

2/26/97 3/18/97 BS KV DHC

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

4/66

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Britton McQuen
or Type Name

Britton McQuen
Signature

Engineer
Title

2/26/97
Date



Texaco E & P

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

February 21, 1997

NMOCD
2040 South Pacheco
Santa Fe, New Mexico 87505

Attn: Mr. Ben Stone

Subject: Application to DHC M. B. Weir "B" #13Y, O-12-20-37, in the Skaggs Drinkard (63800) and Monument Tubb (47090) Pools.

Dear Mr. Stone:

Texaco Exploration and Production, Inc. respectfully requests administrative approval to downhole commingle the M. B. Weir "B" #13Y in the Skaggs Drinkard and Monument Tubb Pool. Notification of this application has been sent to offset operators and a statement of notification has been included in this package.

Currently, the Skaggs Drinkard is plugged back and the well is being completed in the Monument Tubb. The initial production from the Monument Tubb is expected to be approximately 16 BOPD and 300 MCFPD. This was determined from the behavior of recent Tubb completions offsetting the M. B. Weir "B" #13Y, such as the C. H. Weir "A" #18 (located one location northeast of the M. B. Weir "B" #13Y) which potentialed 26 BOPD and 165 MCFPD. Also, the L. R. Kershaw #15 (located one location west of the M. B. Weir "B" #13Y) had a peak production from the Tubb of 30 BOPD and 300 MCFPD. Production curves for both of these wells is included in this package.

The bottom-hole pressure for the Tubb was estimated by shutting the C. H. Weir "A" #18 in for 48 hours and shooting a fluid level. The bottom-hole pressure was determined to be 1025 psi. After the Tubb is completed, the CIBP will be drilled out allowing both the Drinkard and Tubb to be produced by rod-pump. This will provide the most economical means to produce both zones.

This well will meet all of the requirements set forth by Rule 303(C). The allocation factor will be determined in the following manner:

TUBB PRODUCTION = TUBB STABILIZED PRODUCTION

DRINKARD PRODUCTION = DHC STABILIZED PRODUCTION - TUBB STABILIZED PRODUCTION

If you have any questions concerning this application, please contact Britton M. McQuien at (505) 397-0427.

Sincerely,

Britton M. McQuien
Production Engineer
Texaco Exploration and Production, Inc.

cc: Mr. J. T. Sexton

EXHIBIT "B" - CASE NO. 11353, ORDER NO. R-10470-A

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

811 South First St., Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd, Artesia, 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 & Producing Inc. 205 East Bender Hobbs, New Mexico 88240
Operator AddressM. B. Weir "B" 13Y O-12-20S-37E Lea
Lease Well No. Unit Ltr. - Sec - Tws - Rge County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 022351 Property Code 011133 API NO. 30-025-30119 Federal State X (and/or) Fee

The following facts are submitted in support of downhole commingling:	Lower Zone	Intermediate Zone	Upper Zone
1. Pool Name and Pool Code	Skaggs Drinkard 57000		Monument Tubbs 47090
2. Top And Bottom of Pay Section (Perforations)	6664-6857		6431-6568
3. Type of production (Oil or Gas)	oil		oil
4. Method of Production (Flowing or Artificial Lift)	pumping		pumping
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current	(Current) a. 700 psi	a.	a. 1025 psi
Gas & Oil - Flowing: Measured Current	(Original) b.	b.	b.
All Gas Zones: Estimated Or Measured Original			
6. Oil Gravity (* API) or Gas BTU Content	35		35
7. Producing or Shut-In? Production Marginal? (yes or no)	shut-in yes		To be completed
* 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:		
* If Producing, give date and oil/gas/ water rates of recent test (within 60 days)	Date: 1/1/97 Rates: 10/128/5		
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 ☐ NoIf not, have all working, overriding, and royalty interests been notified by certified mail? ☐ Yes ☐ NoHave all offset operators been given written notice of the proposed downhole commingling? ☒ Yes ☐ No11. 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 other? ☒ Yes ☐ No13. 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 Land or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No

15. NMOC 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 deication.
- * Production curve for each zone for at lease one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * 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.

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

SIGNATURE Britton M. McQuen TITLE Engineer DATE 2-21-97TYPE OR PRINT NAME Britton M. McQuen TELEPHONE NO. (505) 397-0427

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

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30 025 30119	² Pool Code 57000	³ Pool Name SKAGGS DRINKARD
⁴ Property Code 011133	⁵ Property Name WEIR, M. B. -B-	⁶ Well No. 13Y
⁷ OGRID Number 022351	⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.	⁹ Elevation 3562' KB

¹⁰ Surface Location

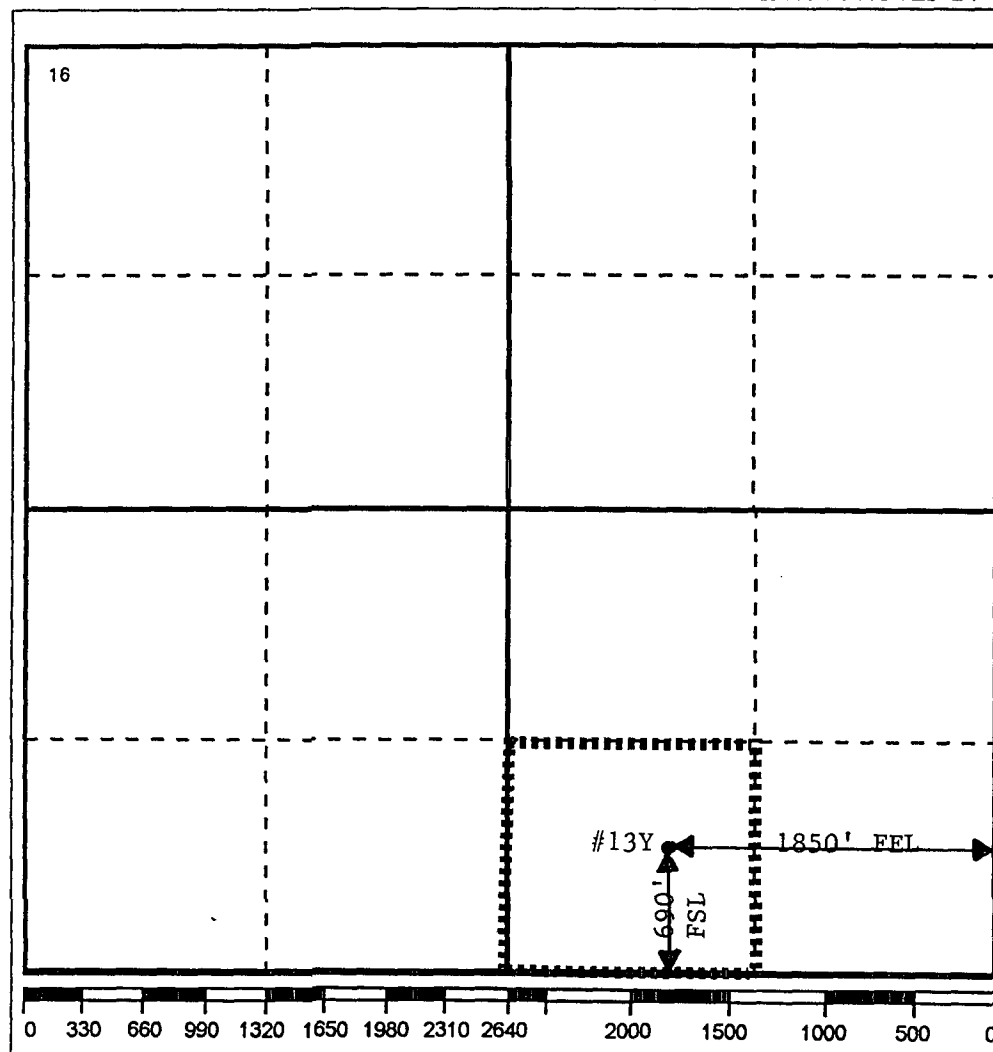
Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
O	12	20S	37E		690	SOUTH	1850	EAST	LEA

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill No	¹⁴ Consolidation Code	¹⁵ Order No.
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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

V. Greg Maes

Position

Engineering Assistant

Date

2/21/97

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

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

¹ API Number 30 025 21113	² Pool Code 47090	³ Pool Name MONUMENT TUBB
⁴ Property Code 011133	⁵ Property Name WEIR, M. B. -B-	⁶ Well No. 10
⁷ OGRID Number 022351	⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.	⁹ Elevation

¹⁰ Surface Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
P	12	20S	37E		990	SOUTH	987	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

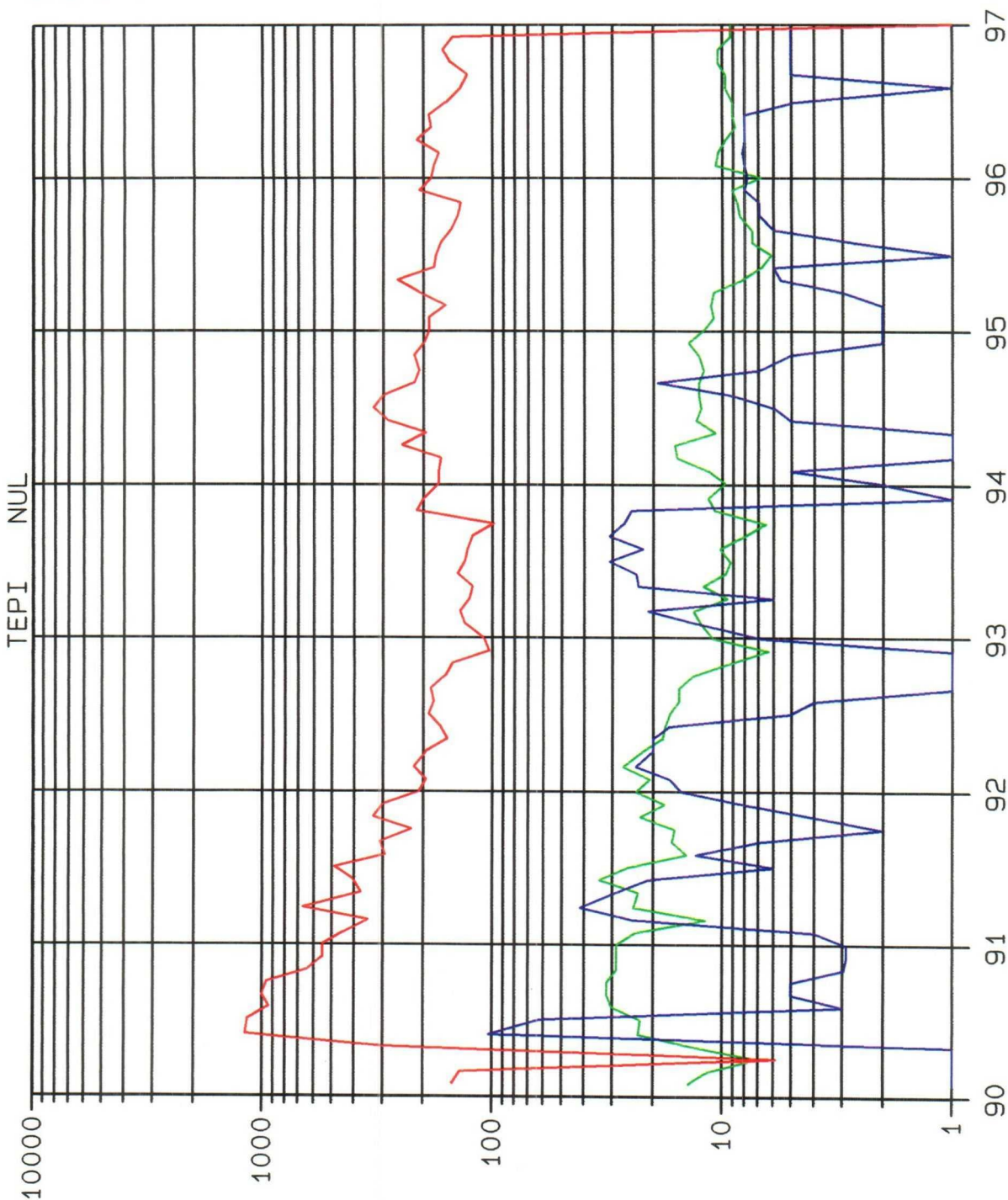
UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County

¹² Dedicated Acres 80	¹³ Joint or Infill No	¹⁴ Consolidation Code	¹⁵ 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

¹⁶	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 1/24/97
	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.

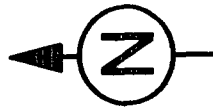
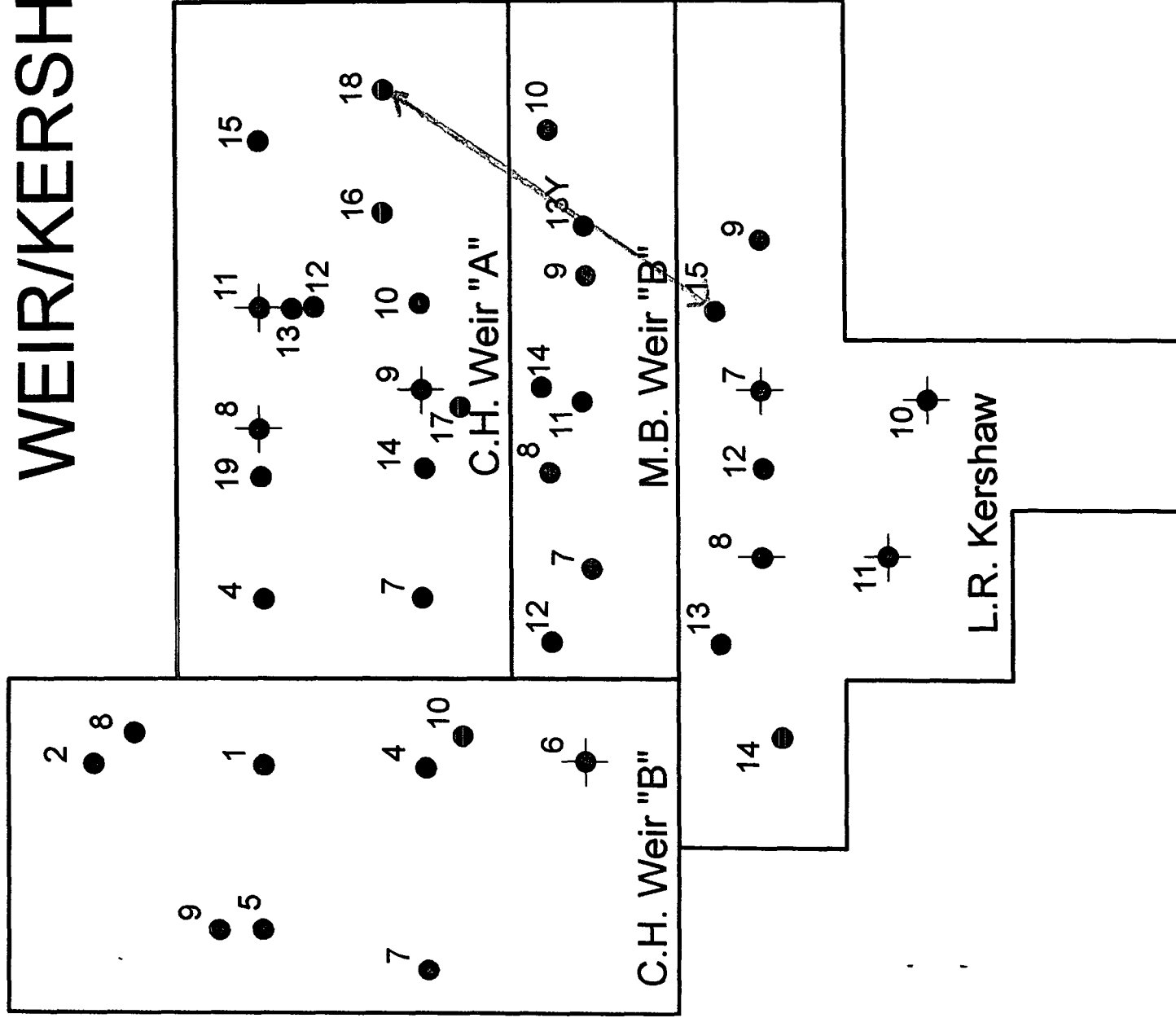
WEIR, M. B. -B- 13Y SKAGGS DRINKARD



YEARS

LEASE DATA
LSE 011133
FLD 57000
OPER TEPI
ZONE NUL
--
COUNTY 025
STATE 30
30025301190001
STATUS 12-96
CO 37 MBO
CG 685 MCMF
CW 27 MBW
BOPD 9
BPPD 5
MCFPD 0
WELLS 1
CI 0 MBWI
BWIPD 0

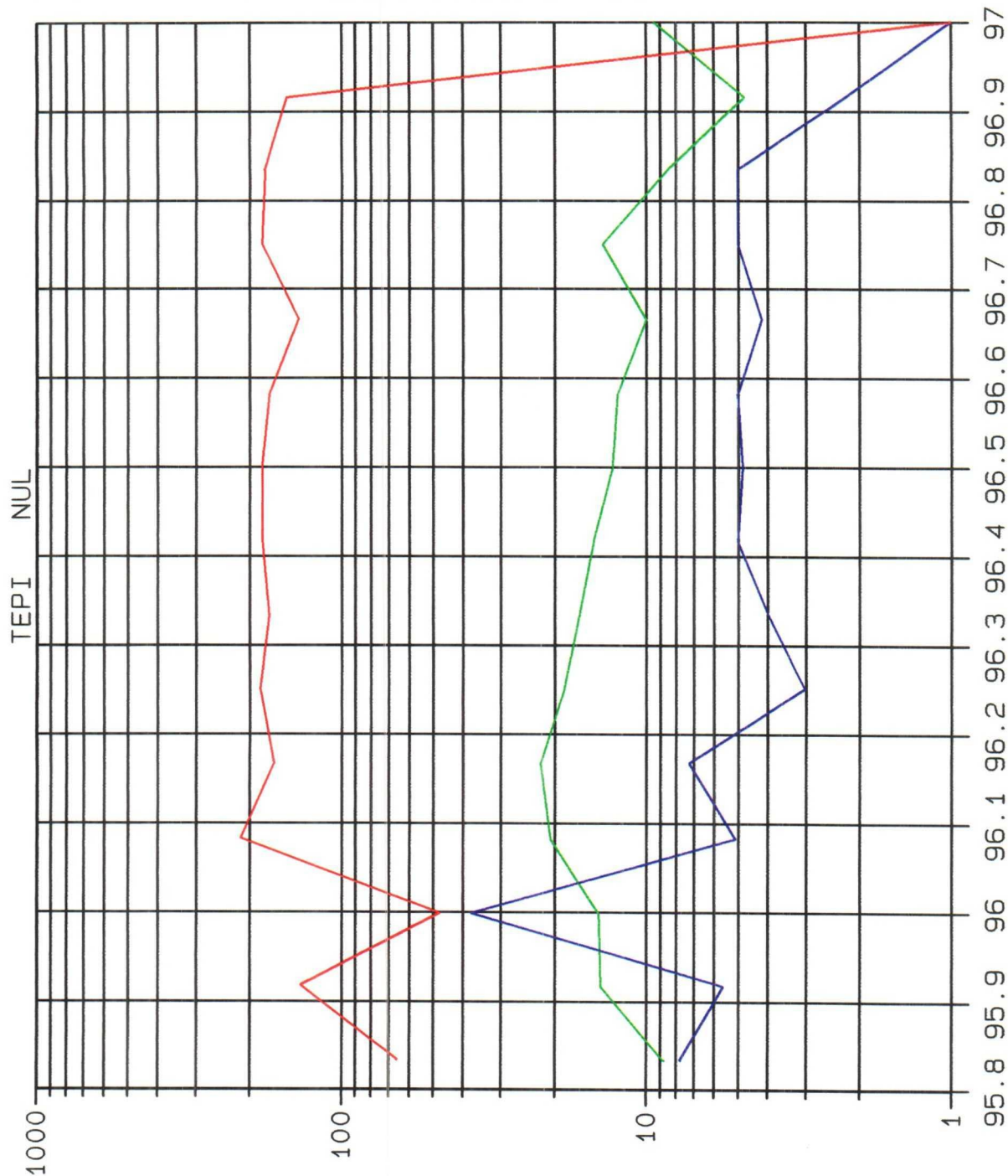
WEIR/KERSHAW



- Fullhole Producer
- Slimhole Producer
- ⬮ TA'd Well
- ⬮ P&A'd Well

T-20-S, R-37-E
 Sec 11,12,13,14
 Lea County, NM

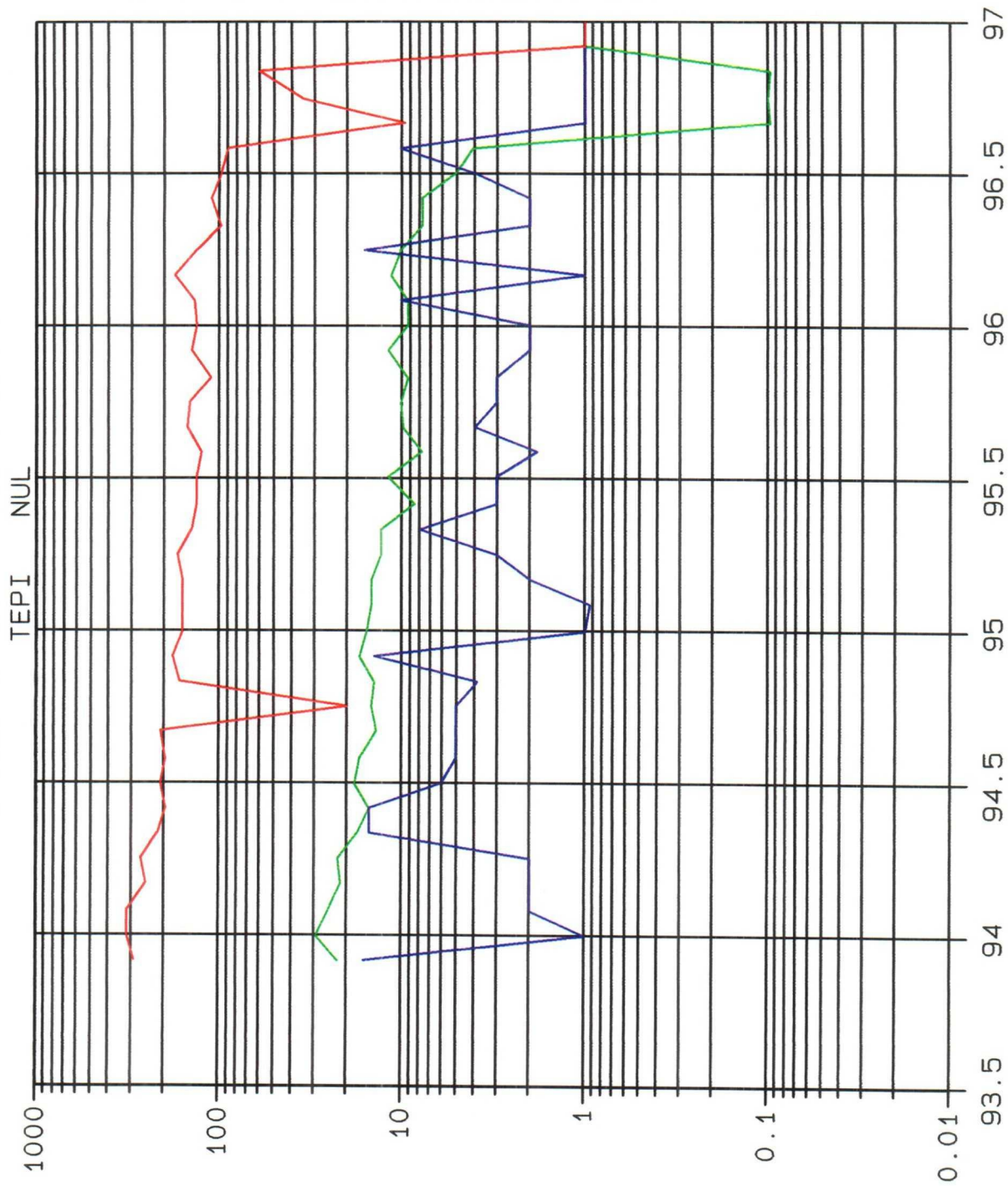
WEIR, C. H. -A- 18 MONUMENT TUBB



YEARS

LEASE DATA
 LSE 011130
 FLD 47090
 OPER TEPI
 ZONE NUL
 --
 COUNTY 025
 STATE 30
 30025296460002
 STATUS 12-96
 CO 6 MBO
 CG 66 MCF
 CW 3 MBW
 BOPD 9
 BWPD 0
 MCFPD 0
 WELLS 1
 CI 0 MBWI
 BWIPD 0

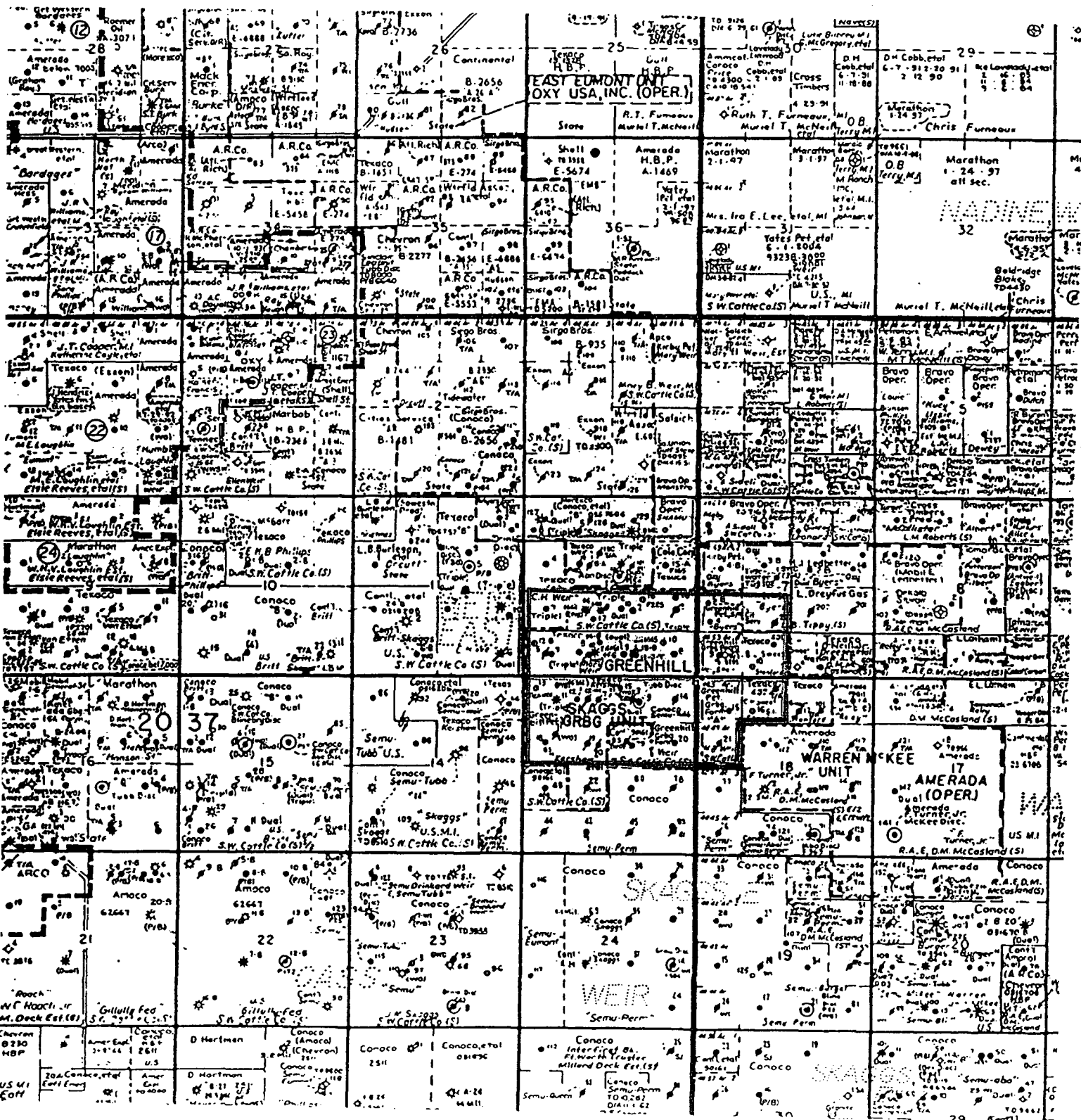
KERSHAW, L. R. 15 MONUMENT TUBB



YEARS

LEASE DATA
 LSE 010974
 FLD 47090
 OPER TEPI
 ZONE NUL
 --
 COUNTY 025
 STATE 30
 30025308060002
 STATUS 12-96
 CO 14 MBO
 CG 170 MCF
 CW 5 MBW
 BOPD 0
 BWPD 0
 MCFPD 0
 WELLS 1
 CI 0 MBWI
 BWIPD 0

Offset Operators and all Lessees of Record
M.B. Weir "B" No. 13Y Well
S/2 SE/4 of Section 12, T-20-S, R-37-E
Monument Tubb/Skaggs Drinkard Formtions
Lea County, New Mexico
February 21, 1997



A 36x36 grid with numbers 1-36 along the top and bottom edges, and a 6x6 sub-grid of numbers 1-6 in the center-right area.

36	31	32	33	34	35	36	31
1	6	5	4	3	2	1	6
12	7	8	9	10	11	12	7
13	18	17	16	15	14	13	18
24	19	20	21	22	23	24	19
25	30	29	28	27	26	25	30
36	31	32	33	34	35	36	31
1	6	5	4	3	2	1	6

Sub-grid (center-right):

1	1	1	1	2	2
1	1			1	1
1	1	1	1	1	1
1	1	3	1	1	

Offset Operators and all Lessees of Record
M.B. Weir "B" No. 13Y Well
S/2 SE/4 of Section 12, T-20-S, R-37-E
Monument Tubb/Skaggs Drinkard Formtions
Lea County, New Mexico
February 21, 1997

Number 1

Texaco Exploration and Production Inc.
P. O. Box 3109
Midland, Texas 79702

Number 2

OXY USA Inc.
P. O. Box 50250
Midland, Texas 79702

Number 3

Amoco Production Company
P. O. Box 3092
Houston, Texas 77253

Conoco Inc.
10 Desta Dr., Suite 100W
Midland, Texas 79705

Chevron USA, Inc.
P. O. Box 1150
Midland, Texas 79702

Atlantic Richfield Company
P. O. Box 1610
Midland, Texas 79702

Is your RETURN ADDRESS completed on the reverse side?

SENDER: <ul style="list-style-type: none">■ Complete items 1 and/or 2 for additional services.■ Complete items 3, 4a, and 4b.■ Print your name and address on the reverse of this form so that we can return this card to you.■ Attach this form to the front of the mailpiece, or on the back if space does not permit.■ Write "Return Receipt Requested" on the mailpiece below the article number.■ The Return Receipt will show to whom the article was delivered and the date delivered.		<p>I also wish to receive the following services (for an extra fee):</p> <p>1. <input type="checkbox"/> Addressee's Address</p> <p>2. <input type="checkbox"/> Restricted Delivery</p> <p>Consult postmaster for fee.</p>
3. Article Addressed to: Amoco Production Company P. O. Box 3092 Houston, Texas 77253	4a. Article Number P 622 723 772	7. Date of Delivery
5. Received By: (Print Name)	4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
6. Signature: (Addressee or Agent) X	8. Addressee's Address (Only if requested and fee is paid)	

PS Form 3811, December 1994 Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER: <ul style="list-style-type: none">■ Complete items 1 and/or 2 for additional services.■ Complete items 3, 4a, and 4b.■ Print your name and address on the reverse of this form so that we can return this card to you.■ Attach this form to the front of the mailpiece, or on the back if space does not permit.■ Write "Return Receipt Requested" on the mailpiece below the article number.■ The Return Receipt will show to whom the article was delivered and the date delivered.		<p>I also wish to receive the following services (for an extra fee):</p> <p>1. <input type="checkbox"/> Addressee's Address</p> <p>2. <input type="checkbox"/> Restricted Delivery</p> <p>Consult postmaster for fee.</p>
3. Article Addressed to: OXY USA Inc. P. O. Box 50250 Midland, Texas 79702	4a. Article Number P 622 723 771	7. Date of Delivery
5. Received By: (Print Name)	4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
6. Signature: (Addressee or Agent) X	8. Addressee's Address (Only if requested and fee is paid)	

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- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Atlantic Richfield Company
P. O. Box 1610
Midland, Texas 79702

4a. Article Number

P 622 723 775

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Chevron USA, Inc.
P. O. Box 1150
Midland, Texas 79702

4a. Article Number

P 622 723 774

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
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- Write "Return Receipt Requested" on the mailpiece below the article number.
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I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Conoco Inc.
10 Desta Dr., Suite 100W
Midland, Texas 79705

4a. Article Number

P 622 723 773

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.