

OIL CONSERVATION COMMISSION
Alto DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE February 29, 1980

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL x _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated February 28, 1980
for the Kinbell Oil Co. Salmon #4 D-26-25N-6W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours very truly,

Frank S. Day

KIMBELL OIL COMPANY

P. O. BOX 1097

FARMINGTON, NEW MEXICO 87401

505 - 825-8889

February 28, 1980

Mr. Joe D. Ramey, Division Director
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Subject: Application for Downhole Commingling

Dear Sir:

Kimbell Oil Company plans to drill a Chacra-Pictured Cliffs well known as the Salazar No. 4-26 located in Unit D, Section 26, T25N, R6W, Rio Arriba County, New Mexico. We desire to commingle the gas production from the Otero Chacra and South Blanco Pictured Cliffs formation in this well for the following reasons:

- (1) The Pictured Cliffs is expected to be approximately 6 feet thick at this location, as correlated from existing nearby well logs, and will be capable of low marginal production only.
- (2) The Chacra formation is expected to be capable of a low rate of production.
- (3) It is believed the total commingled production from both zones will result in an economically feasible well.
- (4) Should a dual completion be required, it is not believed the gas from the Pictured Cliffs will justify the added expense, and if so, the Pictured Cliffs will not be produced.
- (5) The commingling and production of the Pictured Cliffs gas will result in producing gas that would probably not be produced otherwise.
- (6) No correlative rights will be violated as all direct offsetting acreage is under the Salazar-Warren leases.
- (7) The Kimbell Oil Company Salazar No. 1 located in Unit J, Section 22, T25N, R6W, has been dually produced from the Chacra and Pictured Cliffs with a packer between the formations and we have found it very difficult to keep the water off of the Pictured Cliffs formation.

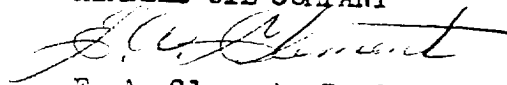


For your consideration in arriving at a decision on this application, I am enclosing a 20 year record of the shut-in pressures on the Kimbell Oil Co. Salazar No. 1, which is a northwest diagonal offset well. This demonstrates that the pressures of the 2 zones have never differed by a factor greater than 1.562 and there should be no damaging crossflow between zones in the event it is ever necessary to shut the well in for an extended period.

Also enclosed is an isopach map of the Pictured Cliffs zone in the immediate area.

Sincerely yours,

KIMBELL OIL COMPANY



E. A. Clement, Prod. Supt.
Farmington District

cc: Oil Conservation Div.
Aztec District



YEARLY SHUT IN PRESSURES OF PICTURED CLIFFS & CHACRA ZONES
(As filed on packer leakage tests)

Kimbell Oil Company
Salazar No. 1
Unit J, Section 22, T25N, R6W
Rio Arriba County, New Mexico

<u>YEAR</u>	<u>PICTURED CLIFFS</u> <u>Press. PSIG</u>	<u>CHACRA</u> <u>Press. PSIG</u>	<u>DIFFERENCE</u> <u>FACTOR</u>
1959	865	964	1.114
1960	N.A.	N.A.	N.A.
1961	449	450	1.002
1962	387	499	1.289
1963	370	500	1.351
1964	340	460	1.352
1965	350	473	1.351
1966	360	460	1.277
1967	331	451	1.362
1968	317	440	1.388
1969	299	397	1.327
1970	263	342	1.300
1971	268	342	1.276
1972	250	350	1.400
1973	250	310	1.240
1974	234	300	1.282
1975	235	310	1.319
1976	244	281	1.151
1977	240	375	1.562
1978	260	310	1.192
1979	210	300	1.428



R 6 W

20

40 35 21 30 25 20 15 10 22

23

V. SALAZAR

10 1

AG MILL

V. SALAZAR

LOC

C.L. WARREN

29

28

27

26

CORAL

40 1

CORAL

16 2

V. SALAZAR

WARREN
SALAZAR

2 2

C.L. WARREN

12 3

6 1

32

33

34

35

FEDERAL
PALAZAR

FEDERAL

2 2

14 4

14 4

5