

4/14/97	5/5/97	BS	W	DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

1560

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

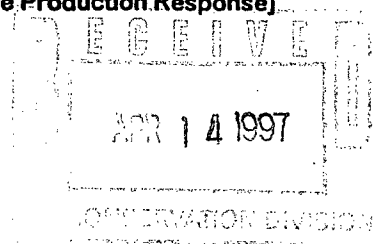
Check One Only for [B] or [C]

[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.

GREG MAES
Print or Type Name

GREG MAES
Signature

Engineer Assistant
Title

4-8-97
Date



Texaco E & P

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

April 8, 1997

NMOCD
2040 South Pacheco
Santa Fe, New Mexico 87505

Attn: Mr. Ben Stone

**Subject: Application to DHC V. M. Henderson #16, E-30-21S-37E, in the Drinkard (19190)
and Blinebry Oil and Gas (6660) Pools.**

Dear Mr. Stone:

Texaco Exploration and Production, Inc. respectfully requests administrative approval to downhole commingle the V. M. Henderson #16 in the Drinkard and Blinebry Oil & Gas Pool. Notification of this application has been sent to offset operators and a statement of notification has been included in this package.

This well is a new drill and there are no production curves available. Currently, the Drinkard is being plugged back and the well is being completed in the Blinebry Oil and Gas. The current rate on the Drinkard is 8 bopd, 30 bwpd, and 22 mcfpd. The expected rate for the Blinebry Oil and Gas, based on offset performance is estimated to be 18 bopd and 350 mcfpd. The cast iron bridge plug will be drilled out above the Drinkard, and the two zones will be simultaneously rod pumped. 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 after we get a stabilized rate from the Blinebry Oil and Gas Pool, also at which time we will establish the bottom hole pressure. If the well satisfies the requirements, we will request allocation of the Blinebry Oil and Gas and the Drinkard Pool after the completion is done. The allocation factor will be determined in the following manner:

$$\% \text{ DRINKARD PRODUCTION} = \frac{\text{DRINKARD STABILIZED PRODUCTION}}{\text{DRINKARD} + \text{BLINEBRY STABILIZED PRODUCTION}}$$

$$\% \text{ BLINEBRY OIL \& GAS PRODUCTION} = 100\% - \% \text{ DRINKARD PRODUCTION.}$$

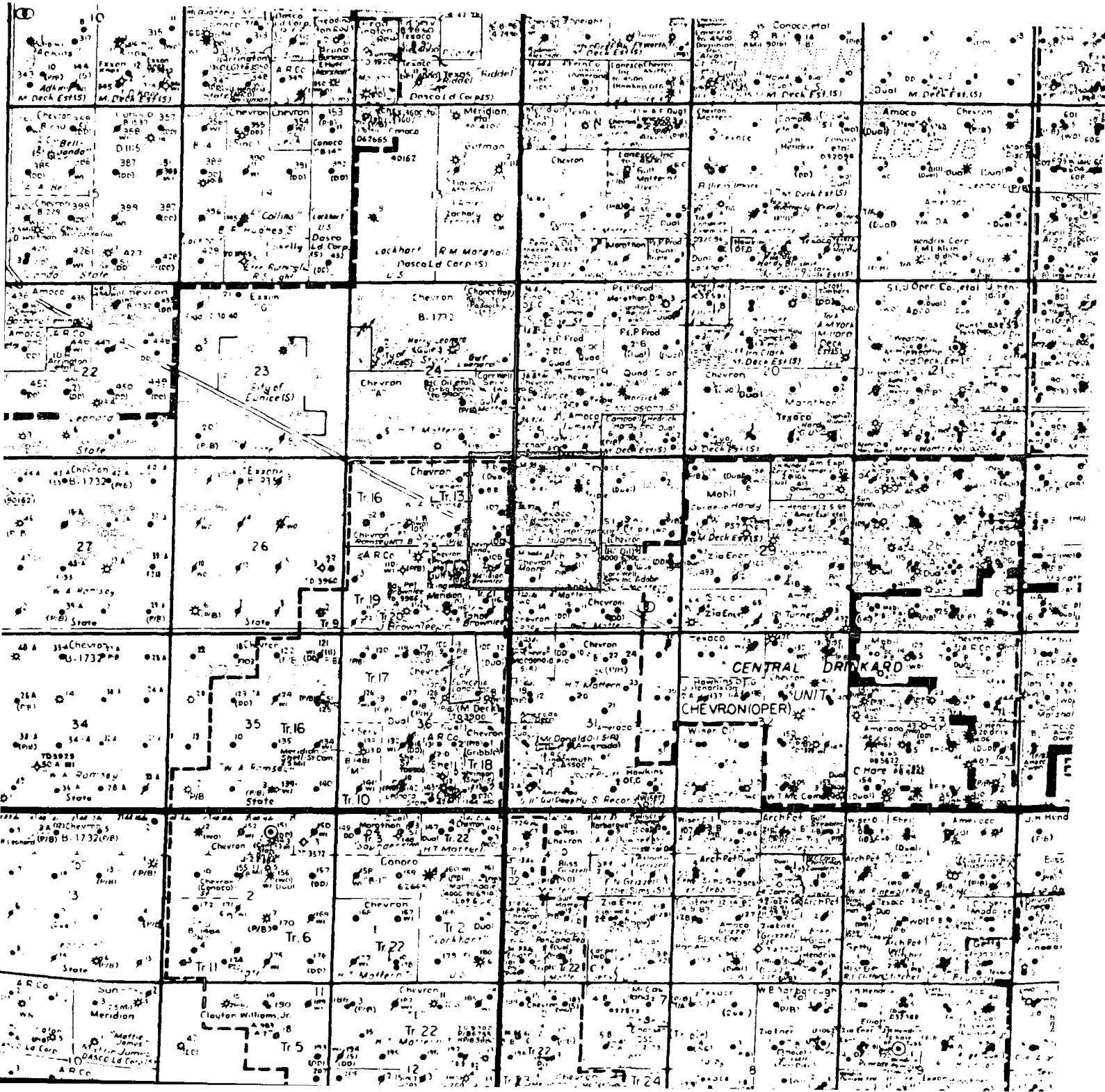
If you have any questions concerning this application, please contact Greg Maes at (505) 397-0431.

Sincerely,

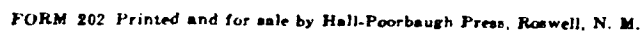
Greg Maes
Engineer Assistant
Texaco Exploration and Production, Inc.

cc: Mr. J. T. Sexton

Offset Operators and all Lessees of Record
V. M. Henderson Well No. 16
SW/4 NW/4 of Section 30, T-21-S, R-37-E
Blinebry-Drinkard Formations
Lea County, New Mexico
March 27, 1997



V. M. Henderson Well No. 16
SW/4 NW/4 of Section 30, T-21-S, R-37-E
Blinebry-Drinkard Formations
Lea County, New Mexico
March 27, 1997



Offset Operators and all Lessees of Record
V. M. Henderson Well No. 16
SW/4 NW/4 of Section 30, T-21-S, R-37-E
Blinebry-Drinkard Formations
Lea County, New Mexico
March 27, 1997

Number 1

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

Number 2

Arch Petroleum Inc.
777 Taylor St., Suite 11A
Fort Worth, Texas 76102-4919

Number 3

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

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:

Arch Petroleum Inc.
777 Taylor St., Suite 11A
Fort Worth, Texas 76102-4919

4a. Article Number

Z 004 855 443

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 |

7. Date of Delivery**5. Received By: (Print Name)****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:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
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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:

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

4a. Article Number

Z 004 855 452

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 |

7. Date of Delivery**5. Received By: (Print Name)****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.

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

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

OIL CONSERVATION DIVISION

PO Box 2088
Santa Fe, NM 87504-2088

Submit to Appropriate District Office

State Lease-4 copies
Fee Lease-3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

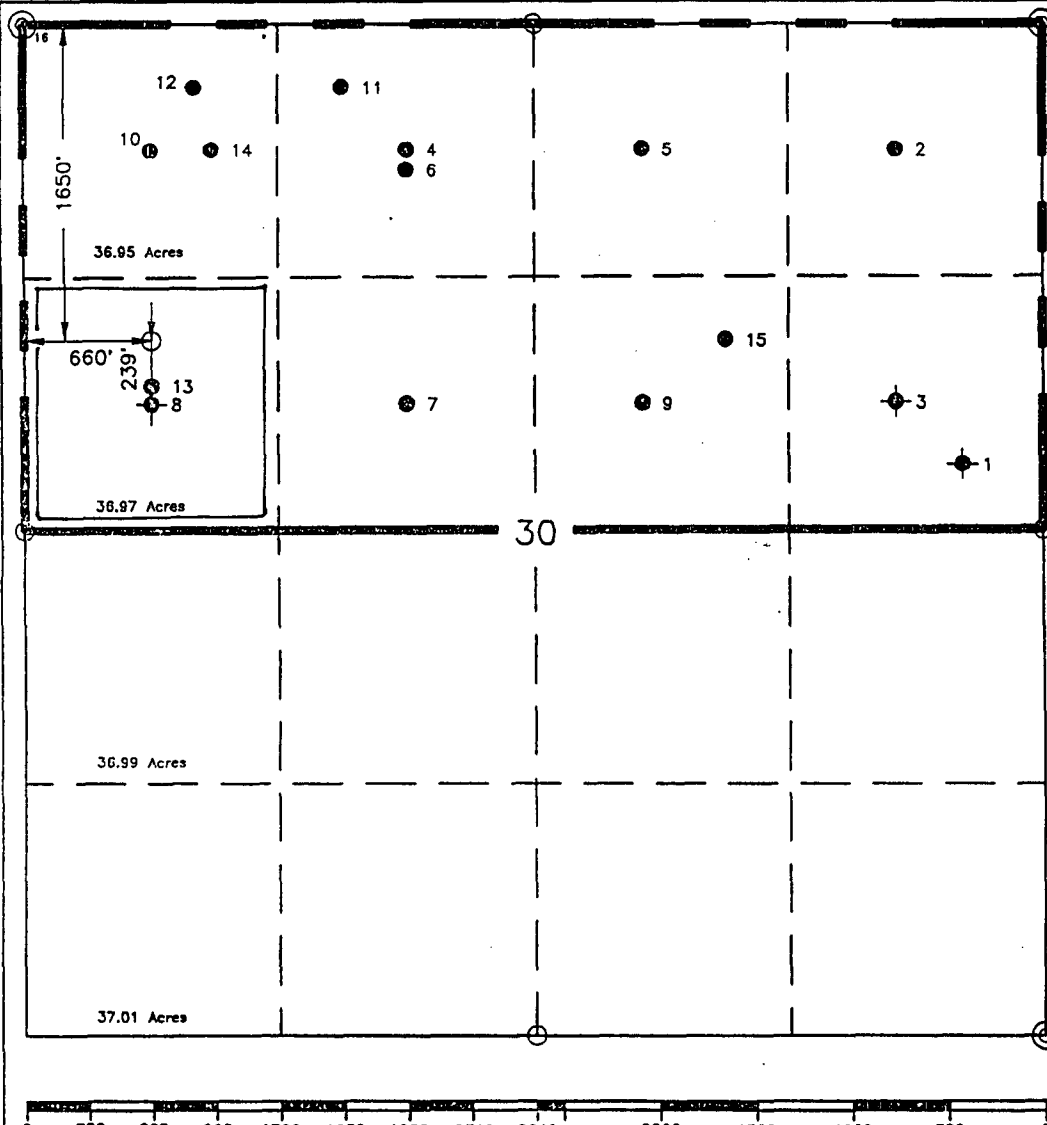
¹ API Number		² Pool Code		³ Pool Name Blinebry Oil & Gas ; Paddock ; DRINKHARD	
⁴ Property Code 10963		⁵ Property Name V. M. Henderson			⁶ Well Number 16
⁷ OGRID No. 22351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION, INC.			⁹ Elevation 3499'

¹⁰ Surface Location									
UL or lot no. E	Section 30	Township 21-S	Range 37-E	Lot Idn	Feet from the 1650'	North/South line North	Feet from the 660'	East/West line West	⁷ County 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	⁷ County

¹² Dedicated Acres 36.97	¹³ Joint or Infill	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.

	¹⁶ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
	Signature <i>C. Wade Howard</i>
	Printed Name C. Wade Howard
	Position Engineer's Assistant
	Company Texaco Expl. & Prod. Inc.
	Date January 14, 1997
	¹⁷ 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 January 10, 1997
	Signature & Seal of Professional Surveyor <i>John S. Piper</i>
	Certificate No. 7254 John S. Piper
	Sheet

○ = Staked Location ● = Producing Well = Injection Well ⊕ = Water Supply Well ⊕ = Plugged & Abandon Well
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 530228.93		Easting 888363.62	
Latitude 32°27'09.052"		Longitude 103°12'28.259"	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983	0.9998457	Monumt83
Drawing File		Field Book	
VMHEN_16		Lea County FB 16, Pg. 20	

SIGNATURE Greg Maes TITLE Engineer Assistant DATE 4/8/97
TYPE OR PRINT NAME Greg Maes TELEPHONE NO. (505) 397-0431

DHC-1560



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

4/14/97

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 VM Henderson #16E 30-215-37e
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed