

PW 0425138257

DHC-3336

District I  
1613 N. French Drive, Hobbs, NM 88240State of New Mexico  
Energy, Minerals and Natural Resources DepartmentForm C-107A  
Revised June 10, 2003District II  
1281 W. Grand Avenue, Aztec, NM 88310Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505APPLICATION TYPE  
☒ Single WellDistrict III  
1000 N. 4th Street, Alamogordo, NM 88310☐ Establish Pre-Approved Pools  
EXISTING WELLBOREDistrict IV  
1210 S. 31. Wrentham Dr., Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

☒ Yes ☐ No

TMBR/SHARP DRILLING, INC.

P. O. DRAWER 10970, MIDLAND, TX 79702

Operator

Address

STATE "5"

1

G-5-17S-35E

LEA

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 036554 Property Code 25915 API No. 30-025-35040 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	UPPER PENN OIL		VACUUM; ATOKA-MORROW, N
Pool Code	97297		86800
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10,952-974 PERFORATED		12,584-594 PERFORATED
Method of Production (Flowing or Artificial Lift)	FLOWING		ARTIFICIAL LIFT
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	41.3 DEG 1101		45.6 DEG 1101
Producing, Shut-In or New Zone	PRODUCING		SHUT-IN
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: 10-27-03 Rates: 15 BO + 11 MCF	Date: Rates:	Date: 3-30-03 Rates: 6 BO + 226 MCF
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 70 % 5 %	Oil Gas % %	Oil Gas 30 % 95 %

## ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?

Yes ☒ No ☐

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒If this well is on, or communized with, state or federal lands, has either the Commissioner of Public Lands  
or the United States Bureau of Land Management been notified in writing of this application?Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

## 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 working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

## PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.

Bottomhole pressure data.

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

SIGNATURE L. N. Arnold TITLE PRODUCTION MANAGER DATE 1-9-04TYPE OR PRINT NAME LONNIE ARNOLD TELEPHONE NO. ( 432 ) 699-5050

**TMBR/Sharp****Drilling, Inc.**

Drawer 10970  
Midland, Texas 79702-7970  
432-699-5050

January 14, 2004

Oil Conservation Division  
1625 N. French Drive  
Hobbs, NM 88240

Re: State "5" No. 1  
Sec. 5, T-17S, R-35E  
Lea County, NM

Gentlemen:

The above referenced well is currently producing from the Upper Penn (10,952-974'). The well will not flow continuously and will need to be placed on artificial lift.

TMBR/Sharp Drilling, Inc. proposes to down hole commingle the Vacuum; Atoka-Morrow, N. (12,584-594') and Upper Penn (10,952-974') formations by installing a plunger lift system per the enclosed procedure. We feel that it is economically in the best interest of the state and producer to produce  $\pm 200$  MCF/day and 20-25 BOPD from both zones than have one zone plugged. It would not be feasible to produce them separately.

Please contact me if you have questions or need further information concerning the enclosed. I can be reached at 432-699-5050 (office) or 432-634-4949 (mobile). Thank you for your consideration in the matter.

Sincerely,



Lonnie Arnold  
Production Manager

LA/dw-1510

Enclosure

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised June 10, 2003  
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 30-025-35040	<sup>2</sup> Pool Code 97297	<sup>3</sup> Pool Name UPPER PENN
<sup>4</sup> Property Code 25915	<sup>5</sup> Property Name STATE "5"	<sup>6</sup> Well Number 1
<sup>7</sup> OGRID No. 036554	<sup>8</sup> Operator Name TMBR/SHARP DRILLING, INC.	<sup>9</sup> Elevation 3999

<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
C	5	17S	35E		1600	NORTH	2500	EAST	JEA

<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 320	<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

16		<sup>17</sup> <b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>[Signature]</i> Signature LONNIE ARNOLD Printed Name PRODUCTION MANAGER Title and E-mail Address 1-7-04 Date
		<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> 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

1220 S. St. Francis Dr., Santa Fe, NM 87505

**Santa Fe, NM 87505**

**Free Lease - 3 Copies**

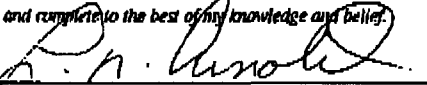
☐ AMENDED REPORT

' API Number 30-025-35040	' Pool Code 86800	' Pool Name VACUUM; ATOKA-MORROW, NORTH
' Property Code 25915	' Property Name STATE "5"	' Well Number 1
' OGRID No. 036554	' Operator Name TMER/SHARP DRILLING, INC.	' Elevation 3999

UL nr lot no.	Section	Township	Range	Lot 14th	Feet from the	North/South line	Feet from the	East/West line	County
G	5	17S	35E		1600	NORTH	2500	EAST	IDA

UL or lot no.	Section	Township	Range	Lot Mn	Feet from the	North/South line	Feet from the	East/West line	County
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"Dedicated Acres 320	"Joint or Infill	"Consolidation Code	"Order No.
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<div>16</div>		<div>1600'</div>		<div>17 OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained hereon is true and complete to the best of my knowledge and belief.</div> <div></div> <div>Signature</div>
		<div>2500'</div>		<div>LONNIE ARNOLD</div> <div>Printed Name</div> <div>PRODUCTION MANAGER</div> <div>Title and E-mail Address</div> <div>1-7-04</div> <div>Date</div>
				<div>18 SURVEYOR CERTIFICATION</div> <div>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.</div>
				<div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor:</div> <div>Certificate Number</div>

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

Form C-10  
 Revised June 10, 200

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-35040				
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>				
2. Name of Operator TMBR/SHARP DRILLING, INC.		6. State Oil & Gas Lease No. A-1320				
3. Address of Operator P. O. DRAWER 10970, MIDLAND, TX 79702		7. Lease Name or Unit Agreement Name STATE "5"				
4. Well Location Unit Letter <u>G</u> : <u>1600</u> feet from the <u>NORTH</u> line and <u>2500</u> feet from the <u>EAST</u> line Section <u>5</u> Township <u>17S</u> Range <u>35E</u> NMPM County <u>LEA</u>		8. Well Number 1				
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3999 GR		9. OGRID Number 036554				
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table border="0"> <tr> <td colspan="2"> <b>NOTICE OF INTENTION TO:</b>            PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>            TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>            PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>            OTHER: DOWNHOLE COMMINGLE <input checked="" type="checkbox"/> </td> <td colspan="2"> <b>SUBSEQUENT REPORT OF:</b>            REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>            COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>            CASING TEST AND CEMENT JOB <input type="checkbox"/>            OTHER: <input type="checkbox"/> </td> </tr> </table>		<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>		<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>		10. Pool name or Wildcat UPPER PENN & VACUUM; ATOKA-MORROW, N.
<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>		<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>				
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.						

SEE ATTACHED.

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

SIGNATURE [Signature] TITLE PRODUCTION MANAGER DATE 1-9-04

Type or print name LONNIE ARNOLD E-mail address: \_\_\_\_\_ Telephone No. 432-699-5050  
 (This space for State use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 Conditions of approval, if any:

**Attachment to C-103  
No. 12**

**WORKOVER PROCEDURE  
State "5" No. 1**

1. Rig up completion unit. ND wellhead and NU BOP. Kill well and unset packer and GIH to retrieve RBP at 11,044'.
2. POH w/2 $\frac{7}{8}$ " tubing. Lay down packer and RBP. GIH with on/off tool and 2 $\frac{7}{8}$ " tubing and latch onto packer at 12,459'.
3. Rig up slickline unit and retrieve plug in profile nipple at 12,494'. Rig down slickline unit. Unset packer and POH with tubing. Lay down packer.
4. GIH w/1 jt 2 $\frac{7}{8}$ " tubing open ended, SN and 2 $\frac{7}{8}$ " tubing to 12,580'.
5. Nipple down BOP and nipple up wellhead. Swab back load water. Put well on plunger lift.

# TMBR/Sharp

Drilling, Inc.

state "5" #1

## Current Wellbore Diagram

Set  $13\frac{3}{8}$ " 48" CSG  
at 505' Cement  
w/395 SK Circulate  
To Surface

Set  $8\frac{5}{8}$ " 32" CSG  
at 4920' Cement  
w/1490 SK Circulate  
to surface

Set  $5\frac{1}{2}$ " 17" CSG at 12,780'  
Cement w/830 SK. TOC 9000'

$2\frac{7}{8}$ " N-80 8" ENE 769'

Arrow-set PKR @ 10,826'  
Perfs @ 10,952-10,974'

RRP Set @ 11,023'

Packer Set @ 12,494'

Perfs @ 12,584'-12,594'

# TMBR/Sharp

Drilling, Inc.

State "5" #1

## Comingle Wellbore Diagram

Set  $13\frac{3}{8}$ " 48" CSG  
at 505' Cement w/395  
sx. Circulate to  
Surface

Set  $8\frac{5}{8}$ " 32" CSG at  
4920' Cement w/1490sx  
Circulate to Surface.

Set  $5\frac{1}{2}$ " 17" CSG at 12,780'  
Cement w/830 sx. TOC 9000'

Perfs: 10,952 - 10,974  
12,584 - 12,594

$2\frac{7}{8}$ " N-80 8"  $\pm$  69 Ran  
open ended and Set at 12,500



State 5 - 1

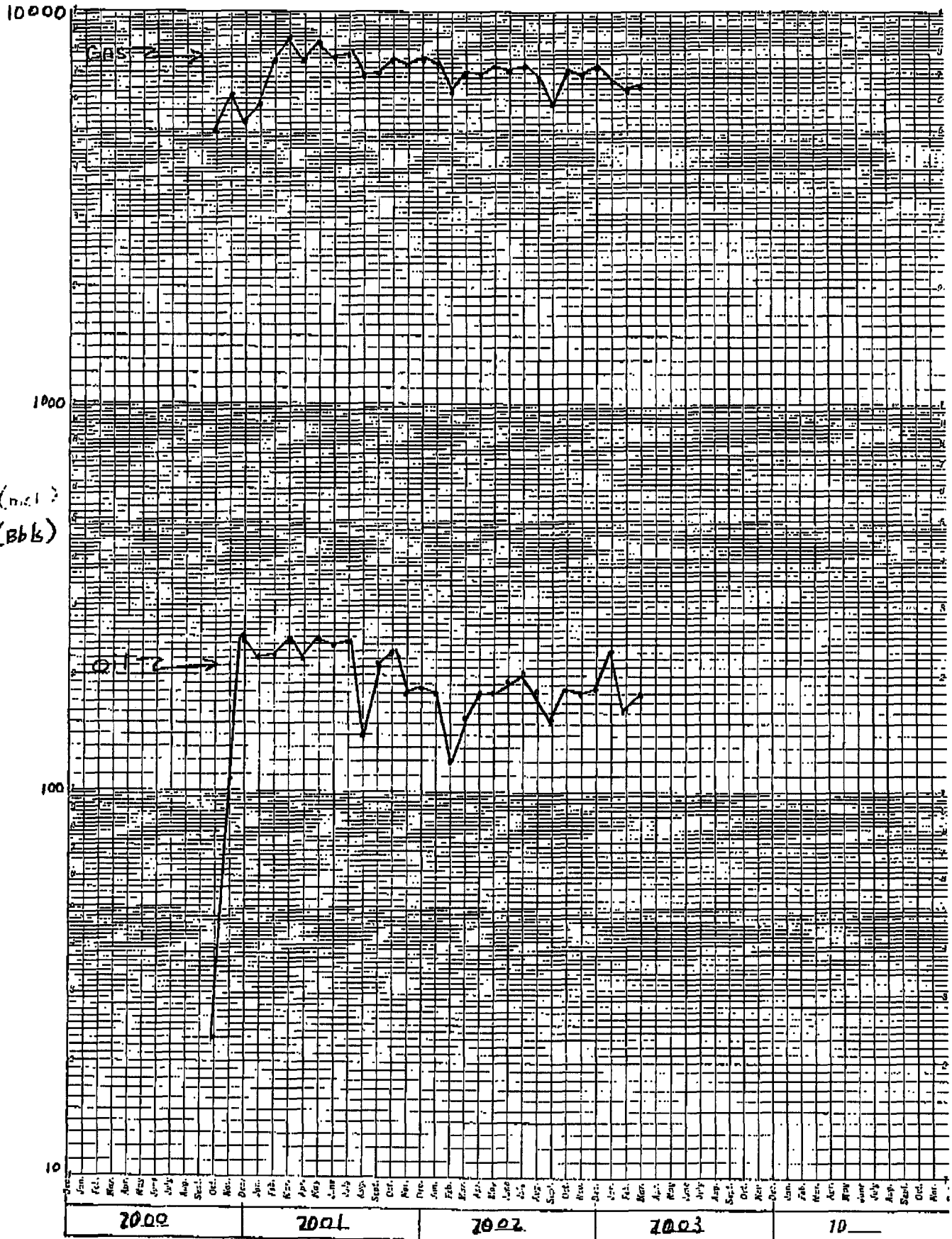
Vacuum; ...OKA-Morrow, North

DIRECT FROM CODEX BOOK CO., NORWOOD, MASS. 02062  
PRINTED IN U.S.A.

Graph Paper  
GNS(mel)  
Oil(Bbk)

T3 37N HG

FIVE YEARS BY MONTHS X 3 1/2 INCH CYCLES RATIO RULING



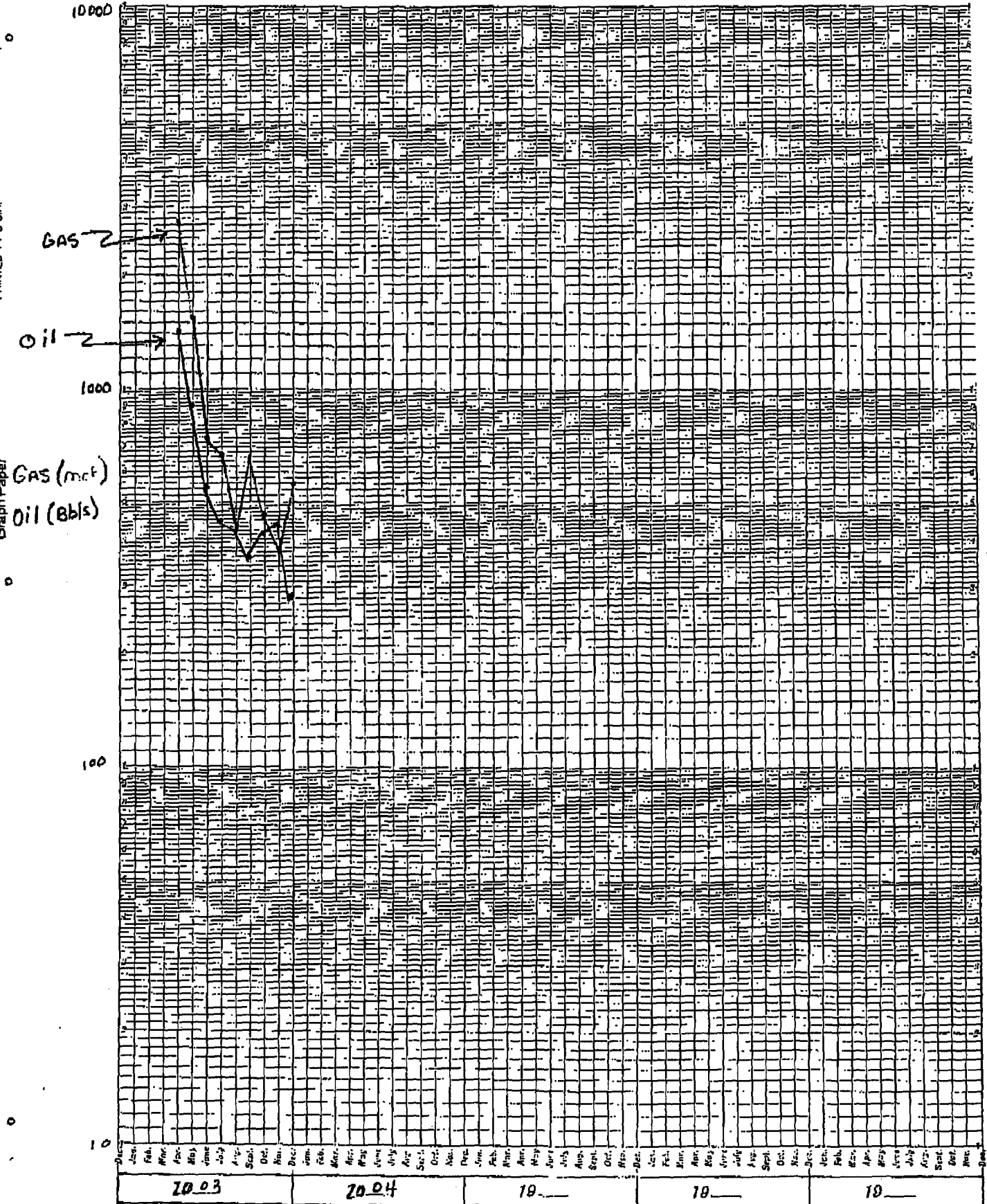
State 3 #1  
upper, 1

DIRECT FROM CODEX BOOK CO. NORWOOD, MASS. 02062  
PRINTED IN U.S.A.

CODING  
Graph Paper

13 37N HG

FIVE YEARS BY MONTHS X 3 3/4 INCH CYCLES RATIO RULING



**FAX TRANSMITTAL****PATTERSON-UTI DRILLING COMPANY, LP**

P. O. DRAWER 10970

MIDLAND, TX 79702

PH: (432) 699-5050

FAX: (432) 699-5085

DATE:

9 3-04

TO:

Will Jones /oil conservation Dev

FROM:

Lonnie Arnold

SUBJECT:

State 5 #1

ARNOLD@PATENERGY.COM

If you have problems with this transmission, please contact

Lonnie

at (432) 699-5050.

Cell - 432-634-4949