



Union Texas Petroleum Division

ALLIED CHEMICAL CORPORATION

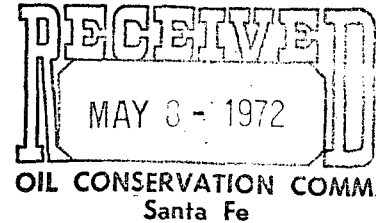
1300 WILCO BUILDING • MIDLAND, TEXAS 79701

915, 682-0515

May 2, 1972

DHC - 114
due May 28

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico



Attention: Mr. A. L. Porter, Jr.

Re: Application for Downhole Commingling
Union Texas Petroleum
Olsen Stuart No. 2
Justis Blinebry and Justis Tubb-Drinkard
Pools, Lea County, New Mexico

Gentlemen:

Union Texas Petroleum respectfully requests administrative approval for downhole commingling in its Olsen Stuart No. 2, located 2160 feet from the south line and 2310 feet from the west line of Section 11, Township 25 South, Range 37 East, Lea County, New Mexico.

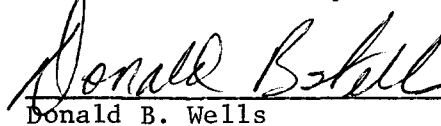
This well qualifies for administrative approval in accordance with Statewide Rule 303, Paragraph C; and in support thereof, the following facts are submitted:

- (1) The attached plat shows the Olsen Stuart Lease outlined in red and is described as the northeast quarter of the southwest quarter of Section 11. Well No. 2 is circled in red on the plat.
- (2) The well was dually completed in the Justis Blinebry and Justis Tubb-Drinkard Pools and approved by Commission Order No. MC-1603 on February 15, 1965. The Tubb-Drinkard zone was temporarily shut down on May 5, 1971, because of uneconomic producing rate. In November, 1971, the Tubb-Drinkard zone was returned to production. We propose to remove the seal element in the dual packer and commingle downhole if this application is approved by the Commission.
- (3) As shown on the attached production graph the Tubb-Drinkard produces 3 barrels of oil and 4 barrels of water with a GOR of 2667 to 1. The Blinebry produces at a rate of 9 barrels of oil, 20 barrels of water and a GOR of 3333 to 1.
- (4) Neither zone produces more water than the combined oil limit as determined in Rule 303, Paragraph C (b).
- (5) The fluids have been commingled on the surface for several years and no problems have been encountered to indicate incompatibility; therefore, there will be no damage to the reservoir.

- (6) The surface commingling resulted in no reduction of oil value; therefore, downhole commingling will not result in a lesser value.
- (7) The ownership of the zones to be commingled is common.
- (8) Attached is a production decline curve showing the monthly production of oil for each zone since 1969.
- (9) The production from both zones is produced by artificial lift. Bottom hole pressure is estimated to be less than 200 psig in both zones.
- (10) Commingling in the well bore will not jeopardize the efficiency of future secondary recovery operations in either of the zones.
- (11) Copies of this application have been furnished to offset operators.

Yours very truly,

UNION TEXAS PETROLEUM, a Division of
Allied Chemical Corporation


Donald B. Wells

DBW:ma
Attachments

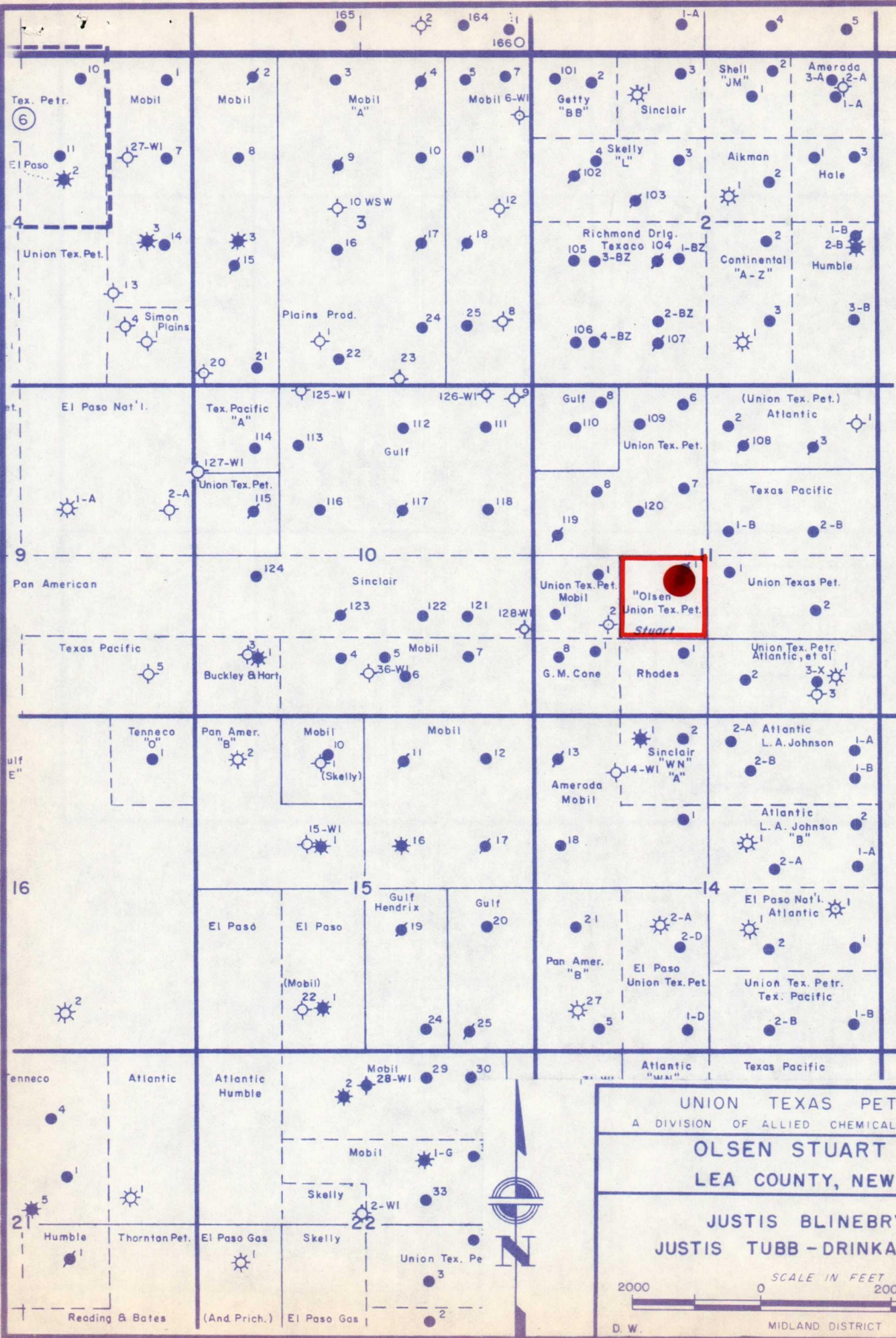
cc: New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

Atlantic Richfield Company
P. O. Box 1610
Midland, Texas 79701

Texas Pacific Oil Company
P.O. Box 4067
Midland, Texas 79701

Mr. G. M. Cone
P. O. Box 1148
Lovington, New Mexico 88260

King Resources
103 Wall Towers West
Midland, Texas 79701



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UNION TEXAS PETROLEUM
A DIVISION OF ALLIED CHEMICAL CORPORATION

OLSEN STUART LEASE
LEA COUNTY, NEW MEXICO

**JUSTIS BLINEBRY &
JUSTIS TUBB - DRINKARD POOLS**

SCALE IN FEET
2000 0 2000 4000

D. W. MIDLAND DISTRICT 4-21-72

UNION TEXAS PETROLEUM
 OLSEN STUART # 2
 SEC. II, T-25-S, R-37-E
 LEA COUNTY, NEW MEXICO

