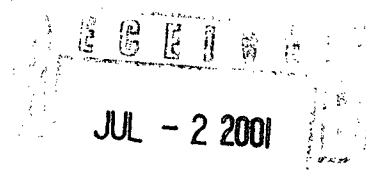


119 238771 DHC

7/23/01

June 18, 2001



GOV-STATE AND LOCAL GOVERNMENTS  
EXCEPTION to NMOCD Rule 303(A)

2938

**Caylor 6 #1**  
30-250-35039  
Application to DHC  
Wildcat Blinebry and Lovington Drinkard  
Unit Letter K, Sec.6, T17S, R37E  
2310' FSL & 1650' FWL  
Lea County, NM

State of New Mexico  
Energy and Minerals Department  
Oil Conservation Commission  
1220 S. St. Francis Drive  
Santa Fe, NM 87504

Attention: ~~Mr. Mike Stogner~~ David Catanach

Texaco Exploration and Production Inc., respectfully requests approval to downhole commingle the Wildcat Blinebry Pool and the Lovington Drinkard Pool within the subject wellbore. The plug between the two intervals will be cleaned out upon approval of the DHC.

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 (C). It should be noted that it is common practice to commingle Blinebry and Drinkard production with no fluid compatibility problems.

It is requested that the allocation of production for each zone be based on the well tests obtained from the Pools before DHC. The tests showed the following:

Wildcat Blinebry 11 oil, 5 wtr, 10 gas

Lovington Drinkard 24 oil, 5 wtr, 0 gas

The commingled production will be allocated as followed:

Wildcat Blinebry 31.4% oil, 50% water, 100 % gas

Lovington Drinkard 68.6% oil, 50% water, 0 % gas

If you have any questions concerning this application, please contact Denise Leake at 915- 688-4752 or Denise Wann at 915-688-2982.

Yours truly,

A handwritten signature in black ink that reads "Denise Wann". The signature is written in a cursive style with a large, sweeping initial "D".

Denise Wann  
Senior Engineer  
Hobbs Operating Unit

Attachments

Offset Operators

Samson Exploration Company  
Samson Resources Company  
Samson Plaza  
Two West Second St.  
Tulsa, Oklahoma 74103-3101

Forcenergy, Inc.  
2730 SW 3rd Ave., Suite 800  
Miami, Florida 33129

Saga Petroleum Corp.  
415 W. Wall St., Suite 835  
Midland, Texas 79701

Apache Corporation  
2000 Post Oak Blvd., Suite 100  
Houston, Texas 77056-4400

Phillips Petroleum Company  
4001 Penbrook  
Odessa, Texas 79762

Pure Resources, L.P.  
500 W. Illinois  
Midland, Texas 79701

## 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, 1999

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copie

Fee Lease - 3 Copie

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-35039	<sup>2</sup> Pool Code 97096	<sup>3</sup> Pool Name BLINEBRY (WILDCAT)
<sup>4</sup> Property Code 025911	<sup>5</sup> Property Name CAYLOR '6'	<sup>6</sup> Well No. 1
<sup>7</sup> OGRID Number 022351	<sup>8</sup> Operator Name TEXACO EXPLORATION & PRODUCTION INC.	<sup>9</sup> Elevation 3809'

<sup>10</sup> Surface Location

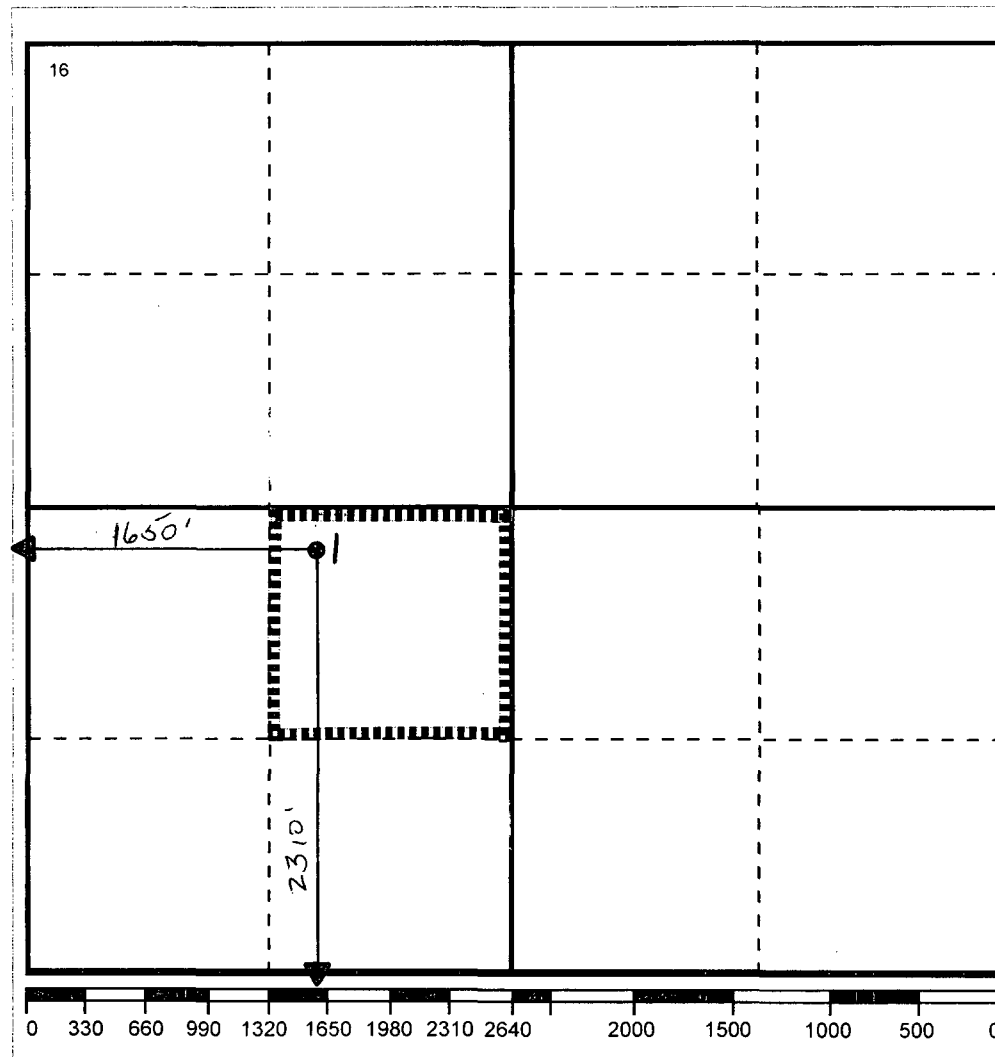
UI or lot no	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
K	6	17-S	37-E		2310	SOUTH	1650	WEST	LEA

<sup>11</sup> 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

<sup>12</sup> Dedicated Acre 40	<sup>13</sup> Joint or Infill 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

<sup>17</sup> 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

John Ayers

Positio

Administrative Supvr

Date

6/27/01

<sup>18</sup> 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 &amp; 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, 1999

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copie

Fee Lease - 3 Copie

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-35039	<sup>2</sup> Pool Code 40490	<sup>3</sup> Pool Name LOVINGTON DRINKARD
<sup>4</sup> Property Code 025911	<sup>5</sup> Property Name CAYLOR '6'	<sup>6</sup> Well No. 1
<sup>7</sup> OGRID Number 022351	<sup>8</sup> Operator Name TEXACO EXPLORATION & PRODUCTION INC.	<sup>9</sup> Elevation 3809'

<sup>10</sup> Surface Location

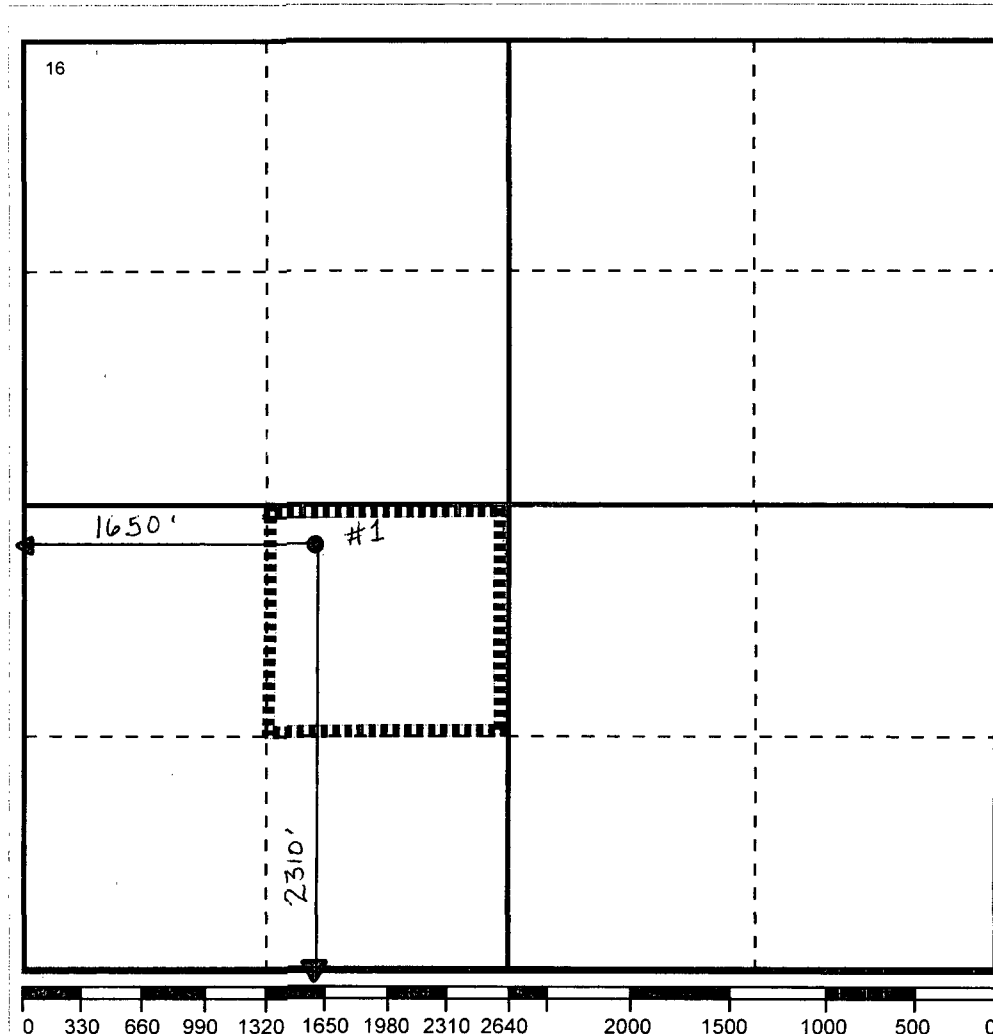
Ul or lot no	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
K	6	17-S	37-E		2310	SOUTH	1650	WEST	LEA

<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 Acre 40	<sup>13</sup> Joint or Infill 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

<sup>17</sup> OPERATOR CERTIFICATION

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best of my knowledge and belief

Signature

Printed Name

John Ayers

Positio

Administrative Supvr

Date

6/27/01

<sup>18</sup> 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.

## 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 Ave 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 87505-6429Form C-107-A  
New 3-12-96

APPROVAL PROCESS:

☐ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

## APPLICATION FOR DOWNHOLE COMMINGLING

Texaco Exploration &amp; Producing Inc.

P.O. Box 3109 500 N Loraine

Midland, Texas 79702

Operator

Address

Caylor 6

1

K-6-17S-37E

Lea

Lease

Well No.

Unit Ltr. - Sec - Tws - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 022351 Property Code 25911 API NO. 30-025-35039 Federal , State , (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	<i>Und.</i> LOVINGTON DRINKARD		WILDCAT BLINEBRY
2. Top And Bottom of Pay Section (Perforations)	8020-8160		7020-7574
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	a. 600# EST	a.	a. 600# EST
Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	b. (Original)	b.	b.
6. Oil Gravity (* API) or Gas BTU Content	35.7°		37.6°
7. Producing or Shut-In? Production Marginal? (yes or no)	SI - MARGINAL YES		PRODUCING - MARGINAL
* 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	6/13/01- 24 OIL, 5 WATER, 0 GAS		
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:		6/1/01 11 OIL, 5 WATER, 10 GAS
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 68.6% Gas: 0% Water: 50%	Oil: Gas:	Oil: 31.4% Gas: 100% Water: 50%

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 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 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 John Ayers TITLE Administrative Supervisor DATE 06-27-01  
TYPE OR PRINT NAME John Ayers TELEPHONE NO. (915) 688-4580

## OIL CONSERVATION DIVISION

1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.

30-025-35039

5. Indicate Type of Lease

STATE

FEE ☒

6. State Oil / Gas Lease No.

7. Lease Name or Unit Agreement Name

CAYLOR '6'

8. Well No.

1

9. Pool Name or Wildcat

BLINEBRY WILDCAT

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMI  
(FORM C-101) FOR SUCH PROPOSALS.

1. Type of Well: OIL WELL ☒ GAS WELL ☐ OTHER ☐2. Name of Operator  
TEXACO EXPLORATION & PRODUCTION INC.3. Address of Operator  
205 E. Bender, HOBBS, NM 88240

4. Well Location

Unit Letter K : 2310 Feet From The SOUTH Line and 1650 Feet From The WEST LineSection 6 Township 17-S Range 37-E NMPM LEA COUNTY10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3809'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

## NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐CHANGE PLANS ☐PULL OR ALTER CASING ☐OTHER: ☐

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ALTERING CASING ☐COMMENCE DRILLING OPERATION ☐PLUG AND ABANDONMENT ☐CASING TEST AND CEMENT JOB ☐OTHER: ☐RECOMPLETION TO BLINEBRY ☒

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting proposed work) SEE RULE 1103.

2-13-01: MIRUPU. REM UNIT HEAD. UNSEAT PUMP. TOH W/RDS &amp; PMP. NDWH. NUBOP.

2-14-01: TIH W/BIT &amp; SCRAPER &amp; 251 JTS 2 7/8" TBG.

2-15-01: KILL WELL W/65 BBLS 2% KCL. TIH W/GAUGE RING &amp; JUNK BASKET TO 8200'. TIH &amp; SET RBP @ 7900'. RU PUMP TRUCK. TEST TO 1500 PSI. TIH &amp; DUMP BAIL 5' SAND ON TOP OF RBP @ 7900'. TIH &amp; PERFORATE BLINEBRY PERFS 7020-7030, 7180-7234, 7558-7574.

2-16-01: TIH W/2 JTS 2 7/8" TBG, PKR, 240 JTS 2 7/8" TBG, 240 JTS 2 7/8" TBG. SPOT 3 BBLS 15% HCL. SET PKR @ 7400'. TP @ 7463'. OPEN BYPASS ON PKR. REV W/5 BBLS 2%. CLOSE BYPASS. ESTAB PUMP @ 2 BPM. ACIDIZE BLINEBRY PERFS 7558-7574 W/1600 GALS 15% HCL.

2-17-01: REL PKR. TIH W/RBP W/BALL CATCHER, TBG, PKR. SET RBP @ 7300'.

2-18-01: TIH W/TBG. SPOT 3 BBLS 15% HCL. SET PKR @ 6899'. TP @ 7010. OPEN BYPASS &amp; REV W/8 BBLS 2% KCL. CLOSE BYPASS. ACIDIZE BLINEBRY PERFS 7020-7234 W/6400 GALS 15% HCL ACID. RU SWAB. FL @ 800. 2ND RUN FL @ 1200. 3RD RUN FL @ 1900. END FL @ 2200.

2-19-01: SWABBING.

2-20-01: FLOW. MADE 27 RUNS.

2-21-01: REL PKR. TIH W/7 JTS. REL RBP. TIH W/1 JT TBG OPEN ENDED, SN, TAC. NDBOP. SET TAC @ 7178' IN 12,000 TENSION. SN @ 7650'. TP @ 7683'. NUWH. LD RDS.

2-22-01: TIH W/PMP &amp; RDS. HANG ON. LOAD &amp; TEST TBG. PUMPING.

2-23-01/2-27-01: PUMPING AND TESTING.

2-27-01: ON 24 HR OPT. PUMPED 60 BO, 30 BW, &amp; 28 MCF.

FINAL REPORT

6/13/01 - 24 oil, 5 water, 0 gas

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

SIGNATURE

TITLE

Engineering Assistant

DATE 3/9/01

TYPE OR PRINT NAME

J. Denise Leake

Telephone No. 397-0405

(This space for State Use)

APPROVED

CONDITIONS OF APPROVAL IF ANY

TITLE

DATE

# OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Hobbs, NM 88240

Drewer DD, Artesia, NM 88210

Rio Brazos Rd., Aztec, NM 87410

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

a. Type of Well: ☒ OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER ☐ NEW WELL  
b. Type of Completion: ☐ PLUG BACK ☐ DIFF RES. ☐ OTHER  
☐ NEW WELL ☐ WORKOVER ☐ DEEPEN

2. Name of Operator  
TEXACO EXPLORATION & PRODUCTION INC.

3. Address of Operator  
205 E. Bender, HOBBS, NM 88240

4. Well Location  
Unit Letter K : 2310 Feet From The SOUTH Line and 1650 Feet From The WEST  
Section 6 Township 17-S Range 37-E NMPM LEA

10. Date Spudded 9/25/00 11. Date T.D. Reached 10/23/00 12. Date Compl. (Ready to Prod.) 11/4/00 13. Elevations (DF & RKB, RT, GR, etc.) 3809'

15. Total Depth 8315' 16. Plug Back T.D. 17. If Mult. Compl. How Many Zones? 18. Intervals Drilled By Rotary Tools Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name  
8020-8160' DRINKARD 20. Was Directional Survey Made YES

21. Type Electric and Other Logs Run  
PLATFORM EXPRESS, GR/CCL, NEUTRON 22. Was Well Cored YES

### 23. CASING RECORD (Report all Strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENT RECORD	AMOUNT PULLED
11 3/4"		416'	14 3/4"	290 SX	
8 5/8"		4488'	11"	1200 SX	
5 1/2"		8315'	7 7/8"	1400 SX	

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	8176'	

26. Perforation record (interval, size, and number)  
8020-8060, 8100-8160', 2 JSPP, 120 DEG PHASING  
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.  
DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED  
8020-8160' 5000 GALS 20% HCL &  
FRAC W/45,000 GALS 20% HCL &  
30,000 GALS WF130

### 28. PRODUCTION

Date First Production 11/18/00 Production Method (Flowing, gas lift, pumping - size and type pump) PUMPING 1 1/2" HHBC Well Status (Prod. or Shut-in) PROD  
Date of Test 12-01-00 Hours tested 24 HRS Choke Size Prod'n For Test Period Oil - Bbl. 24 Gas - MCF 0 Water - Bbl. 5 Gas - Oil Ratio  
Flow Tubing Press. Casing Pressure Calculated 24-Hour Rate Oil - Bbl. Gas - MCF Water - Bbl. Oil Gravity - API -(Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.) N/A NO GAS SALES Test Witnessed By

30. List Attachments

31. I hereby certify that the information on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNATURE J. Denise Leake TITLE Engineering Assistant DATE 12/12/00  
TYPE OR PRINT NAME J. Denise Leake Telephone No. 397-0405