

|         |        |    |   |     |
|---------|--------|----|---|-----|
| 4/15/99 | 5/5/99 | DC | M | DHC |
|---------|--------|----|---|-----|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -

2331

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]

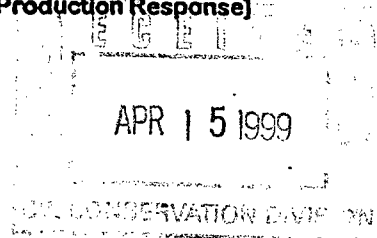
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[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.

DENISE LEAKE  
Print or Type Name

Denise Leake

4-9-99



Texaco E & P

April 09, 1999

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

Texaco Exploration and Production  
205 East Bender  
Hobbs, NM 88240

State of New Mexico  
Energy and Minerals Department  
Oil Conservation Department  
Oil Conservation Commission  
2040 South Pacheco  
Santa Fe, NM 87505

**GOV-STATE AND LOCAL GOVERNMENTS**

**EXCEPTION TO NMOCD RULE 303(A)**

**Application to DHC**

**Teague Lower Paddock Blinebry North Assoc. and Teague Drinkard-Abo North Assoc.**

**B.F. Harrison B #23**

**Unit Letter F, Section 9, T23S, R37E**

**1815' FNL, 1815' FWL**

**API # 30-025-32498**

**Lea County, NM**

Attention: Mr. Ben Stone

Texaco Exploration and Production Inc., respectfully requests approval to downhole commingle the North Teague Lower Paddock Blinebry (Assoc.) and the North Teague Drinkard-Abo (Assoc.) pool within the subject wellbore. A copy of this application has notified offset operators. The royalty is common in all zones.

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 the requirements as set forth by rule 303 ©. 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 based on tests obtained from the Teague Lower Paddock Blinebry Pool before the DHC, with any additional production after the DHC be allocated to the Teague Drinkard-Abo Pool.

If you have any questions concerning this application, please contact Denise Leake at (505) 397-0405 or Denise Wann at (505) 397-0425.

Yours truly,

J. Denise Leake  
Engineering Assistant  
Hobbs Operating Unit

Cc: NMOCD (Hobbs), Offset Operators

# 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., Aztec, NM 87410

State of New Mexico  
Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

2040 S. Pacheco  
Santa Fe, New Mexico 87505-8429

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

APPROVAL PROCESS:

☐ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☐ NO

## APPLICATION FOR DOWNHOLE COMMINGLING

Operator Texaco Exploration & Producing Inc. Address 205 East Bender Hobbs, New Mexico 88240

Lease B.F. Harrison "B" Well No. 23 Unit Ltr. - Sec - Tws - Rge F Sec 9 T23S R37E County Lea

OGRID NO. 022351 Property Code 10960 API NO. 30-025-32498 Federal         , State         , (and/or) Fee         

Spacing Unit Lease Types: (check 1 or more)

| The following facts are submitted in support of downhole commingling:   | Lower Zone  | Intermediate Zone | Upper Zone                                       |
|---|---|-------------------|--|
| 1. Pool Name and Pool Code  | 96313 Teague Drinkard Abo North Assoc.              |                   | 96314 Teague Lower Paddock Blinebry North Assoc. |
| 2. Top And Bottom of Pay Section (Perforations)   | 6389-7001   |                   | 5606-5816  |
| 3. Type of production (Oil or Gas)  | Oil   |                   | Oil  |
| 4. Method of Production (Flowing or Artificial Lift)  | Flowing (Current)                                   |                   | Plunger Lift                                     |
| 5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current   | 700# Estimated                                      | a.                | 670# Estimated                                   |
| Gas & Oil - Flowing: Measured Current   | b.  | b.                | b.   |
| All Gas Zones: Estimated Or Measured Original   |   |                   |  |
| 6. Oil Gravity (* API) or Gas BTU Content   | 40.1  |                   | 43.5   |
| 7. Producing or Shut-In? Production Marginal? (yes or no)   | Shut-In   |                   | Producing  |
| * If Shut-In, give date and oil/gas/ water rates of last production<br>Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data | Date: 1-20-98<br>Rates: 10 Oil, 100 Gas<br>10 Water |                   |  |
| * If Producing, give date and oil/gas/ water rates of recent test (within 60 days)  | Date:<br>Rates:                                     |                   | 2-05-99<br>10 oil, 5 water,<br>23 Gas            |
| 8. Fixed Percentage Allocation Formula -% for each zone   | Oil: % Gas: %                                       | Oil: % Gas: %     | Oil: % Gas: %                                    |

- 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.
- 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
- 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)
- Are all produced fluids from all commingled zones compatible with other? ☒ Yes ☐ No
- Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)
- 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
- NMOCD Reference Cases for Rule 303(C) Exceptions: ORDER NO(S).
- 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 Denise Wann TITLE Pct. Engr. DATE 4/12/99  
TYPE OR PRINT NAME Denise Wann TELEPHONE NO. (505) 397-0425

## 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<br>30 025 32498 | <sup>2</sup> Pool Code<br>96313                                    | <sup>3</sup> Pool Name<br>North Teague Drinkard Abo Assoc. |
| <sup>4</sup> Property Code<br>10960     | <sup>5</sup> Property Name<br>Harrison B. F. "B"                   | <sup>6</sup> Well No.<br>23                                |
| <sup>7</sup> OGRID Number<br>022351     | <sup>8</sup> Operator Name<br>TEXACO EXPLORATION & PRODUCTION INC. | <sup>9</sup> Elevation<br>3313'                            |

<sup>10</sup> Surface Location

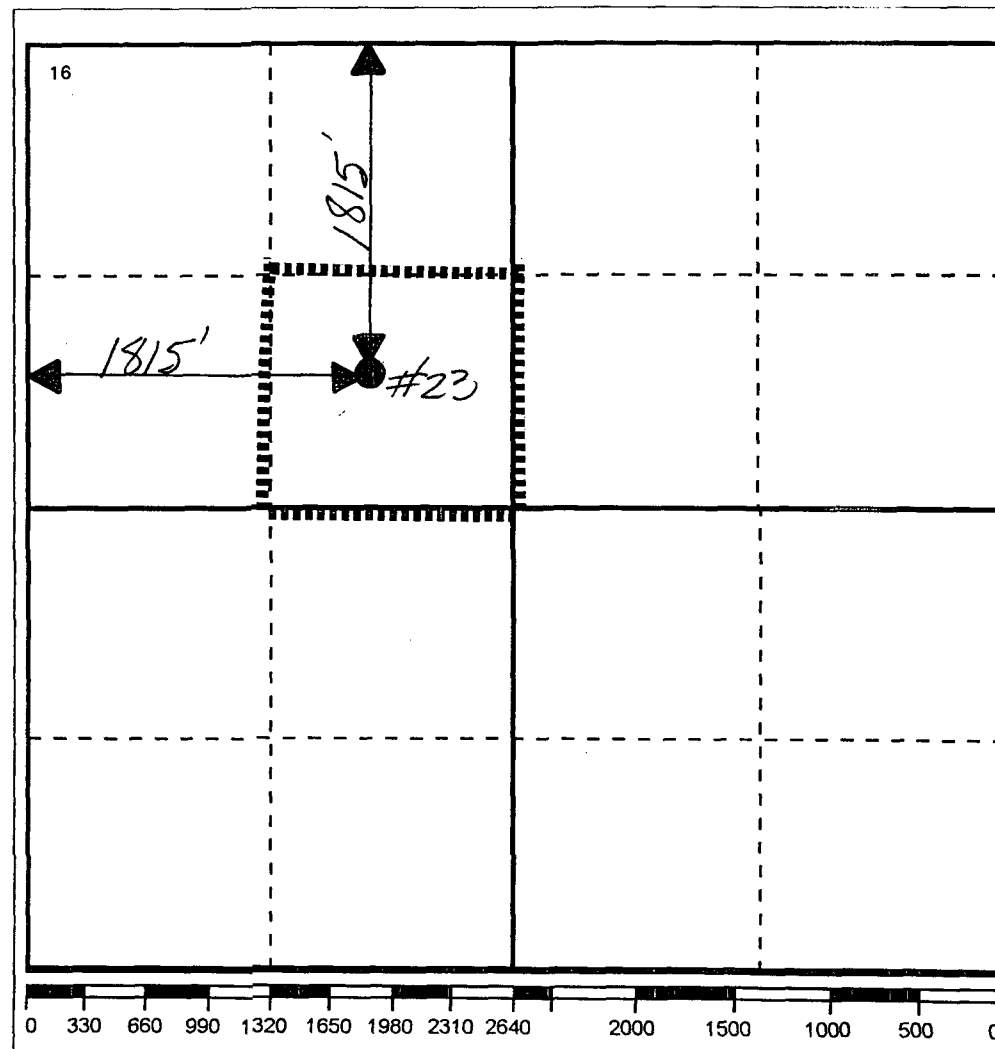
| Ul or lot no. | Section | Township | Range | Lot.Idn | Feet From The | North/South Line | Feet From The | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| F             | 9       | 23S      | 37E   |         | 1815          | NORTH            | 1815          | WEST           | LEA    |

<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<br>40 | <sup>13</sup> Joint or Infill<br>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

J. Denise Leake

Position

Engineering Assistant

Date

4/9/99

## 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.

# WELL LOCATION AND ACREAGE DEDICATION PLAT

|   |  |  |
|---|--|--|
| <sup>1</sup> API Number<br>30 025 32498 | <sup>2</sup> Pool Code<br>96314                                    | <sup>3</sup> Pool Name<br>North Teague Lower Paddock-Blinebry Associated |
| <sup>4</sup> Property Code<br>10960     | <sup>5</sup> Property Name<br>Harrison B. F. "B"                   | <sup>6</sup> Well No.<br>23  |
| <sup>7</sup> OGRID Number<br>022351     | <sup>8</sup> Operator Name<br>TEXACO EXPLORATION & PRODUCTION INC. | <sup>9</sup> Elevation<br>3313'  |

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

| Ul or lot no. | Section | Township | Range | Lot.Idn | Feet From The | North/South Line | Feet From The | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| F             | 9       | 235      | 37E   |         | 1815          | NORTH            | 1815          | WEST           | LEA    |

## <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<br>40 | <sup>13</sup> Joint or Infill<br>No | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |
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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  
*J. Denise Leake*

Printed Name  
J. Denise Leake

Position  
Engineering Assistant

Date  
4/9/99

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

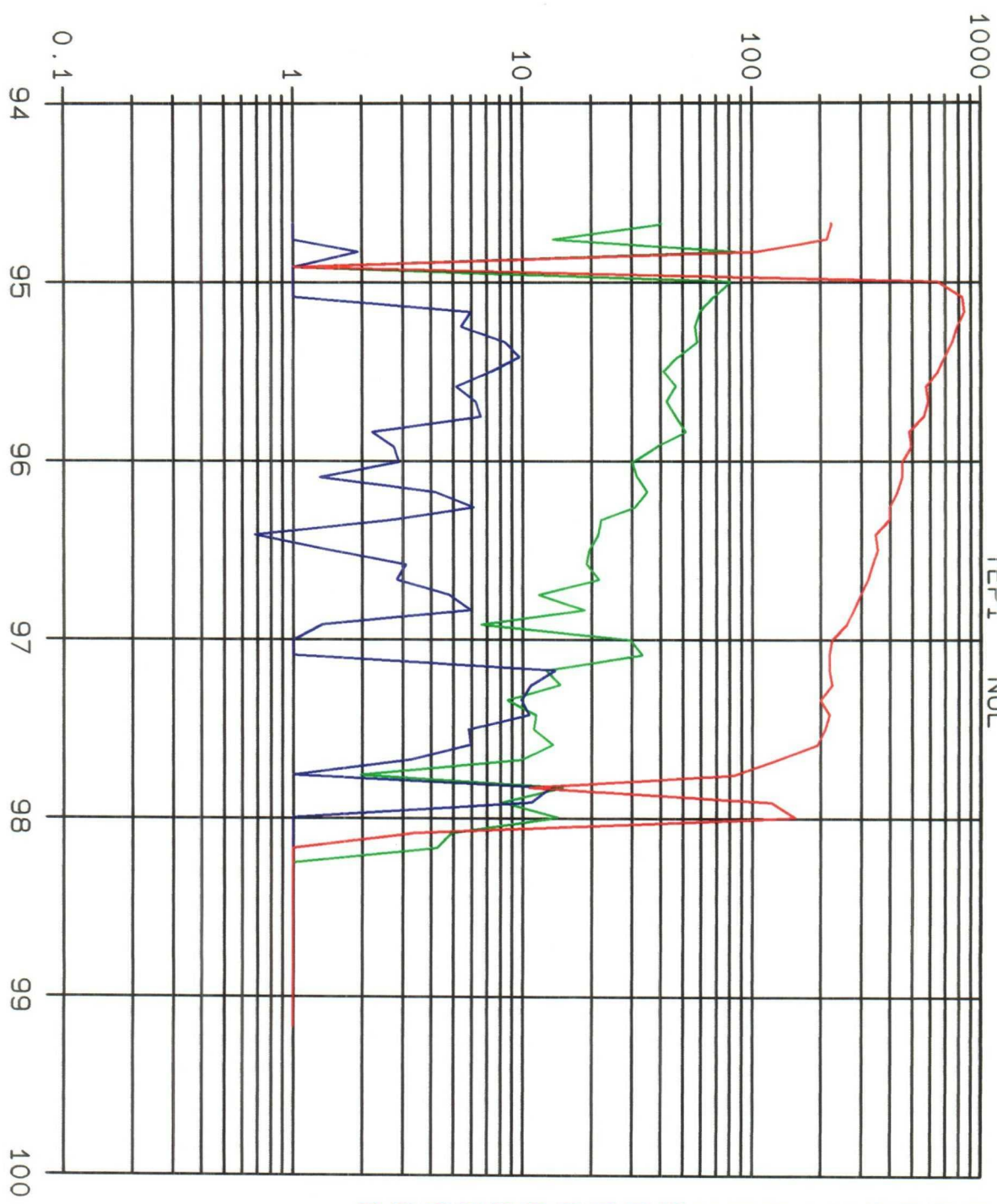
Signature & Seal of Professional Surveyor

Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

HARRISON, B. F. -B- 23 TEAGUE DRINKARD-ABO, NORTH

TEPI NUL

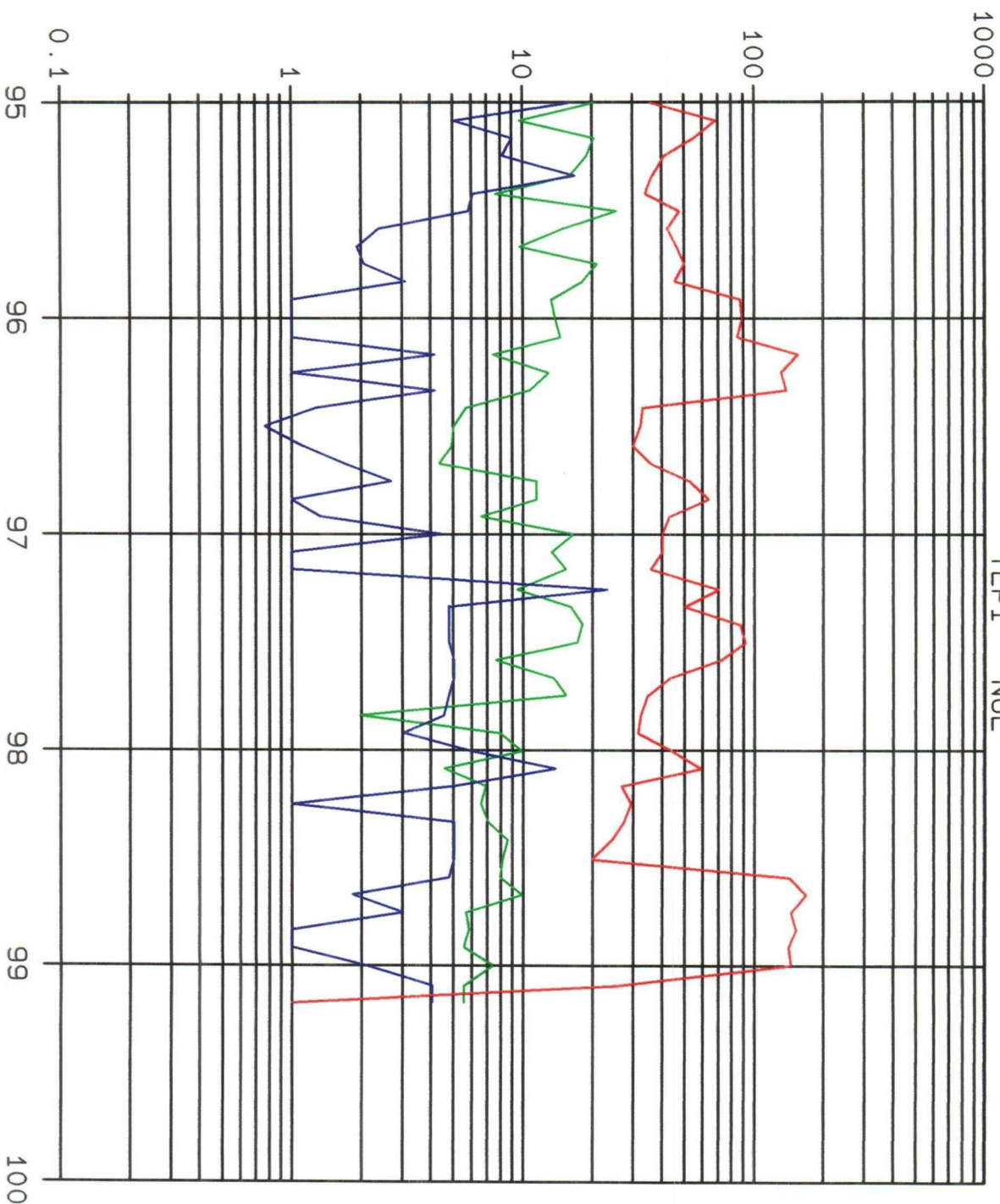


YEARS

LEASE DATA  
 LSE 010960  
 FLD 96313  
 OPER TEPI  
 ZONE NUL  
 --  
 COUNTY 025  
 STATE 30  
 30025324980001  
 STATUS 2-99  
 CO 38 MBO  
 CG 455 MMCF  
 CW 6 MBW  
 BOPD 0  
 BWPD 0  
 MCFPD 0  
 WELLS 1  
 CI 0 MBWT  
 BWIPD 0

HARRISON, B. F. -B- 23 TEAGUE LOWER PADDOCK-BLINEBRY, N. (ASSOC)

TEPI NUL



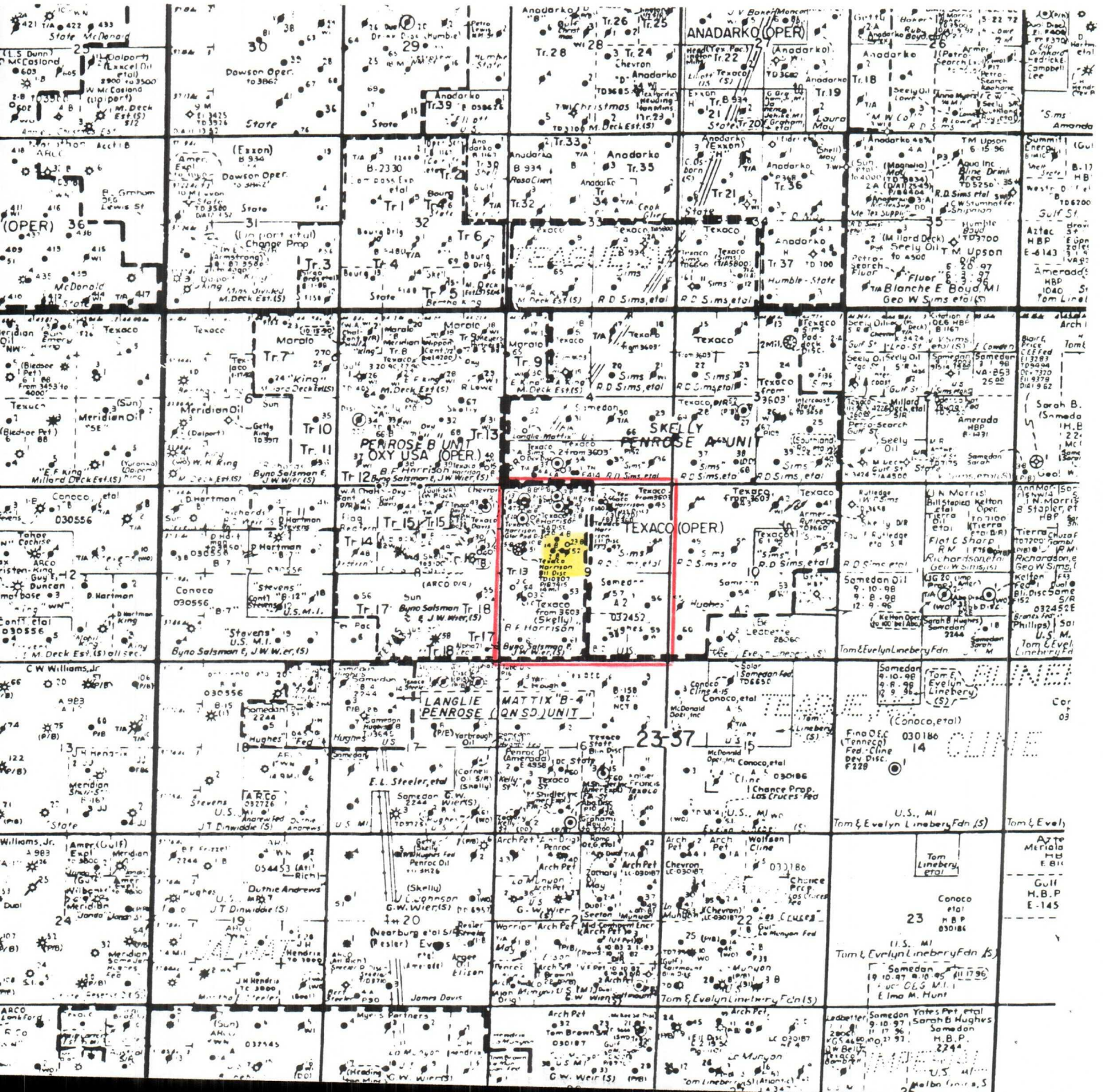
BOPD BWPD MCFPD

YEARS

LEASE DATA  
 LSE 010960  
 FLD 96314  
 OPER TEPI  
 ZONE NUL  
 --  
 COUNTY 025  
 STATE 30  
 30025324980002  
 STATUS 2-99  
 CO 17 MBO  
 CG 99 MCMF  
 CW 7 MBW  
 BOPD 6  
 BWPD 4  
 MCFPD 0  
 WELLS 1  
 CI 0 MBWI  
 BWIPD 0



Offset Operators and all Lessees of Record  
B. F. Harrison B #23  
SE/4 NW/4 of Section 9, T-23-S, R-37-E  
Teague Lower Paddock Blinebry North Assoc. &  
Teague Drinkard-Abo North Assoc.  
Lea County, New Mexico  
April 6, 1999





Offset Operators and all Lessees of Record  
 B. F. Harrison B #23  
 SE/4 NW/4 of Section 9, T-23-S, R-37-E  
 Teague Lower Paddock Blinebry North Assoc. &  
 Teague Drinkard-Abo North Assoc.  
 Lea County, New Mexico  
 April 6, 1999

|    |    |    |  |    |    |    |    |
|----|----|----|--|----|----|----|----|
| 36 | 31 | 32 | 33                                       | 34 | 35 | 36 | 31 |
| 1  | 6  | 5  | 4  | 3  | 2  | 1  | 6  |
| 12 | 7  | 8  | 1 1 1 1<br>1 1 1 1<br>1 1 2 2<br>1 1 2 2 | 9  | 10 | 11 | 12 |
| 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  |

Offset Operators and all Lessees of Record  
B. F. Harrison B #23  
SE/4 NW/4 of Section 9, T-23-S, R-37-E  
Teague Lower Paddock Blinbry North Assoc. &  
Teague Drinkard-Abo North Assoc.  
Lea County, New Mexico  
April 6, 1999

**Number 1**

---

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

**Number 2**

---

Samedan Oil Corporation  
12600 Northborough, Suite 250  
Houston, Texas 77067



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

April 14, 1999

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 \_\_\_\_\_  
NSL \_\_\_\_\_  
NSP \_\_\_\_\_  
SWD \_\_\_\_\_  
WFX \_\_\_\_\_  
PMX \_\_\_\_\_

Gentlemen:

I have examined the application for the:

|                           |                         |         |
|---------------------------|-------------------------|---------|
| Texaco Expl & Prod., Inc. | B.F. Harrison "B" #23-F | 9-23-37 |
| Operator                  | Lease & Well No. Unit   | S-T-R   |

and my recommendations are as follows:

OK-

Yours very truly,

Chris Williams  
Supervisor, District 1

/ed