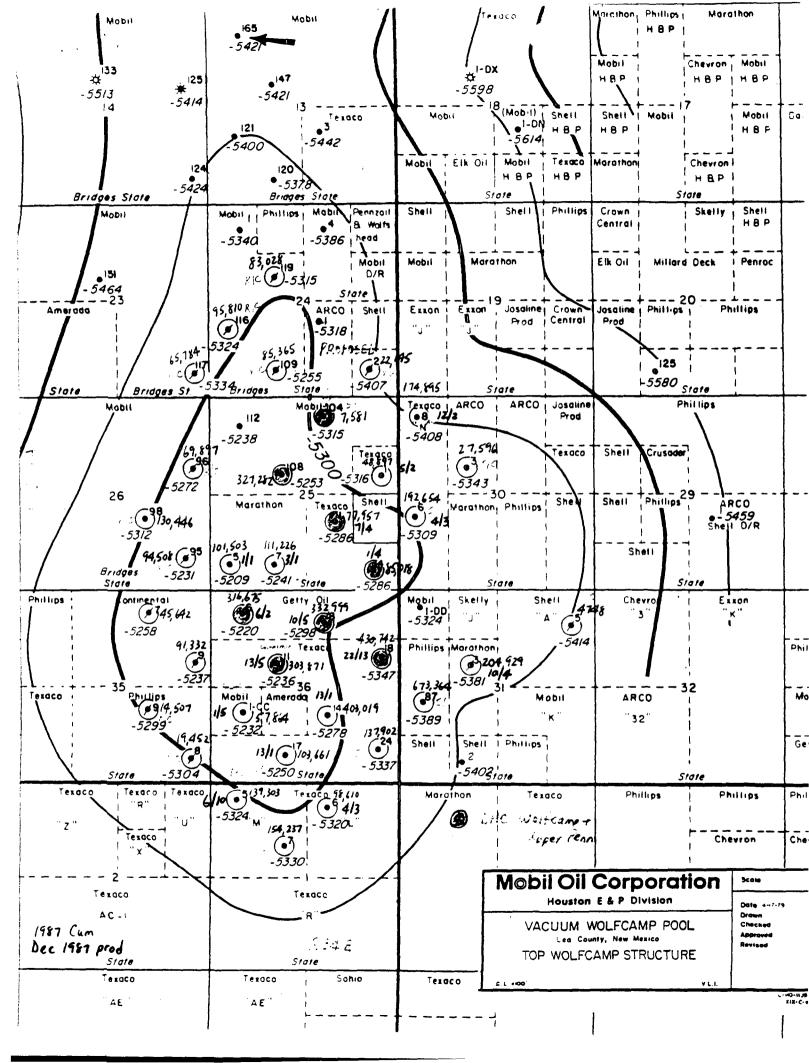
Mobil

(BBT\DYX) (AVO/788)

38

AVERAGE DAILY OIL RATE AVERAGE DAILY WIR INJ RATE

22



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

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

Revised 1/1/89

Form C-116

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

GAS - OIL RATIO TEST

		-									-					
Operator MOBIL PRODUCING TX & NM INC.*					<u>a</u>	Penn Pool			!			<u>შ</u>	County LEA			
Address *MOBIL EXPLORATION & PRODUCING US INC.	NG US 1	INC.					TYPE OF TEST - (X)	L &	Scheduled		ŭ	Completion		yd S	Special X	
	M/EI I		3	LOCATION		DATEOE		CUONE	TBC	DAILY	LENGTH		ROD. DUI	PROD. DURING TEST	T	GAS - OIL
LEASE NAME	WELL NO.	Þ	s	<u> </u>	~	TEST	UTATS	SIZE	PRESS.	ALLOW-	OF TEST HOURS	WATER BBLS.	GRAV. OIL	OIL BBLS.	GAS M.C.F.	RATIO CU.FT/BBL
BRIDGES STATE	165	a	51	12	34	04-09-94	а				24	108		25	20	800
· · · · · · · · · · · · · · · · · · ·											I hereby certify that the above information is true and	tify that	the abov	e informs	ation is t	rie and

instructions:

which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool 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 69 F. Specific gravity base will be 0.60.

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

Report casing pressure in lieu of tubing pressure for any well producing through casing.

complete to the best of my knowledge and belief. KAYE POLLOCK-LYON Printed name and title

86-62-94

915-688-2584

Telephone No.

Revised 1/1/89 Form C-116

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

Submit 2 copies to Appropriate

District Office.

GAS - OIL RATIO TEST

Operator MORIT. PRODITICING TX & NM INC.						Pool NORTH VACIETIM ABO	MAR					5	County				
Address *MOBIL EXPLORATION & PRODUCING US INC as	NG US	INC a	s ag	agent for	1 -	MPTM	TE SE	TYPE OF TEST - (X)	Scheduled		ၓ 	Completion		is	Special X		T
P.O. Box 633, Midland, IX	20161	-	١.	LOCATION	2	10.00	厂	L	Z L	DAILY	LENGTH		PROD. DURING TEST	RING TES	Ţ	GAS - OIL	
LEASE NAME	WELL NO.	5	S S	T		R TEST	UTATS	SIZE	PRESS.	_i	OF TEST HOURS	WATER BBLS.	GRAV. OIL	OIL BBLS.	GAS M.C.F.	RATIO CU.FT/BBL	اد
NORTH VACUUM ABO UNIT	191	<u>m</u>	25	12	34	04-08-94	<u>a</u>				24	89		09	30	200	
NORTH VACUUM ABO UNIT	165	۵	13	17	34	04-03-94	<u>a</u>				24	18		26	91	38	
	,																
() () () () () () () () () ()										q I	ereby ce	rtify that	I hereby certify that the above information is true and	ve inforn	nation is	true and	

Instructions:

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Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 69 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.)

Telephone No. 915-688-2584 Printed name and title 06-02-94 Date

KAYE POLLOCK-LYON

Signature

complete to the best of my knowledge and belief.

WELL HISTORY BRIDGES STATE/NORTH VACUUM ABO UNIT #165

- 04-17-71: Spud NVAU #165 and Bridges State #165
- 06-06-71: Perf Middle Penn 10,393'- 10,427'
- 06-07-71: Acidize M. Penn w/ 5,000 gals of 15% NE Acid
- 06-08-71: Perf Abo 8493'; 98'; 99'; 8504'-07'; 25'; 33'; 34'; 35'; 36'; 37'; 41'-45'; 50'- 53' w/ 1 jspf, total 22 holes.
- 06-09-71: Acidize Abo perfs w/ 10500 gals of 15% NE Acid.
- 06-22-71: M. Penn: NMOCD Pote. F 364 BNO + 1 BSW + 611 MCF/ 24 hrs.
- 06-23-71: Abo: NMOCD Pote. P 358 BNO + 6 BSW + 677 MCF/ 24 hrs.
- 10-08-77: Repair M. Penn tubing leak.
- 10-01-84: Repair M. Penn tubing leak.
- 11-09-85: Acidize M. Penn w/ 10000 gals of 15% NEFE HCL
- 07-03-86: Replace M. Penn tubing.
- 06-26-87: Repaired Penn tbg leak. Acidize Penn w/ 10,000 gals 15% acid.

NORTH VACUUM ABO #165/BRIDGES STATE #165 NORTH VACUUM ABO and PENN FIELDS LEA COUNTY, NEW MEXICO

OFFSET OPREATORS

Section 12: Mobil Producing TX & NM Inc. (NE 1/4, S 1/2)

Sage Petroleum Co. (NW 1/4)

Section 7: MobilProducing TX & NM Inc.

Marathon

Phillips

Section 18: Mobil Producing TX & NM Inc.

Phillips Shell

Texaco

Section 19: Mobil Producing TX & NM Inc.

EXXON ARCO Phillips

Shell

Section 24: Mobil Producing TX & NM Inc.

Texaco ARCO Shell

Section 23: Mobil Producing TX & NM Inc. (all by SW 1/4)

Amerada (SW 1/4)

Section 14: Mobil Producing TX & NM Inc.
Section 11: Mobil Producing TX & NM Inc.

MAILING ADDRESS:

Amerada Hess Corporation Entex Building 1200 Milam Street Houston, TX 77002

ARCO P.O. Box 1610 Midland, TX 79702

EXXON P.O. Box 1600 Midland, TX 79702

Marathon P.O. Box 552 Midland, TX 79702

Phillips Petroleum 4001 Penbrook Odessa, TX 79762 Sage Petroleum Co. P.O. Box 1179 Borger, TX 79007

Shell P.O. Box 831 Houston, TX 77001

Texaco P.O. Box 3109 Midland, TX 79702

Notice of Application for Downhole Commingle

APPLICANT:

Mobil Exploration & Producing US Inc.

P.O. Box 633

Midland, TX 79702-0633

Telephone:

915-688-2584

Contact:

Kaye Pollock-Lyon

PURPOSE:

Downhole Commingle North Vacuum Abo/Penn. zones in the

North Vacuum Abo Unit #165/Bridges State #165 wellbore.

OPERATIONAL CHARACTERISTICS:

Produce through one tubing string and use one rod pump. Formation fluids are commingled at the downhole pump.

Interested parties may file objections or request a hearing with the Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87503, within 15 days of this notice.

M bil Exploration & Producing U.S. Inc.

1 82 + 1 - 11 21412 | 12 + 48 1970**2-0633** |

HOUANG BOUTH ASSET TEAM

March 31, 1994

PROPOSED COMMINGLING OF PRODUCTION NORTH VACUUM (ABO) UNIT LEA COUNTY, NEW MEXICO C-4002; NM-569

Working Interest Owners:

Currently, Mobil has two (2) dual producing wells in the Vacuum Field area. One well is producing 45 BOPD from the Pennsylvanian/Wolfcamp formations and 67 BOPD from the Abo formation. This dual well is producing under the names of the Bridges State No. 104 (Mobil 100%) and the North Vacuum (Abo) Unit Well No. 104. This well is located in the "B" Unit, 520' FNL and 2120' FEL of Section 25-T17S-R34E.

The second well is producing 35 BOPD from the Pennsylvanian formation and 35 BOPD from the Abo formation. This dual well is producing under the names of the Bridges State No. 165 (Mobil 100%) and the North Vacuum (Abo) Unit Well No. 165, respectively. This well is located in the "D" Unit, 660' FNL and 860' FWL of Section 13-T17S-R34E.

From an operational standpoint, it makes good sense to commingle the production because it cuts the well downtime due to repairs when problems arise. Currently when the deeper zone needs repair, the unit part of the well has to be shut-in and vise versa. Secondly, there is the loss of production when these repairs have to be done. Thirdly, Mobil has to perform a Packer Leakage Test annually on the wells as mandated by the State of New Mexico. This again translates to well downtime and loss of production. The commingling of the production from the wells would eliminate these operational problems.

Mobil hereby proposes and recommends the commingling of production on these two (2) wells to facilitate operations, thus reducing costs, well downtime, and loss of production. Based on production from the Mobil-Bridges State Well No. 104/North Vacuum (Abo) Unit No. 104, Mobil recommends an allocation of 60% for the Unit well and 40% for the Mobil-Bridges State well. Operational expenses will be 47% for the Unit well and 53% for the Mobil-Bridges State well based on total fluids of 265 barrels. The commingled production from Well No. 104 will be brought into the Mobil-Bridges State 95 Tank Battery.

Based on production from the Mobil-Bridges State Well No. 165/North Vacuum (Abo) Unit No. 165, Mobil also recommends an allocation of 50% for the Unit Well No. 165 and 50% for the Mobil-Bridges State No. 165 Well. Operational expenses will be 27% for the Unit well and 73% for the Mobil-Bridges State well based on total fluids of 185 barrels. The commingled production from this well will be brought into the Mobil-Bridges State 120 Tank Battery.

Enclosed for your approval is Ballot Letter No. 1 and Ballot Letter No. 2 for the commingling of production for the two (2) wells mentioned above. Please signify your approval by signing and returning it in the enclosed self-addressed and postage-paid envelope.

Should you have any questions regarding this proposal, please call J. L. Perez at 915-688-2084 or the undersigned at 915-688-2112.

Very truly yours,

MOBIL EXPLORATION & PRODUCING U.S. INC. AS AGENT FOR

MOBIL PRODUCING TEXAS & NEW MEXICO INC.

anny Pequen

Land/Joint Interest Advisor

DP/kc

(REVISED) APPROVAL BALLOT NO. 1

COMMINGLING BRIDGES STATE WELL NO. 104 AND NORTH VACUUM (ABO) UNIT NO. 104 INTO THE MOBIL-BRIDGES STATE 95 TANK BATTERY

THE BASIS OF THE PRODUCTION AND EXPENSE FORMULAS:

OIL PRODUCT	<u>ION</u>	TOTAL FLUIDS
MOBIL 100% PART NVAU PART	= 45 BOPD = 67 BOPD	140 BBLS 125 BBLS
TOTAL	= 112 BOPD	265 BBLS

FORMULA FOR ALLOCATION OF COMMINGLED PRODUCTION AND EXPENSES OF DUAL WELL NO. 104:

OIL/G	AS PRODUCTION FORMULA	EXPE	NSE FORMULA
NVAU	67 BOPD 112 TOTAL BOPD = 60%	NVAU	125 BBLS. 265 TOTAL FLUIDS = 47%
MOBIL	45 BOPD 112 TOTAL BOPD = 40%	MOBIL	140 BBLS. 265 TOTAL FLUIDS = 53%

APPROVAL OF THE ABOVE OUTLINED PROPOSAL IS GRANTED AND OPERATOR HAS THE APPROVAL OF NON-OPERATOR NAMED BELOW TO PERFORM THE WORK AND TO COMMINGLE THE PRODUCTION ON THE ABOVE DESCRIBED WELL

NON-OPERATOR:	
	_DATE:

(REVISED) APPROVAL BALLOT NO. 2

COMMINGLING BRIDGES STATE WELL NO. 165 AND NORTH VACUUM (ABO) UNIT NO. 165 INTO THE MOBIL-BRIDGES STATE 120 TANK BATTERY

THE BASIS OF THE PRODUCTION AND EXPENSE FORMULAS:

OIL PRODUCT	<u>ION</u>	TOTAL FLUIDS
MOBIL 100% PART NVAU PART	= 35 BOPD = 35 BOPD	135 BBLS 50 BBLS
TOTAL	= 70 BOPD	185 BBLS

FORMULA FOR ALLOCATION OF COMMINGLED PRODUCTION AND EXPENSES OF DUAL WELL NO. 165:

OIL/C	AS PRODUCTION FORMULA	EXPE	NSE FORMULA
NVAU	$\frac{35 \text{ BOPD}}{70 \text{ TOTAL BOPD}} = 50\%$	NVAU	50 BBLS. 185 TOTAL FLUIDS= 27%
MOBIL	35 BOPD 70 TOTAL BOPD = 50%	MOBIL	135 BBLS. 185 TOTAL FLUIDS = 73%

APPROVAL OF THE ABOVE OUTLINED PROPOSAL IS GRANTED AND OPERATOR HAS THE APPROVAL OF NON-OPERATOR NAMED BELOW TO PERFORM THE WORK AND TO COMMINGLE THE PRODUCTION ON THE ABOVE DESCRIBED WELL

NON-OPERATOR:	
	DATE: