

DHC 5/18/98

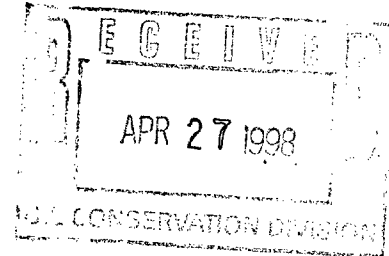


Cross Timbers Oil Company

1932

April 24, 1998

Federal Express



Lori Wrotenbery, Director
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87501

Re: Downhole Commingle Application
Ollie J. Boyd #2
NW/4 NW/4 Section 23-22S-37E
Lea County, New Mexico

Gentlemen:

Cross Timbers Operating Company hereby requests administrative approval to downhole commingle the Paddock and Blinebry formations in the captioned well. Attached is a copy of our Application on Form C-107-A.

Please note we are simultaneously filing for a non-standard proration unit and non-standard location for this well in the Blinebry formation.

We look forward to your approval and please call me at (817) 877-2336 with any questions.

Yours very truly,

Edwin S. Ryan, Jr.

cc: Ray Martin - CTOC Midland

NMCOD - Hobbs District Office
1000 W. Broadway
Hobbs, NM 88240

Offset Operators - See Attached List

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 87505-6429

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

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Cross Timbers Operating Company 300 North Garfield, Ste#175, Midland, Texas 79705
Operator Address
Ollie J. Boyd #2 D - 23-22S-37E Lea
Lease Well No. Unit Ltr. - Sec - Twp - Rge County

OGRID NO. 005380 Property Code 003342 API NO. 30-025-10434 Spacing Unit Lease Types: (check 1 or more)
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	Paddock (49210)		Blinebry Oil & Gas (Gas) (72480)
2. Top and Bottom of Pay Section (Perforations)	5,016'-5,170'		5,368'-5,680'
3. Type of production (Oil or Gas)	Oil		Gas
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 1,200 psi b. (Original)	a. b.	a. b. (est orig) 2,350 psi
6. Oil Gravity (°API) or Gas BTU Content	38.1		38.4
7. Producing or Shut-In?	Producing		Shut-in
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: 5/14/97 Rates: 2/75/1
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 3/3/98 Rates: 2/110/4	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 50 % Gas: 59 %	Oil: % Gas: %	Oil: 50 % Gas: 41 %

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.

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

SIGNATURE Kerry L. Sczech TITLE Reservoir Engr. DATE 4/20/98

TYPE OR PRINT NAME KERRY L. SCZEC TELEPHONE NO. (817) 882-7255

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised October 18, 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 30-025-10434		² Pool Code 59210	³ Pool Name Paddock
⁴ Property Code 003342	⁵ Property Name Ollie J. Boyd		⁶ Well Number #2
⁷ OGRID No. 005380	⁸ Operator Name Cross Timbers Operating Company		⁹ Elevation 3,339'

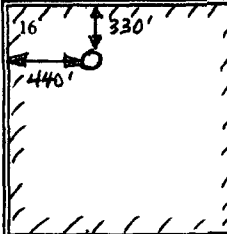
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	23	22S	37E		330	North	440	West	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 N	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

				<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Kerry L. Szezech</i> Signature KERRY L. Szezech Printed Name Reservoir Engr. Title 4/20/98 Date</p>
				<p>¹⁸ SURVEYOR CERTIFICATION</p> <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 Surveyer: Certificate Number</p>

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Energy, Minerals & Natural Resources Department

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2040 South Pacheco
Santa Fe, NM 87505

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-10434		² Pool Code 72480		³ Pool Name Blinebry Oil & Gas (gas)	
⁴ Property Code 003342		⁵ Property Name Ollie J. Boyd			⁶ Well Number #2
⁷ OGRID No. 005380		⁸ Operator Name Cross Timbers Operating Company			⁹ Elevation 3,339'

¹⁰ Surface Location

UL or lot no. D	Section 23	Township 22S	Range 37E	Lot Idn	Feet from the 330	North/South line North	Feet from the 440	East/West line West	County Lea
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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
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¹² Dedicated Acres 40	¹³ Joint or Infill N	¹⁴ Consolidation Code	¹⁵ Order No. Applied for non-standard unit & unorthodox location on April 20, 1998
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
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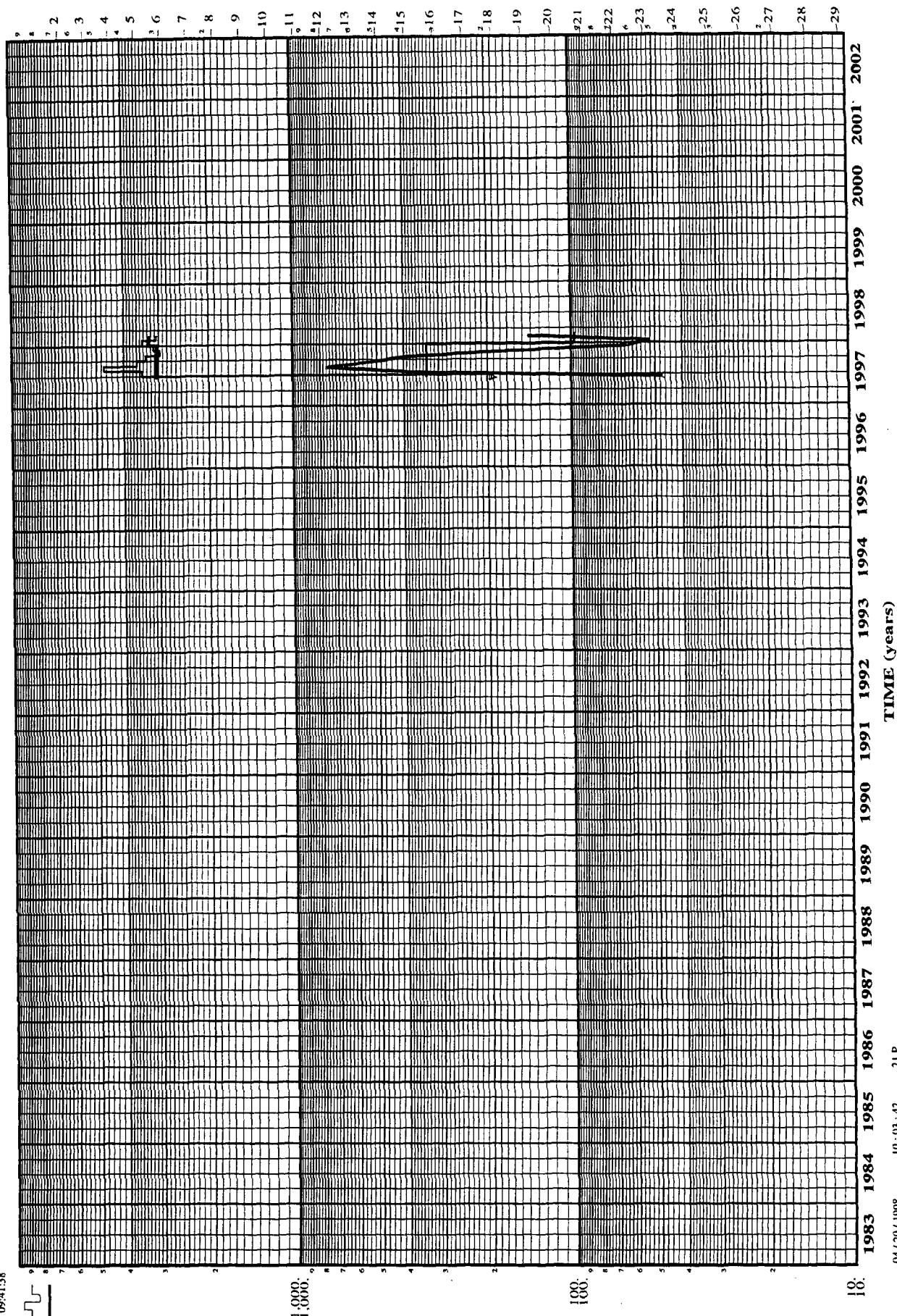
				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <u>Kerry L. Sczech</u> Printed Name <u>Kerry L. Sczech</u> Title <u>Reservoir Engr.</u> Date <u>4/20/98</u>
				¹⁸ SURVEYOR CERTIFICATION I hereby certify 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 belief. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

Cross Timbers Oil Company

BOYD, OLLIE J
CROSS TIMBERS
PADDOCK (PADDOCK)
LEA, NEW MEXICO
23 22S 37E

Run Date : 03/1998
Run Time : 09:41:38

GAS (mcf/mo) 
OIL (bbl/mo) 



Cross Timbers Oil Company

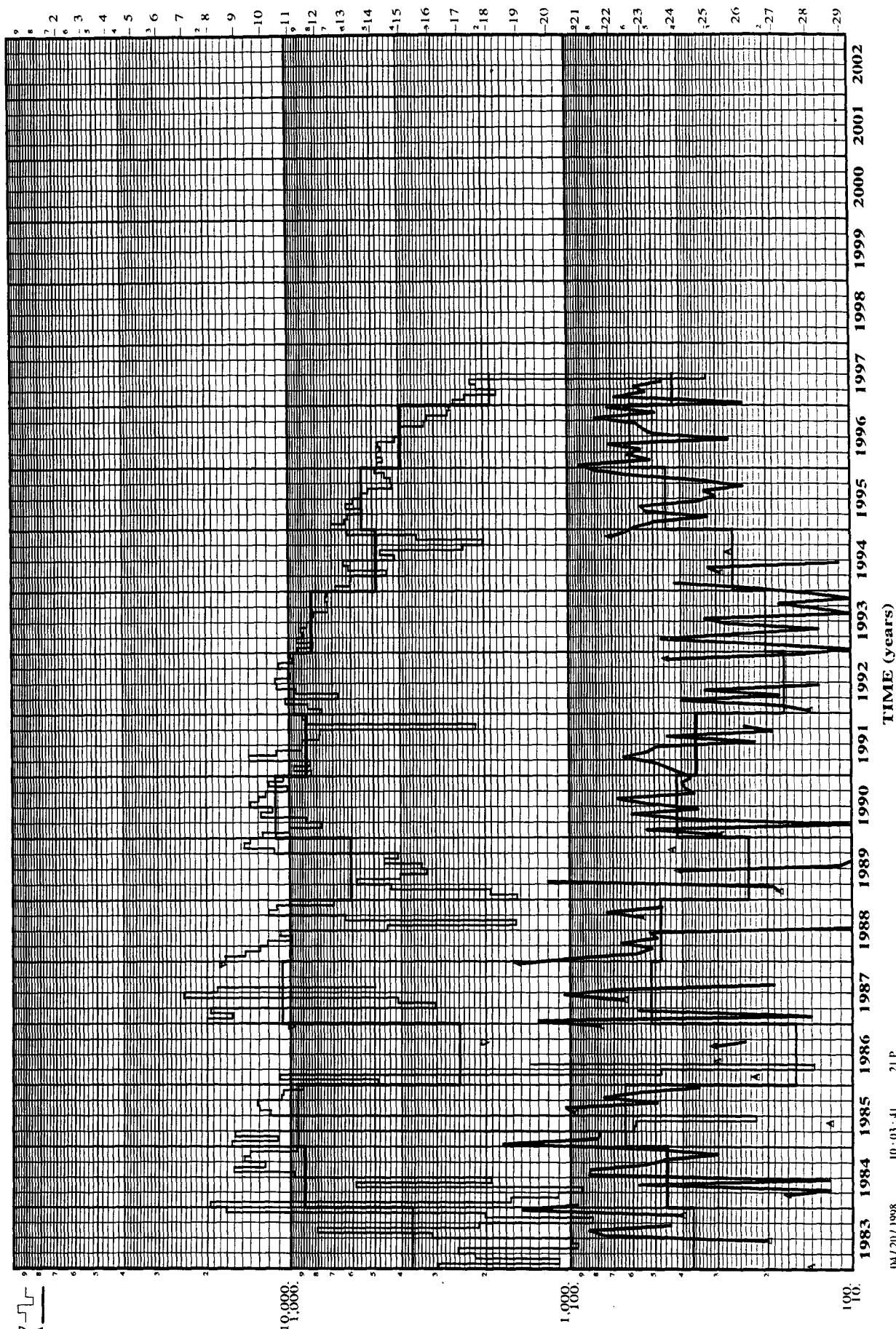
BOYD, OLLIE J

CROSS TIMBERS
BLINEBRY (BLINEBRY)
LEA, NEW MEXICO
23D 22S 37E

(INA)

Run Date : 03/1998
Run Time : 09:20:10

GAS (mcf/mo) ▽
OIL (bbl/mo) Δ



TIME (years)

04/20/1998 10:03:41 21 P

OFFSET OPERATORS
BOYD #2
NW/4 NW/4 SECTION 23-22S-37E
LEA COUNTY, NEW MEXICO

John H. Hendrix Corporation
P.O. Box 3040
Midland, Texas 79702

Anadarko Petroleum Corporation
17001 Northchase
Houston, Texas 77060

Conoco Inc.
10 Desta Drive West
Midland, Texas 79705

Collins & Ware Inc.
508 W. Wall, Suite 1200
Midland, Texas 79701

Z 293 179 135

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom	

April 1995

Anadarko Petroleum Corporation
17001 Northchase
Houston, Texas 77060
ESR 4/23/98
Boyd #2 & 4 Offset Operator

Fold at line over top of envelope to
the right of the return address

CERTIFIED

Z 293 179 135

MAIL

Z 293 179 137

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom	

April 1995

Collins & Ware Inc.
508 W. Wall, Suite 1200
Midland, Texas 79701
ESR 4/23/98
Boyd #2 Offset Operator

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the right of the return address

CERTIFIED

Z 293 179 137

MAIL

Z 293 179 134

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Sent to	
Street & Number	
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Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom	

April 1995

John H. Hendrix Corporation
P.O. Box 3040
Midland, Texas 79702
ESR 4/23/98
Boyd #2 & 4 Offset Operator

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the right of the return address

CERTIFIED

Z 293 179 134

MAIL

Z 293 179 136

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Street & Number	
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Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom	

April 1995

Conoco Inc.
10 Desta Drive West
Midland, Texas 79705
ESR 4/23/98
Boyd #2 Offset Operator

Fold at line over top of envelope to
the right of the return address

CERTIFIED

Z 293 179 136

MAIL

DHC 1932



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

5/12/98

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

GOVERNOR

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:

Cross Timbers Oil Co Willie J Boyd #2-D-23-22s-37e
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

None

Yours very truly,

Chris Williams

Chris Williams
Supervisor, District 1

/ed