

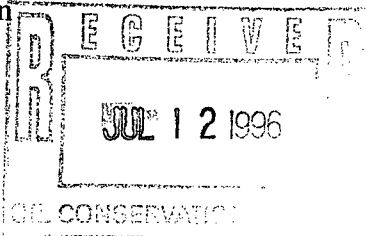


Texaco E & P

205 E. Bender Blvd.  
Hobbs NM 88240  
505 393 7191

July 11, 1996

New Mexico Oil Conservation Commission  
2040 South Pacheco  
Santa Fe, New Mexico 87505  
Attention: Mr. David R. Catanach



Re: Exception to NMOCD Rule 303 (A)  
Application to Downhole Commingle  
TeagueTubb North/Teague Lower Paddock Blinebry North Pool  
R.R. Sims "A" #8  
Unit Letter N, Sec. 4, 23S, 37E  
Lea County, New Mexico

Mr. Catanach,

Texaco Exploration & Production Inc., respectfully requests administrative approval to downhole commingle the TeagueTubb North and the Teague Lower Paddock Blinebry North Pool within the subject wellbore. Currently the well is a dual completion. The Blinebry completion does not flow continuously and requires frequent swabbing. The Tubb completion is pumping under a packer and subsequently requires 400 psi of back pressure to pump. Notification of this application has been sent to the said offset operators and a statement of notification has been included in this application.

The proposed downhole commingling will provide a more economical means of production. It will allow complete development of the productive capacity on the subject lease by allowing both intervals to be artificially lifted simultaneously. This will extend the productive life of both completions, thereby preventing waste.

The subject well meets all of requirements as set forth by Rule 303 (C). The well was completed 10-9-95, so a full year of production data is not available. In addition, it should be noted that all produced fluids have entered a common production facility with no fluid compatibility problems.

It is requested that the allocation of production for each zone be deferred until a stabilized production rate is establish. Production will then be allocated to the TeagueTubb North and the Teague Lower Paddock Blinebry North Pool using the subtraction method provided in this packet. If you have any questions concerning this application, please contact Kirk W. Spilman at (505)397-0425.

Yours very truly,

Kirk W. Spilman  
Eunice Area Engineer

attachments

cc: Jerry Sexton/NMOCD/Hobbs

## DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

## DISTRICT II

811 South First St., Artesia, NM 88210

## DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico  
Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429Form C-107-A  
New 3-12-96

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

## APPLICATION FOR DOWNHOLE COMMINGLING

TEXACO EXPLORATION & PRODUCTION 205 E. BENDER HOBBS, NM 88240

Operator R.R. SIMS A #8 Address N-4-23S-37E LEA

Lease Well No. Unit Ltr. - Sec - Twp - Rge County

OGRID NO. 022351 Property Code 011060 API NO. 30-025-320901 Federal , State , (and/or) Fee ☒

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	TEAGUE LOWER PADDOCK-BLINEBRY, NORTH(96314)	107/6000	TEAGUE TUBB (ASSOC.) (96315)
2. Top and Bottom of Pay Section (Perforations)	5689-5876		6098-6254
3. Type of production (Oil or Gas)	OIL		OIL
4. Method of Production (Flowing or Artificial Lift)	FLOWING		ARTIFICIAL
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 24 hr SI 681 psi b. (Original)	a.  b.	a. 24 hr SI 840 psi b.
6. Oil Gravity (°API) or Gas BTU Content	45.5		45.5
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no)	YES		YES
* If Shut-In, give date and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 5/96 Rates: 14/9/204	Date: Rates:	Date: 5/96 Rates: 5/5/20
8. Fixed Percentage Allocation Formula - % for each zone	Oil: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? ☒ Yes ☐ No  
If not, have all working, overriding, and royalty interests been notified by certified mail? ☐ Yes ☐ No  
Have all offset operators been given written notice of the proposed downhole commingling? ☐ Yes ☐ No

11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☐ Yes ☐ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No

13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☐ Yes ☐ No

15. NMOCD Reference Cases for Rule 303(C) Exceptions: ORDER NO(S).

## 16. ATTACHMENTS:

- \* C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- \* Production curve for each zone for at least one year. (If not available, attach explanation.)
- \* For zones with no production history, estimated production rates and supporting data.
- \* Data to support allocation method or formula.
- \* Notification list of all offset operators.
- \* Notification list of working, overriding, and royalty interests for uncommon interest cases.
- \* Any additional statements, data, or documents required to support commingling.

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

SIGNATURE Kirk W. Spilman TITLE PETROLEUM ENGINEER DATE 7/11/96

TYPE OR PRINT NAME KIRK W. SPILMAN TELEPHONE NO. ( 505 ) 397-0425

# **ATTACHMENTS**

**DISTRICT I**

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**

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department**OIL CONSERVATION DIVISION**P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-32901	<sup>2</sup> Pool Code 96314	<sup>3</sup> Pool Name TEAGUE; LOWER PADDOCK BLINEBRY NORTH
<sup>4</sup> Property Code 11060	<sup>5</sup> Property Name R. R. SIMS 'A'	<sup>6</sup> Well No. 8
<sup>7</sup> OGRID Number 022351	<sup>8</sup> Operator Name TEXACO EXPLORATION & PRODUCTION INC.	<sup>9</sup> Elevation 3319', GR

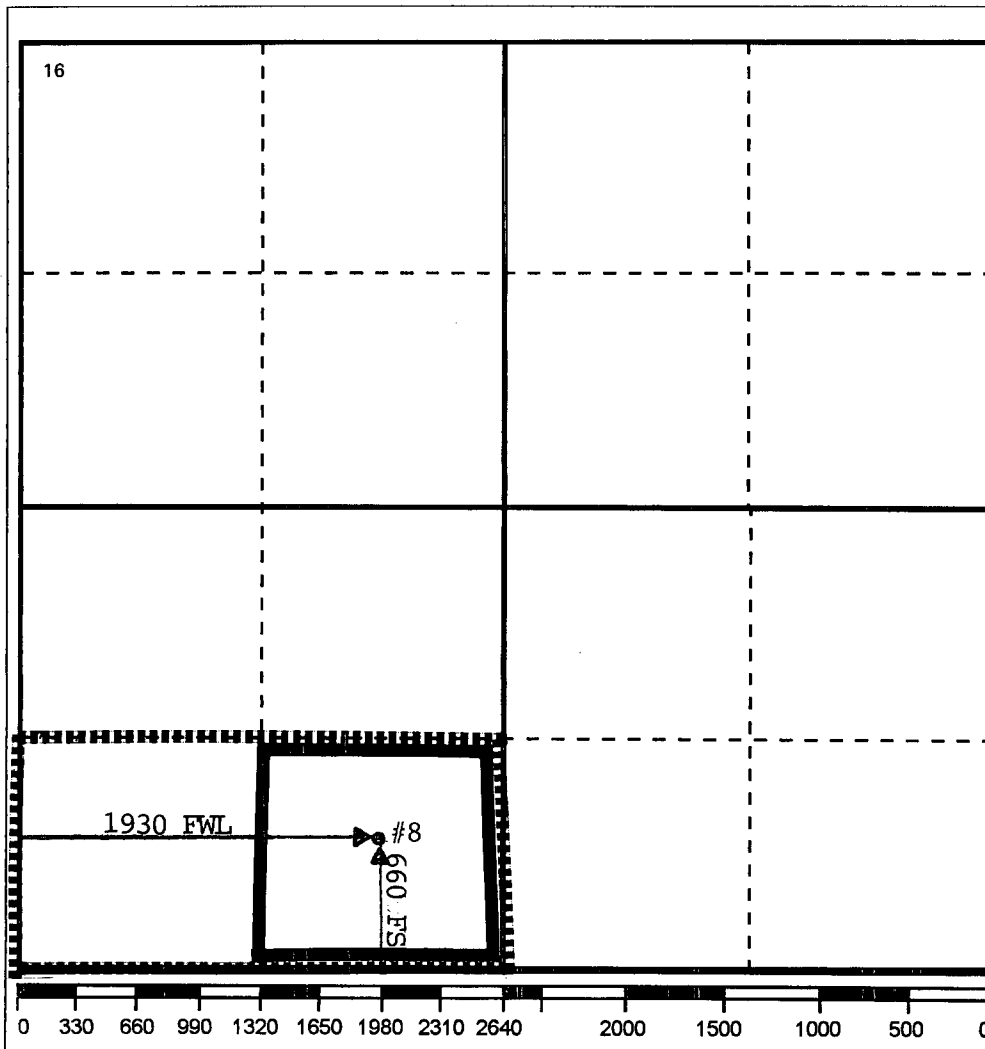
<sup>10</sup> Surface Location

UI or lot no. N	Section 4	Township 23-S	Range 37-E	Lot.Idn	Feet From The 660	North/South Line SOUTH	Feet From The 1930	East/West Line WEST	County LEA
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<sup>11</sup> Bottom Hole Location If Different From Surface

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill No	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
-------------------------------------	-------------------------------------	----------------------------------	-------------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**17 OPERATOR CERTIFICATION**I hereby certify that the information  
contained herein is true and complete to the  
best of my knowledge and belief

Signature

Printed Name

Paula S. Ives

Position

Engineering Assistant

Date

7/10/96

**18 SURVEYOR CERTIFICATION**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

Signature & Seal of  
Professional Surveyor

Certificate No.

**DISTRICT I**

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☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-32901	<sup>2</sup> Pool Code 96315	<sup>3</sup> Pool Name TEAGUE; TUBB, NORTH
<sup>4</sup> Property Code 11060	<sup>5</sup> Property Name R. R. SIMS 'A'	<sup>6</sup> Well No. 8
<sup>7</sup> OGRID Number 022351	<sup>8</sup> Operator Name TEXACO EXPLORATION & PRODUCTION INC.	<sup>9</sup> Elevation 3319', GR

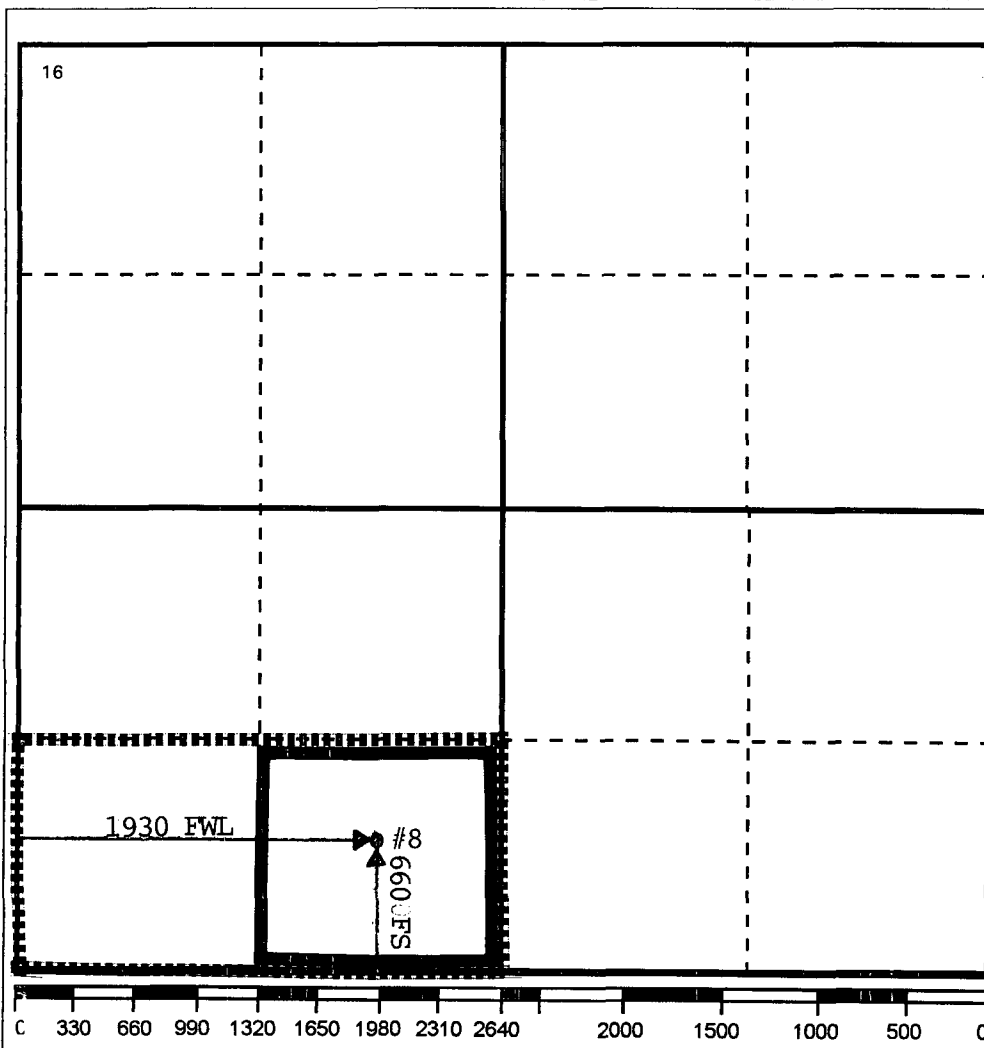
<sup>10</sup> Surface Location

Ul or lot no. N	Section 4	Township 23-S	Range 37-E	Lot.Idn	Feet From The 660	North/South Line SOUTH	Feet From The 1930	East/West Line WEST	County LEA
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<sup>11</sup> Bottom Hole Location If Different From Surface

Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
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Signature

Printed Name

Paula S. Ives

Position

Engineering Assistant

Date

7/10/96

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belief.

Date Surveyed

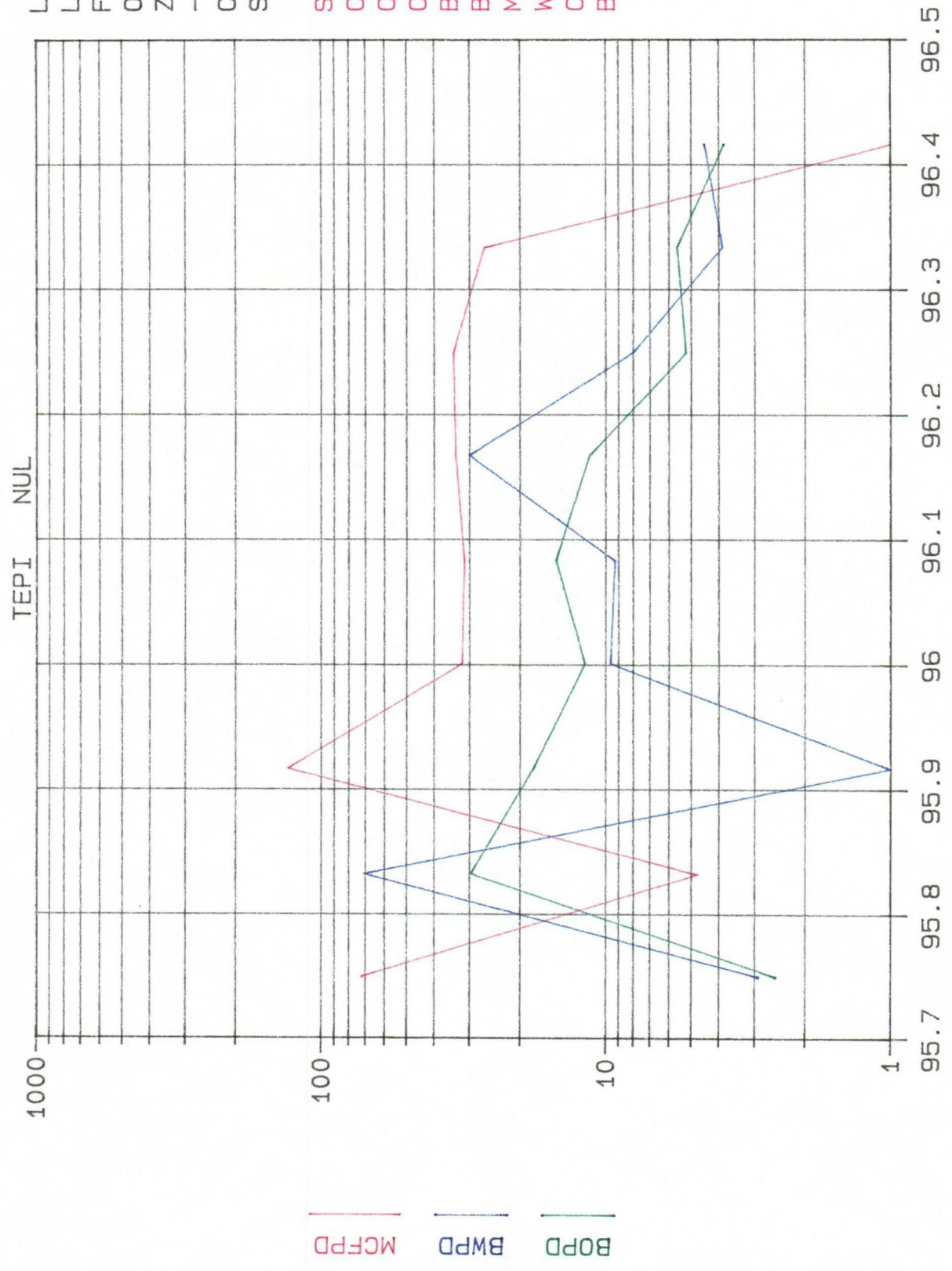
Signature & Seal of  
Professional Surveyor

Certificate No.

SIMS, R. R. --A-- 8 TEAGUE TUBB, NORTH (ASSOC.)

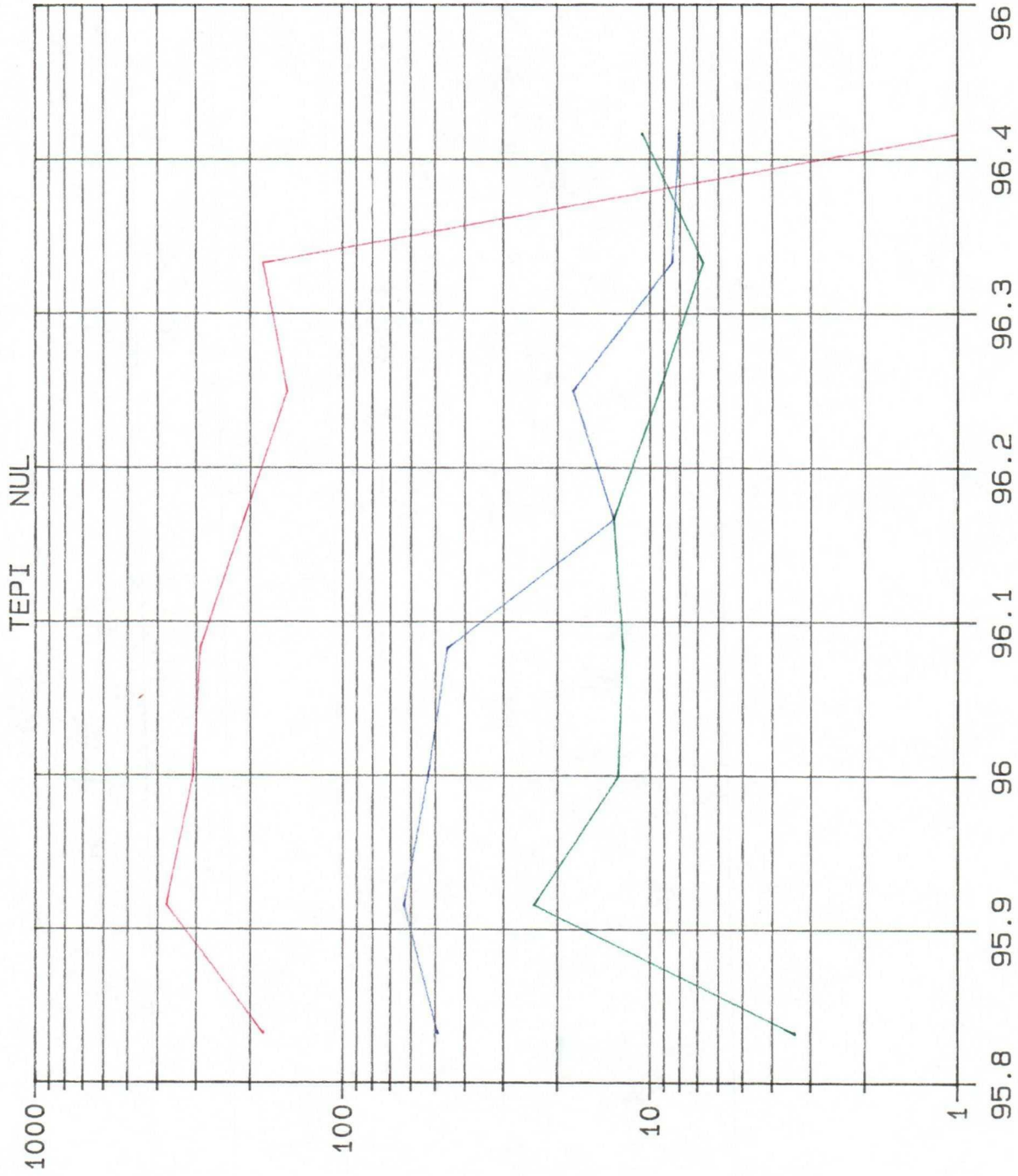
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 LSE 011060  
 FLD 96315  
 OPER TEPI  
 ZONE NUL  
 --  
 COUNTY 025  
 STATE 30

STATUS 5-96  
 CO 6 MBO  
 CG 22 MMCF  
 CW 8 MBW  
 BOPD 4  
 BWPD 4  
 MCFPD 0  
 WELLS 1  
 CI 0 MBWI  
 BWIPD 0



YEARS

SIMS, R. R. -A- 8 TEAGUE LOWER PADDOCK-BLINEBRY, N. (ASSOC)



LEASE DATA  
 LSE 011060  
 FLD 96314  
 OPER TEPI  
 ZONE NUL  
 --  
 COUNTY 025  
 STATE 30  
 STATUS 5-96  
 CO 6 MBO  
 CG 103 MCMF  
 CW 16 MBW  
 BOPD 11  
 BWP 8  
 MCFPD 0  
 WELLS 1  
 CI 0 MBWI  
 BWIPD 0

YEARS



## **FORMULA FOR DETERMINING ALLOCATION OF PRODUCTION**

### **OIL**

X = LOWER PADDOCK/BLINEBRY STABILIZED OIL PRODUCTION RATE, BOPD

T = TOTAL COMMINGLED, STABILIZED OIL PRODUCTION RATE, BOPD

TUBB PROD. = D = (T - X), BOPD

### **GAS**

X = LOWER PADDOCK/BLINEBRY STABILIZED GAS PRODUCTION RATE, MCFPD

T = TOTAL COMMINGLED, STABILIZED GAS PRODUCTION RATE, MCFPD

TUBB PROD. = D = (T - X), MCFPD

**\*\*ALLOCATION OF PRODUCTION WILL THEN BE BASED ON PERCENTAGE OF TOTAL PRODUCTION**

**LIST OF 40-ACRE OFFSET OPERATORS TO R.R. SIMS A #8**

**OPERATORS OTHER THAN TEXACO E & P:**

Samedan Oil Corp.  
12600 Northborough  
Suite 250  
Houston, TX 77067



Texaco E & P

205 E. Bender Blvd.  
Hobbs NM 88240  
505 393 7191

**CERTIFIED MAIL**

July 11, 1996

To: Samedan Oil Corp.  
12600 Northborough  
Suite 250  
Houston, TX 77067

Subject: Exception to NMOCD Rule 303 (A).  
Application to Downhole Commingle  
TeagueTubb North/Teague Lower Paddock Blinebry North Pool  
R.R. Sims "A" #8  
Unit Letter N, Sec. 4, 23S, 37E  
Lea County, New Mexico

Dear Gentlemen:

Enclosed is a copy of Texaco's application for N.M. O.C.D. administrative approval to downhole commingle the above mentioned pools.

The N.M. O.C.D. regulations require that offset operators be notified before such action can be approved. Questions concerning this matter should be directed to myself at (505) 397-0425.

Sincerely,

Kirk W. Spilman  
Pertroleum Engineer  
Hobbs Operating Unit

Enclosure

1332  
CALL KIRK SPILLMAN  
when out  
397-0425



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

7/15/96

GOVERNOR

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

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

RE: Proposed:

MC

DHC X

NSL

NSP

SWD

WFX

PMX

Gentlemen:

I have examined the application for the:

Texaco E&P Inc RR Sims A #8-N 4-23s-37e  
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

  
Jerry Sexton  
Supervisor, District 1

/ed