

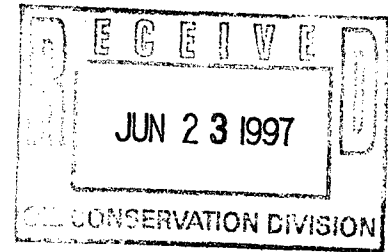
DHC 7/14/97

1669

**EXXON** COMPANY, U.S.A.  
POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

MIDLAND PRODUCTION ORGANIZATION  
OPERATIONS INTEGRITY

30 025-25456



June 20, 1997

Downhole Commingling  
New Mexico S State No. 36  
Unit Letter B  
Section 2, T22S, R37E  
Lea County, New Mexico

Mr. William J. LeMay  
Director  
Oil Conservation Division  
2040 Pacheco  
Santa Fe, New Mexico 87505

Dear Mr. LeMay:

Exxon Corporation requests administrative approval for Downhole Commingling (Rule 303C) for the New Mexico S State No. 36. The information required is attached.

If you have any questions, please call me at (915) 688-6782.

Sincerely,

A handwritten signature in cursive script that reads "Alex M. Correa".

Alex M. Correa

AMC:mym  
Attachment  
6/nmsst36.doc

**EXXON** COMPANY, U.S.A.  
POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

MIDLAND PRODUCTION ORGANIZATION  
OPERATIONS INTEGRITY

June 17, 1997

Downhole Commingling  
New Mexico S State No. 36  
Section 22, T22S, R37E  
Lea County, New Mexico

Offset Operators

Gentlemen:

Exxon Corporation is requesting administrative approval for Downhole Commingling in the New Mexico S State No. 36. Attached is a copy of the information that will be filed with the New Mexico Oil Conservation Division.

If you have any objection to this request, it must be filed, in writing with the New Mexico Oil Conservation Division in Santa Fe, within twenty days from the date this notice was mailed. If you have any questions, please call me at (915) 688-6782.

Sincerely,



Alex M. Correa

AMC:mym  
Attachment  
6/nms36.doc

**OFFSET OPERATORS**

**EXXON CORP.  
New Mexico S State No. 36  
SECTION 2, T22S, R37E  
LEA COUNTY**

Marathon Oil Co.  
P.O. Box 552  
Midland, Texas 79702  
Attention: Land Department

Oxy USA, Inc.  
P.O. Box 50250  
Midland, Texas 79705  
Attention: Land Department

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980  
DISTRICT II  
811 South First St., Artesia, NM 88210-2835  
DISTRICT III  
1000 Rio Brazos Rd. Aztec, NM 87410-1693

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429

Form C-107-A  
New 3-12-96

APPROVAL PROCESS:

Administrative Hearing

EXISTING WELLBORE

YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Exxon Address New Mexico "S" State #36 B-2-22S-37E Lea  
Lease Well No. Unit Ltr. - Sec. - Twp. - Rge. County

Spacing Unit Lease Types: (check 1 or more)  
OGRID NO. Property Code API NO. Federal State land/or Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blinebry		Abo
2. Top and Bottom of Pay Section (Perforations)	5700' - 5850'		6543' - 7121'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 500 psia b. (Original) 2450 psia	a.  b.	a. 575 psia b. 3000 psia
6. Oil Gravity (°API) or Gas BTU Content	40° API		41° API
7. Producing or Shut-In?	New Zone		Producing
Production Marginal? (yes or no)	No		No
* 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: Not Applicable	Date: Rates:	Date: Rates: Not Applicable
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: New Zone Rates: (Not Applicable)	Date: Rates:	Date: 9/70/3 Rates: (BOPD/KCFPD/BWPD)
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 74 % Gas: 82 %	Oil: % Gas: %	Oil: 26 % Gas: 18 %

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(D) 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.

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

SIGNATURE Matthew Perkins TITLE Project Engineer DATE 2/18/97

TYPE OR PRINT NAME Matthew Perkins TELEPHONE NO. ( 915 ) 688-6773

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:

MARATHON OIL CO.  
P.O. BOX 552  
MIDLAND, TEXAS 79702

LAND DEPARTMENT

4a. Article Number

Z 740 404 537

4b. Service Type

- |   |                                    |
|---|------------------------------------|
| <input type="checkbox"/> Registered                     | <input 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

JUN 18 1997

5. Received By: (Print Name)

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

JUN 18 1997

6. Signature: (Addressee or Agent)

X *SMC Williams*

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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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:

OXY USA, INC.  
P.O. BOX 50250  
MIDLAND, TEXAS 79705

LAND DEPARTMENT

4a. Article Number

Z 740 404 536

4b. Service Type

- |   |                                    |
|---|------------------------------------|
| <input type="checkbox"/> Registered                     | <input 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)

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

6. Signature: (Addressee or Agent)

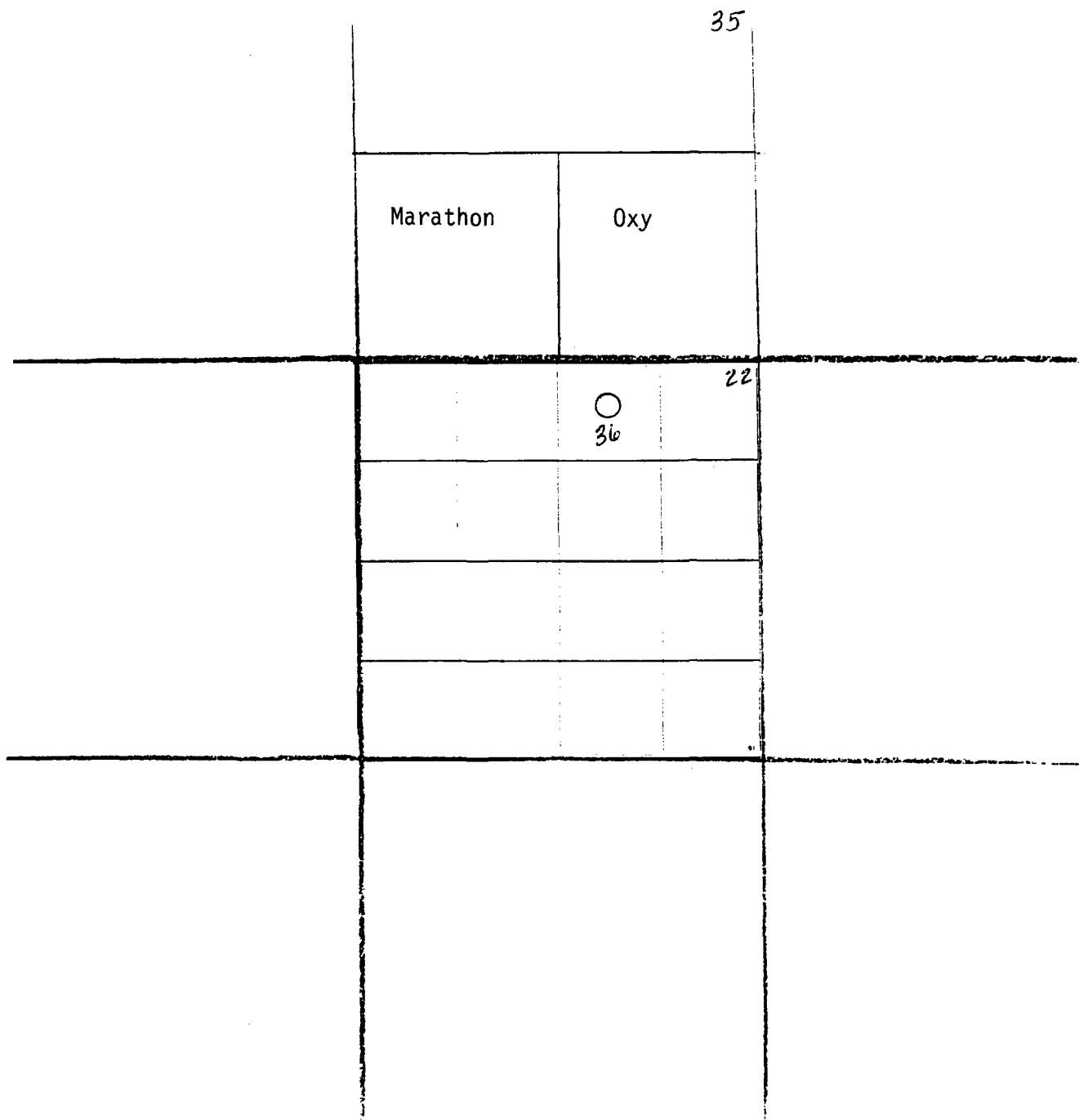
X *Woolley*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

EXXON CORP.  
New Mexico S State Lease  
Well No. 36  
Section 22, T22S, R37E  
Lea County, N.M.

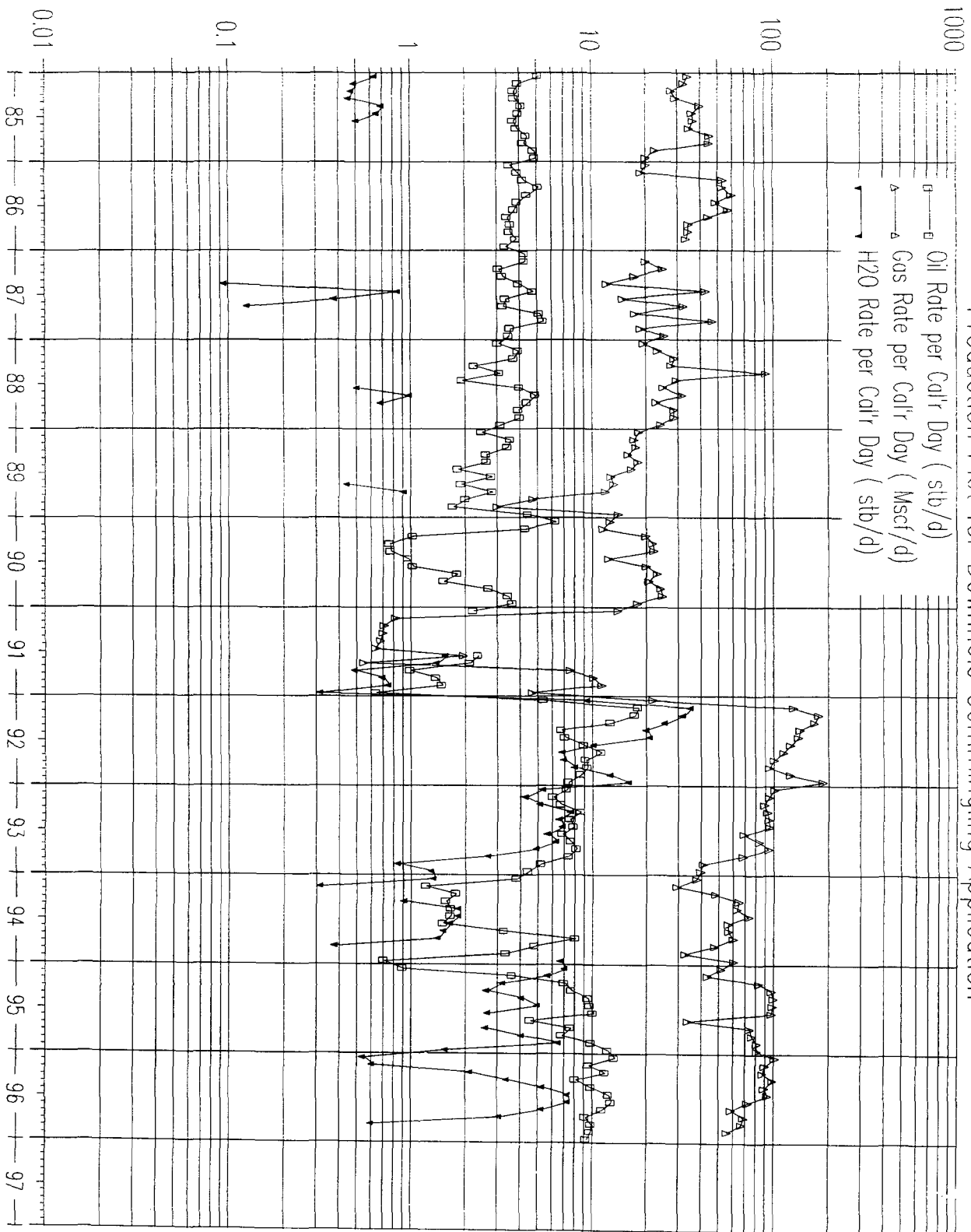


*Test Averages*

<b>Blinebry - Abo</b>						
<b>Downhole Commingling Estimates</b>						
	Actual	Actual	Actual	Forecast	Forecast	Forecast
	Abo Oil	Abo Gas	Abo Water	Blinebry Oil	Blinebry Gas	Blinebry Water
2/1/97	9	90000	3	40	428000	0.4
2/1/98	8.37	83700	2.79	30	428000	0.3
2/1/99	7.7841	77841	2.5947	22.5	428000	0.225
2/1/00	7.239213	72392.13	2.413071	16.875	337500	0.16875
2/1/01	6.732468	67324.681	2.24415603	12.65625	253125	0.1265625
2/1/02	6.261195	62611.953	2.087065108	9.4921875	189843.75	0.094921875
2/1/03	5.822912	58229.117	1.94097055	7.11914063	142382.8125	0.071191406
2/1/04	5.415308	54153.078	1.805102612	5.33935547	106787.1094	0.053393555
2/1/05	5.036236	50362.363	1.678745429	4.0045166	80090.33203	0.040045166
2/1/06	4.6837	46836.997	1.561233249	3.00338745	60067.74902	0.030033875
2/1/07	4.355841	43558.408	1.451946922	2.25254059	45050.81177	0.022525406
2/1/08	4.050932	40509.319	1.350310637	1.68940544	33788.10883	0.016894054
2/1/09	3.767367	37673.667	1.255788892	1.26705408	25341.08162	0.012670541
2/1/10	3.503651	35036.51	1.16788367	0.95029056	19005.81121	0.009502906
2/1/11	3.258395	32583.954	1.086131813	0.71271792	14254.35841	0.007127179
2/1/12	3.030308	30303.078	1.010102586	0.53453844	10690.76881	0.005345384
2/1/13	2.818186	28181.862	0.939395405	0.40090383	8018.076606	0.004009038
2/1/14	2.620913	26209.132	0.873637727	0.30067787	6013.557455	0.003006779
2/1/15	2.437449	24374.493	0.812483086	0.2255084	4510.168091	0.002255084
2/1/16	2.266828	22668.278	0.75560927	0.1691313	3382.626068	0.001691313
2/1/17	2.10815	21081.499	0.702716621	0.12684848	2536.969551	0.001268485
2/1/18	1.960579	19605.794	0.653526458	0.09513636	1902.727163	0.000951364

New Mexico "S" State # 36  
Abo Oil Well

Production Plot for Downhole Commingling Application





Submit to Appropriate  
District Office  
State Lease -- 6 copies  
Fee Lease -- 5 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C 101  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

API NO. (assigned by OCD on New Wells)  
**3002525456**

5. Indicate Type of Lease  
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.  
**B-934**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☐

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☒

1b. Type of Well:

OIL ☒

GAS ☐

WELL ☐

OTHER ☐

SINGLE ☐

MULTIPLE ☒

ZONE ☐

ZONE ☒

2. Name of Operator

**EXXON CORPORATION**

7. Lease Name or Unit Agreement Name

**NEW MEXICO S STATE**

3. Address of Operator

**ATTN: REGULATORY AFFAIRS ML#14  
P. O. BOX 1600  
MIDLAND, TX 79702**

8. Well No.

**36**

9. Pool name or Wildcat

**BLINEBRY OIL & GAS (OIL)**

4. Well Location

Unit Letter **B** : **330** Feet From The **NORTH** Line and **1810** Feet From The **EAST** Line

Section **2** Township **22S** Range **37E** NMPM **LEA** County

10. Proposed Depth  
**7600**

11. Formation  
**BLINEBRY**

12. Rotary or C.T.  
**ROTARY**

13. Elevations (Show whether DF, RT, GR, etc.)  
**3369 GR**

14. Kind & Status Plug. Bond  
**BLANKET**

15. Drilling Contractor  
**UNKNOWN**

16. Approx. Date Work will start  
**ASAP**

17.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
<b>13 3/4</b>	<b>10 3/4</b>	<b>36-40</b>	<b>1176</b>	<b>700</b>	<b>SURF</b>
<b>8 3/4</b>	<b>7</b>	<b>26, 20, 23</b>	<b>7595</b>	<b>2040</b>	<b>SURF</b>

WELL IS CURRENTLY COMP. AS WANTZ ABO

- SET RBP @ 5900'

- PERF. BLINEBRY APPROX. 5680'-5840'

- SET PKR. @ 5400'

- AC. APPROX. 3500 GAL. 15% HCL

- FRAC. APPROX. 113,400 LBS. 20/40 SD. + 32300 GAL.

- TEST BLINEBRY

- DOWNHOLE COMMINGLE BLINEBRY & WANTZ ABO

COPY IN APPLICATION TO DOWNHOLE COMMINGLE & PLATS ARE ATTACHED.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE

*Alex M. Correa*

TITLE **Sr. Regulatory Specialist**

DATE **06/17/97**

TYPE OR PRINT NAME **Alex M. Correa**

**(915) 688-6782** TELEPHONE NO.

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer DD, Artesia, NM 88211-0719

District III  
1000 Rio Brasas Rd., Aztec, NM 87410

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

# OIL CONSERVATION DIVISION

PO Box 2088  
Santa Fe, NM 87504-2088

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <b>3602525466</b>	2 Pool Code <b>06660</b>	3 Pool Name <b>Blinebry Oil &amp; Gas (Oil)</b>
4 Property Code <b>004198</b>	5 Property Name <b>New Mexico "S" State</b>	6 Well Number <b>36</b>
7 OGRID No. <b>007673</b>	8 Operator Name <b>Exxon Corporation</b>	9 Elevation

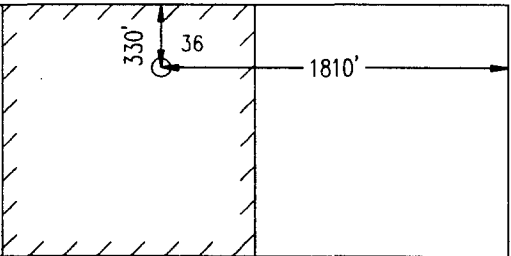
### <sup>10</sup>Surface Location

UL or lot no. <b>B</b>	Section <b>2</b>	Township <b>22 S</b>	Range <b>37 E</b>	Lot Idn	Feet from the <b>330'</b>	North/South line <b>North</b>	Feet from the <b>1810'</b>	East/West line <b>East</b>	County <b>Lea</b>
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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
<sup>12</sup> Dedicated Acres <b>40</b> <sup>13</sup> Joint or Infill <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

<div>16</div> 	<div>17 OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>C. H. Harper</i></p> <p>Signature <b>C. H. Harper</b></p> <p>Printed Name <b>Permits Supervisor</b></p> <p>Title <b>6-17-97</b></p> <p>Date</p>	
	<div>18 SURVEYOR CERTIFICATION</div> <p>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 belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor.</p>	
	Certificate Number	

3 Miles SE of Eunice, New Mexico.

File No. A-0983

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer DD, Artesia, NM 88211-0719

District III  
1000 Rio Brasos Rd., Aztec, NM 87410

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

# OIL CONSERVATION DIVISION

PO Box 2088  
Santa Fe, NM 87504-2088

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <b>3602525466</b>	2 Pool Code <b>62700</b>	3 Pool Name <b>Wantz; Abo</b>
4 Property Code <b>004198</b>	5 Property Name <b>New Mexico "S" State</b>	6 Well Number <b>36</b>
7 OGRID No. <b>007673</b>	8 Operator Name <b>Exxon Corporation</b>	9 Elevation

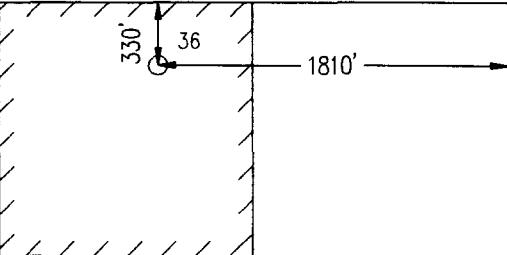
### <sup>10</sup>Surface Location

UL or lot no. <b>B</b>	Section <b>2</b>	Township <b>22 S</b>	Range <b>37 E</b>	Lot Idn	Feet from the <b>330'</b>	North/South line <b>North</b>	Feet from the <b>1810'</b>	East/West line <b>East</b>	County <b>Lea</b>
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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
<sup>12</sup> Dedicated Acres <b>40</b>									
<sup>13</sup> Joint or Infill									
<sup>14</sup> Consolidation Code									
<sup>15</sup> Order No.									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNITL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div>16</div> 	<div>17 OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>C. H. Harper</i></p> <p>Signature <b>C. H. Harper</b> Printed Name <b>Permits Supervisor</b> Title <b>6-19-97</b> Date</p>	
	<div>18 SURVEYOR CERTIFICATION</div> <p>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 belief.</p> <p>Date of Survey Signature and Seal of Professional Surveyor.</p>	
	Certificate Number	

3 Miles SE of Eunice, New Mexico.

File No. A-0984