

#### KARANGA TERKATUAN **division** Kabangga

June 27, 1994

10 to 10 to 10 8 50

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

11075

Attention: Mr. David R. Catanach

Re: Exception to NMOCD Rule 303 (A), Order No. R-10033;
Addition of Five Wells to Previous Division Order
Jalmat and Langlie Mattix Pools
Cooper Jal Unit
Well Numbers 406, 407, 409, 414, and 419
T-24-S, R-36 & 37-E
Lea County, New Mexico

#### Gentlemen:

Texaco Exploration and Production Inc. respectfully requests administrative approval to add the five said wells to the its previous Division Order for downhole commingling of production from the Jalmat and Langlie Mattix Pools. The five said wells are located within the unit boundaries of the Cooper Jal Unit, Lea County, New Mexico. Each wells location is indicated in the attachments to this letter. All of the said wells are proposed to be drilled to the base of the Langlie Mattix Pool and simultaneously completed in the Langlie Mattix and Jalmat Pools as downhole commingled producers.

During 1993, the New Mexico Oil Conservation Division approved a Texaco E&P proposal for certification of Enhanced Oil Recovery on the Cooper Jal Unit. In this proposal, Texaco indicated that future locations would need to drilled as downhole commingled wells to complete the enhanced oil recovery project. The five subject wells presented in this application are part of that project. Within the Cooper Jal Unit, the Jalmat and Langlie Mattix Pools have been concurrently waterflooded since October 1970. All produced fluids have entered a common production and injection facility since that time with no fluid compatibility problems.

The proposed downhole commingling will provide a more economical means of production. It will allow complete development of the productive capacity within the unit by allowing the two intervals to be waterflooded on concurrent 40-acre five spot patterns. This will extend the productive life of both intervals, thereby preventing waste. It is therefore requested by Texaco Exploration and Production Inc., to administratively downhole commingle the Jalmat and Langlie Mattix Pools within the said five wellbores. Texaco requests that this be performed

by adding these wells to the previously signed downhole commingling order, No. R-10033, dated December 10, 1993.

The subject wells meet all of requirements as set forth by Rule 303 (C) except Rule 303 (C) 1. a. (1), where the total volumes of water produced are above the set state wide limits. This issue was addressed and resolved during a NMOCD Hearing, Case No. 10879, on December 2, 1993. The ownership of both zones are common (including working and royalty interests). The Jalmat and Langlie Mattix pools have been successfully commingled within the Cooper Jal Unit area with no incompatibility of reservoir fluids.

The following information is submitted as support for this request:

- 1. Location plat (Form C-102)
- 2. Well Data Sheets
- 3. Computation of Value for commingled production
- 4. Individual Well Casing Programs (Form C-101)
- 5. Average Production plots for the five 1993 infield producers.
- 6. Statement of notification to offset operators and USGS.

It is requested that the allocation of production for each zone be deferred until each well is placed on production. At such time, it is proposed to isolate the Jalmat interval in each well, to determine its productive rate prior to commingling. Production will then be allocated to the Langlie Mattix by subtracting the Jalmat production rate from the total stabilized production rate after downhole commingling the well.

Texaco Exploration and Production, Inc. believes that the administrative approval for downhole commingling and use of artificial lift on said wells will improve secondary recovery efforts and prolong the productive life of both zones, therefore preventing waste. If you have any questions concerning this application, please contact Michael Alexander at (505)397-0411.

Yours very truly,

Russell Pool

Q5 Pul

Hobbs Area Engineer

MCA

attachments Chrono

cc: Jerry Sexton/NMOCD/Hobbs Shannon Shaw/BLM/Carlsbad

#### NOTICE OF LOCATION

Submit to Appropriate District Office State Lease-4 copies Fee Lease-3 copies

DISTRICT 1
P. Q. Box 1980, Hobbs, NM 88240

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

DISTRICT III 1000 Rio Brazoe Rd., Aztec, NM 87410 State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

#### OIL CONSERVATION DIVISION

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

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the section

Operator				Leoso				Well No.
•	PLORATION A	ND PRODUCTION In	c.	COOPER JA	AL UNIT			419
Unit Letter	Section	Township	······································	Range			County	
Р	13	24 South		36 Ec	ıst	NMPM	Lea	
Actual Footage Lo	cation of Well:							
330'	feet from the		line and	500'		feet from the	<u> East</u>	line Dedicated Acreage:
Ground level Elev.		g Formation Yates, 7RVRS; 7RVI	De Ougen	Pool	it; Langlie	Mattiv		1
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		is dedicated to the well.						
unitiz	eation, force-pooling	∏ No If answe	r is "ves" type	of consolidation			isolidated by co	mmunitization,
	er is "no" list the rm if necessary	owners and tract descript	ions which ho	ve actually been	consolidated (u	so reverse side of		
No allo	wable will be assig	ned to the well until all in init, eliminating such inter				ization, unitization,	forced-pooling,	or otherwise)
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#### DATA SHEET FOR DOWNHOLE COMMINGLING

Operator:

Texaco USA, Inc.

Address:

P.O. 730 , Hobbs, New Mexico 88240

Lease and Well No.:

Cooper Jal Unit

No. 419

Proposed Location:

Unit Letter P, 330' FSL, 500' FEL of

Section 13, T-24-S, R-36-E

Lea County, New Mexico

#### WELL DATA

	Upper Pool	Lower Pool
Name of Pool	Jalmat Oil & Gas	Langlie Mattix Oil
ВНР	312 psia (Pres from #208 PBU)	540 psia (Est. from #403 SI-FL)
Completed Interval:	3000'-3250'(250') (Proposed Comp.)	3400'-3650' (250') (Proposed Comp.)
Proposed Prod. Method:	Rod Pumped	Rod Pumped
Current Test Date :	- NA -	- NA -
Oil	- NA -	- NA -
Gas	- NA -	- NA -
Water	- NA -	- NA -
GOR	- NA -	- NA -
GOR Limit	- NA -	- NA -
Gas Gravity	0.8467 (Both Commingled at	0.8467 Common Unit Battery)

NOTE: It is proposed to drill to Langlie Mattix, cement casing, perforate and fracture stimulate each zone independently, test the Jalmat Zone, obtain a stabilized production test, then commingle both zones and allocate production at that time.

# COMPUTED VALUE OF DHC PRODUCTION

## AVERAGE ESTIMATED PRODUCTION BEFORE DHC (SINGLE JALMAT WELL)

	L. MATTIX	AVERAGE PRICE	INCOME
Oil	17 BOPD	\$16.50/BO	\$247.50
Gas	20 MCFPD	\$ 1.90/MCF	\$ 38.00
	TOTAL SINGLE	COMPLETION REVENUES	\$285.50

## AVERAGE ESTIMATED PRODUCTION AFTER DHC (DETERMINED FROM NORMALIZED 1993 NEW WELL PRODUCTION)

	JALMAT	LANGLIE MATTIX	COMMINGLED
Oil	15 BOPD	17 BOPD	32 BOPD
Gas	27 MCFPD	20 MCFPD	47 MCFPD
Water	81 BWPD	165 BWPD	246 BWPD

#### ESTIMATE OF VALUE OF DHC PRODUCED HYDROCARBONS

	COMMINGLED	PRODUCT PRICE	REVENUE
Oil	32 BOPD	\$16.50/BBL	\$ 528.00
Gas	47 MCFPD	\$ 1.90/MCF	\$ 89.00
TOTAL	ESTIMATED DAILY	REVENUES	617.00

#### NET DIFFERENCE FROM DOWNHOLE COMMINGLING = \$ 331.50/DAY

NOTE: All produced volumes are currently commingled at the surface from both the Langlie Mattix and Jalmat Pools. Both pools oil gravities are 38 degree API Crudes and are classified as sour.

#### FORMULA FOR DETERMINING ALLOCATION OF PRODUCTION

#### OIL

J = JALMAT STABILIZED OIL PRODUCTION RATE, BOPD

T = TOTAL COMMINGLED OIL PRODUCTION RATE, BOPD

LANGLIE MATTIX PROD. = M = (T - J), BOPD

#### GAS

J = JALMAT STABILIZED GAS PRODUCTION RATE, MCFPD

T = TOTAL COMMINGLED GAS PRODUCTION RATE, MCFPD

LANGLIE MATTIX PROD. = M = (T - J), MCFPD

W-2

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

Title

Date

Drilling Operations Mgr.

Telephone

688-4620

6/14/94

**OIL CONSERVATION DIVISION** 

Form C-101 Revised February 10,1994

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

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

State of New Mexico

Energy, Minerals and Natural Resources Department

P.O. Box 208	3, Santa Fe, APPL	NM 87504	-2088 N FOR PER	MIT TO E	ORILL, RE-I	ENTE	R, 1	DEEPEN, P	LUGBACK, O	IJ R ADD		ED REPORT	
TEVA CO EV	DI OBATI		Operator Name	and Addres	s	<del></del>		<sup>2</sup> OGRID Number 022351					
P.O. Box 310					-		3 API Number				umber		
4 P	roperty Cod	•				roperty OPER J					<sup>6</sup> W	ell No. 419	
		!	<del></del>	·····	<sup>7</sup> Surfac					!			
Ul or lot no. Section Township Range Lot.ldn Feet From TI P 13 24-S 36-E 330						_	rth/South Line	Feet From The 500	1 -	West Line	County LEA		
8 Proposed Bottom Hole Lo						ation	If E	Different Fro	m Surface			·	
UI or lot no. Section Township Range Lot.idn				Feet From The			rth/South Line	Feet From The			County		
		<sup>9</sup> Ргоро	psed Pool 1	<u> </u>	. 1		<b>L</b>		10 Proposed Po	ool 2			
11 Work	Type Code		12 WellType (	Code	13 Rotary o	or C.T.		14 Lease Type Code		15	15 Ground Level Elevation GR-3315'		
<sup>16</sup> Multi N	-		<sup>17</sup> Proposed D 3750'	epth	18 Formation			19 Contractor		<sup>20</sup> Spud Date 7/1/94			
		<b>-</b>		21 Propo	sed Casing	and (	Cen	nent Program	n				
SIZE OF	HOLE	SIZE	OF CASING	WEIGH	T PER FOOT		SE	TING DEPTH	SACKS C	F CEMEN	т	EST. TOP ·	
12 1/4		8 5/8		24#			400'		250	1		SURFACE	
7 7/8		5 1/2		15.6#		37	3750'		950		SURF	ACE	
								•					
Describe the CEMENTING SURFACE COPRODUCTION CLASS H (15)	S PROGRA ASING - 21 DN CASING 5.6 PPG, 1.	ntion progrem .M: 50 SX CLA 6 - 600 SA( 18 CF/S, 5	, if any. Use additi SS C W/ 2% C/ CKS 35/65 POZ .20 GW/S). TORS IN THIS	onel sheets if r ACL2 (14.8 CLASS H <sup>1</sup> QUARTER	PPG, 1.34 CF, W/ 6% GEL, 5	/S, 6.31 % SAL	1 GV T, 1/ N.	V/S). 4# FLOCELE (	nd proposed new produ 12.8 PPG, 1.94 Ci RMATIONS. REC	F/S, 10.4	GW/S). F/E		
COMMINGLI			<u> </u>				WAL	O, WOLLIN FO	mwiiono. Rec			10LE	
Division have	been compli	ed with end th	tions of the Oil Con at the information o nowledge and belief	iven above				OIL (	CONSERVA	TION	DIVISIO	NC	
Signature (	C.P.	Ba	sham	186	H	Ap	prov	ed By:					
Printed Name	C.	P. Basham			•	T	tie:	**************************************					

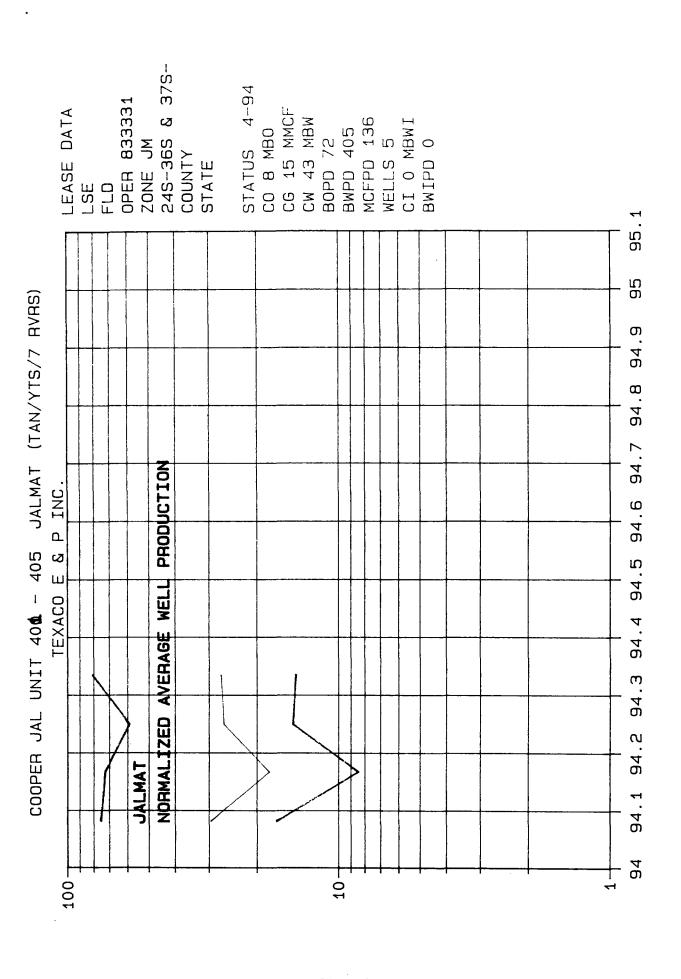
Approval Date:

Attached

Conditions of Approval:

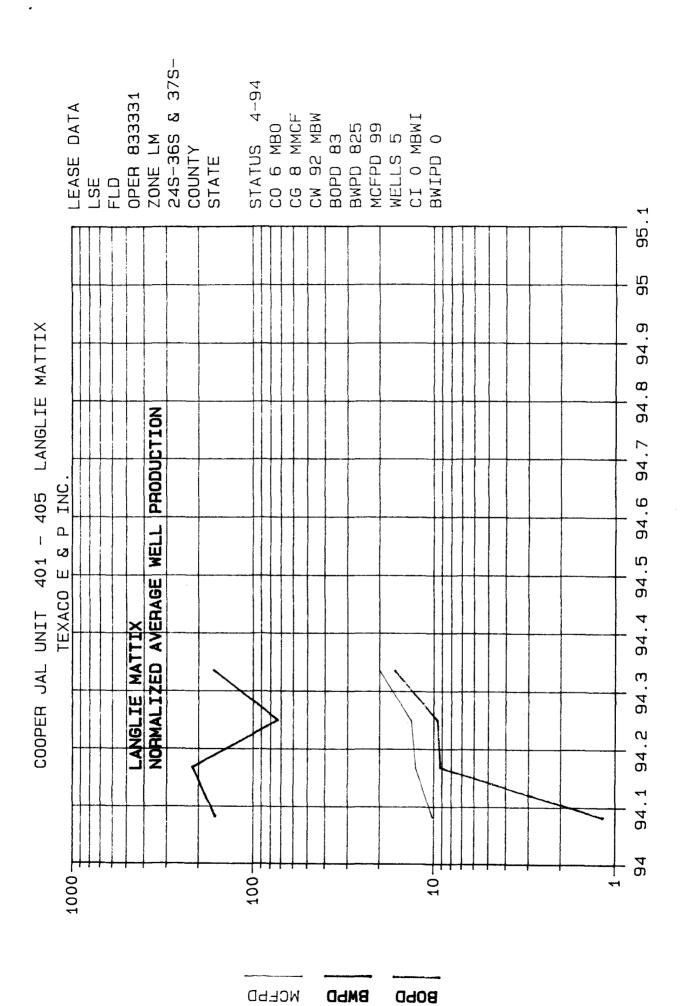
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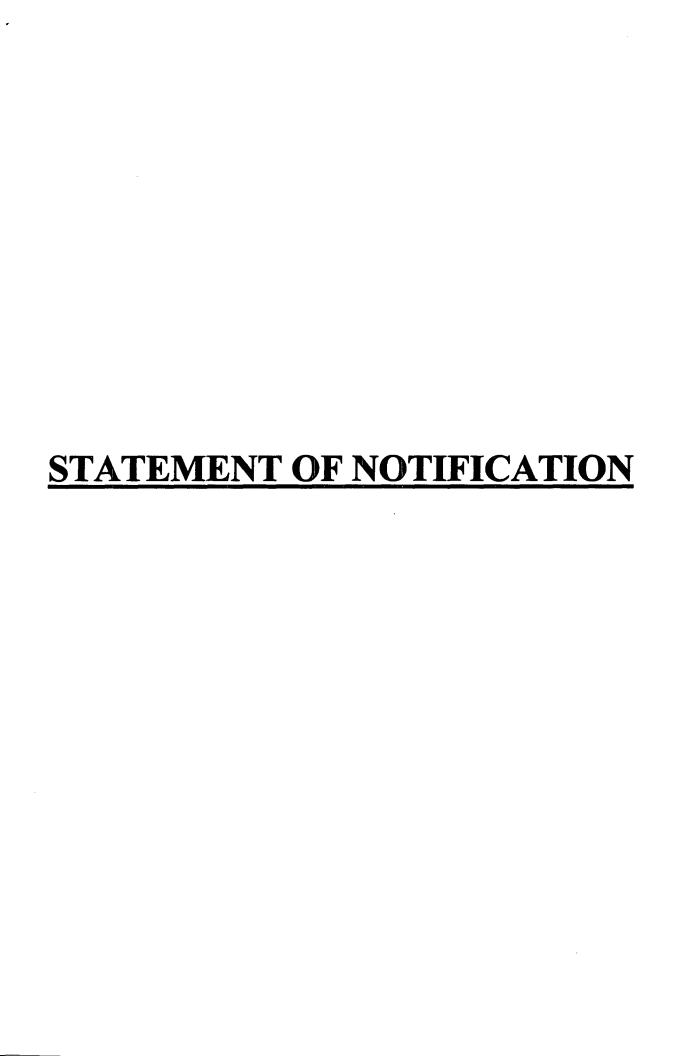
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MCFPD

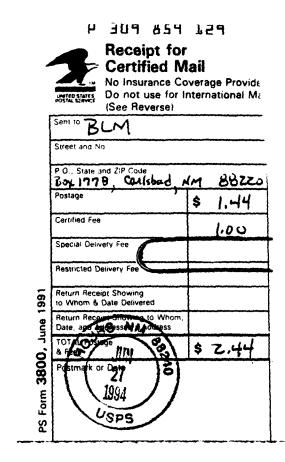




## LIST OF 40-ACRE OFFSET OPERATORS TO PROPOSED WELLS

## OPERATORS OTHER THAN TEXACO E & P :

406 : NONE 407 : NONE 409 : NONE 414 : NONE 419 : NONE



#### STATE OF NEW MEXICO



### ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

#### **OIL CONSERVATION DIVISION** HOBBS DISTRICT OFFICE

**BRUCE KING** GOVERNOR

June 28, 1994

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

13-245-36E 24-245-36E 24-245-36E 24-245-36E
24-24S-36E