



REGIONAL OFFICE
MIDLAND, TEXAS 79701

P. O. BOX 4067
1509 WEST WALL STREET

TEL. 915-684-5584
TWX. 910-895-5324

December 4, 1980

DHC #

Due - 12/29/80

(on before)

offset operations notified 9/17
(actually - no meeting)

Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

RE: Application for Exception to
Statewide Rule No. 303-C
Downhole Commingle Production
Penrose/Skelly/Grayburg and
Paddock, Elliott B-15 Well No. 2
Lea County, New Mexico

Gentlemen:

Sun Texas Company respectfully requests administrative approval to downhole commingle Penrose/Skelly/Grayburg and Paddock production in the Elliott B-15 Well No. 2. This well is located 660 feet FNL, 660 feet FEL, Section 15, T-22-S, R-37-E, Lea County, New Mexico.

Pertinent well information is as follows:

- (a) The Penrose/Skelly/Grayburg (upper zone) is perforated from 3587' - 3830'. The Paddock (lower zone) is perforated from 5063' - 5153' and has been TA'd since 7/72.
- (b) A production decline curve is attached for each zone. (See Attachments I and II).
- (c) Both zones are classified as oil zones and require artificial lift.
- (d) The combined total daily production from these zones does not exceed 30 BOPD as allowed for the deepest perforations in the lower zone.
- (e) BHP for each zone:

Penrose/Skelly/Grayburg (upper): 115 psi @ midperf
Paddock (lower): 147 psi @ midperf

Paddock

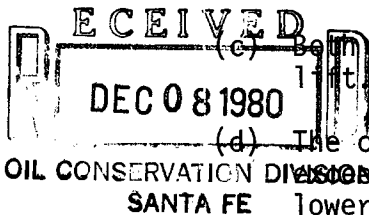
Penrose Skelly



A DIVISION OF SUN OIL COMPANY (DELAWARE)

Bottom of 5153

Send Operator note about waiver (incl copies of 2)



Energy and Minerals Department
Oil Conservation Division
December 4, 1980

Page Two

- (f) The Penrose/Skelly/Grayburg oil is 34.5⁰ API @ 90⁰ F and the Paddock oil is 34.6⁰ API @ 87⁰ F.
- (g) Production tests on Form C-116 are attached showing the amount of oil, gas and water produced. (See Attachments III and IV).
- (h) A computation follows showing that the value of the commingled production will not be less than the sum of the values of the individual streams:

Before commingled -

Penrose Crude - 4 BOPD @ \$35.82/bbl.

Paddock Crude - TA'd

$(4 \text{ BOPD} \times \$35.82/\text{bbl}) = \$143.28/\text{day}$

After Commingled -

Paddock Crude - 13 BOPD @ \$40.75/bbl.

$(13 \text{ BOPD} \times \$40.75) + (4 \text{ BOPD} \times 35.82) = \$673.03/\text{day}$

Although Paddock oil production was somewhat less than 13 BOPD in 1971 and 1972, (due to the well sanding up from an unsuccessful frac on the upper zone) a workover of the lower zone will take place after the downhole commingling permit has been received, with anticipated production being 13 BOPD. -

It is requested that production allocation for each zone after commingling be based on the recoverable reserves attributed to each zone. (See Attachments I and II).

By commingling downhole, operating costs would be reduced to the point where producing the Paddock would be economically feasible. This action would prevent underground waste and protect our correlative rights.

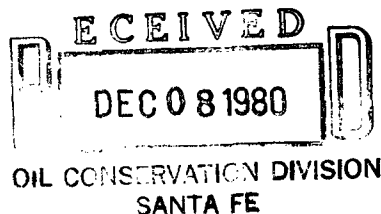
All offset operators have been notified by copy of this request, including the United States Geological Society.

Yours very truly,

SUN TEXAS COMPANY

A. R. Hensley/ms

A. R. Hensley
Regional Engineer



Energy and Minerals Department
Oil Conservation Division
December 4, 1980

Page Three

MLS:bb

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

United States Geological Society
Box 1157
Hobbs, New Mexico 88240

Offset Operators:

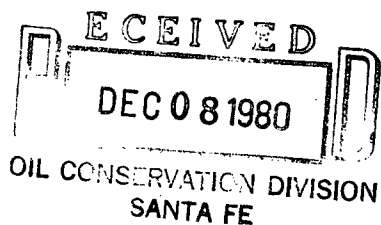
✓ Gulf Oil Corporation ?
Box 1150
Midland, Texas 79702

Sohio Petroleum Company
Box 3000, Rankin Hwy.
Midland, Texas 79702

✓ J. H. Hendrix Corporation
525 Midland Towers
Midland, Texas 79701

✓ Amerada Hess Corporation ?
2207 Industrial
Midland, Texas 79701

Walter ?



**NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS**

C-116
Revised 1-1-65

Operator TEXAS PACIFIC OIL COMPANY, INC.		Pool PENROSE SKELLY GRAYBURG		County LEA										
Address P. O. Box 4067, Midland, Texas 79701		Type of Test - (X) <input checked="" type="checkbox"/> TEST - (X)		Completion <input type="checkbox"/> Special <input type="checkbox"/>										
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT./
		U	S	T	R						WATER BBLs.	GRAV. OIL BBLs.	GAS M.C.F.	
Elliott A-15	1	J	15	22	37	9/4/79	2"	25	19	24	16	14	25	1,785
Elliott B-15	2A	A	15	22	37	9/5/79	2"	30	11	24	21	4	40	10,000
Elliott B-15	3	B	15	22	37	9/6/79	2"	25	6	24	16	5	50	10,000
State "B"	1	N	18	21	37	10/6/79	2"	35	2	24	25	1	86	86,000
Walden	1	D	15	22	37	8/20/79	2"	25	4	24	8	2	59	29,500
Walden	2	C	15	22	37	8/24/79	2"	25	7	24	17	4	59	14,750

**RECEIVED
DEC 08 1980
CONSERVATION DIVISION
SANTA FE**

No well will be assigned an allowable greater than the amount of oil produced on the official test.
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.
Gas volumes must be reported in MCF measured at a pressure base of 15.025 will be 0.60.
Report casing pressure in lieu of tubing pressure for any well producing through Mall original and one copy of this report to the district office of the New Mexico Rule 301 and appropriate pool rules.

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

Attachment 3

Senior Foreman

(Title)

10/25/79

Operator TEXAS PACIFIC OIL COMPANY Pool RAIDOCK
Address P. O. Box 1069 - Hobbs, New Mexico

TYPE OF TEST - (X) ☒ Scheduled ☐ Special ☐

DATE JUL 11 11 23 AM '68 Location Oilfield O.C.C.

LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT/BBL	
		U	S	T	R							WATER BBLs.	GRAV. OIL	OIL BBLs.		GAS M.C.F.
ELIOTT B-9	1	C	9	22	37	6-1-68	Temporarily Abandoned									
ELIOTT E-9	2	D	9	22	37	6-1-68	Temporarily Abandoned									
ELIOTT D-12	1	D	12	22	37	5-4-68	7 20/64"	60#	15	24	3			15	162	10,200
ELIOTT D-15	2	A	15	22	37	6-6-68	7 24/64"	155#	30	24	0			13	181	13,923
Welded	5	C	15	22	37	5-11-68	P 2"	30#	4	24	5			3	TEST	

RECEIVED

DEC 08 1980

CONSERVATION DIVISION
SANTA FE

RECEIVED
DEC 08 1968
CONSERVATION DIVISION
SANTA FE

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Report casing pressure in lieu of tubing pressure for any well producing through well original and one copy of this report to the district office of the New Mexico Oil Conservation Commission.
Rule 301 and appropriate pool rules.

Attachment 4

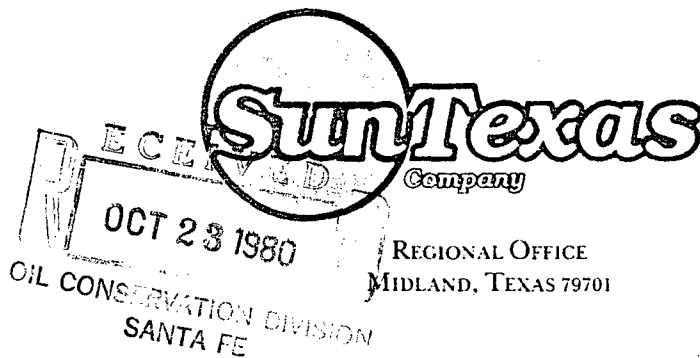
I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Original Signed by C.N. Tiller

(Signature)

Area Production Foreman

7-10-68
(Date)



P. O. BOX 4067
1509 WEST WALL STREET

TEL. 915-684-5584
TWX. 910-895-5324

September 17, 1980

TO: Offset Operators

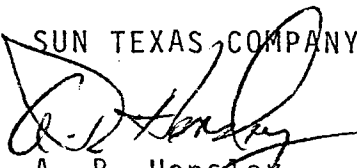
RE: Request for Downhole
Commingling Permit Rule 303-C

Gentlemen:

Attached for your review is a commingling request for the Elliott B-15 No. 2. Your waiver of objection to this request is respectfully solicited. Please indicate your decision in the space below and return one copy to the undersigned and one copy to the New Mexico Oil Conservation Commission in the enclosed envelopes and retain one copy for your files.

Thank you for your cooperation.

Yours very truly,

SUN TEXAS COMPANY

A. R. Hensley
Regional Engineer

MLS:lw

Elliott B-15 No. 2 - I do () do not () object to
commingling request for this well, located 660' FNL & 660' FEL, Sec. 15,
T22S, Lea County, New Mexico.

SIGNED C.F. Kalteyer
C.F. Kalteyer, Chief Proration Engineer

DATE October 15, 1980

COMPANY Gulf Oil Corporation



REGIONAL OFFICE
MIDLAND, TEXAS 79701

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Thank you for your cooperation.

Yours very truly,

SUN TEXAS COMPANY

A handwritten signature in dark ink, appearing to read "A. R. Hensley".
A. R. Hensley
Regional Engineer

MLS:lw

Elliott B-15 No. 2 - I do () do not (✓) object to
commingling request for this well.

SIGNED

A handwritten signature in dark ink, appearing to read "John H. Hendrix".

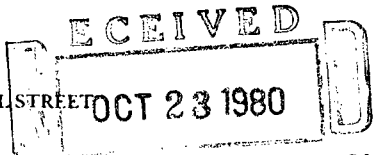
DATE October 10, 1980

COMPANY John H. Hendrix Corporation



REGIONAL OFFICE
MIDLAND, TEXAS 79701

P. O. BOX 4067
1509 WEST WALL STREET



OIL CONSERVATION DIVISION
SANTA FE

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September 17, 1980

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Thank you for your cooperation.

Yours very truly,

SUN TEXAS COMPANY

A. R. Hensley
Regional Engineer

MLS:lw

Elliott B-15 No. 2 - I do () do not (X) object to
commingling request for this well.

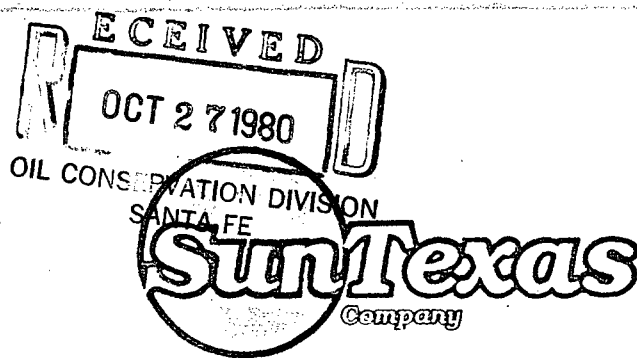
SIGNED

DATE 10/15/80

COMPANY



A DIVISION OF SUN OIL COMPANY (DELAWARE)



REGIONAL OFFICE
MIDLAND, TEXAS 79701

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September 17, 1980

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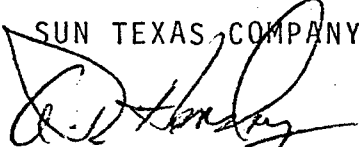
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Yours very truly,

SUN TEXAS COMPANY


A. R. Hensley
Regional Engineer

MLS:1w

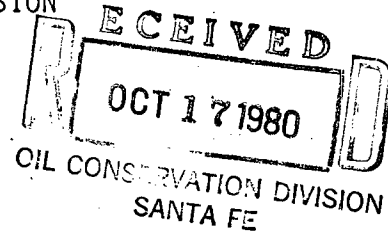
Elliott B-15 No. 2 - I do () do not () object to
commingling request for this well.

SIGNED 

DATE 10-22-80

COMPANY AMERADA HESS CORP

OIL CONSERVATION DIVISION
DISTRICT I



OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 10/9/80

RE: Proposed MC _____
Proposed DHC X _____
Proposed NSL _____
Proposed NSP _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application for the:

<u>Sun-Texas Company</u>	<u>Elliott B-15</u>	<u>No. 2-A</u>	<u>15-22-37</u>
<u>Operator</u>	<u>Lease and Well No.</u>	<u>Unit, S - T - R</u>	

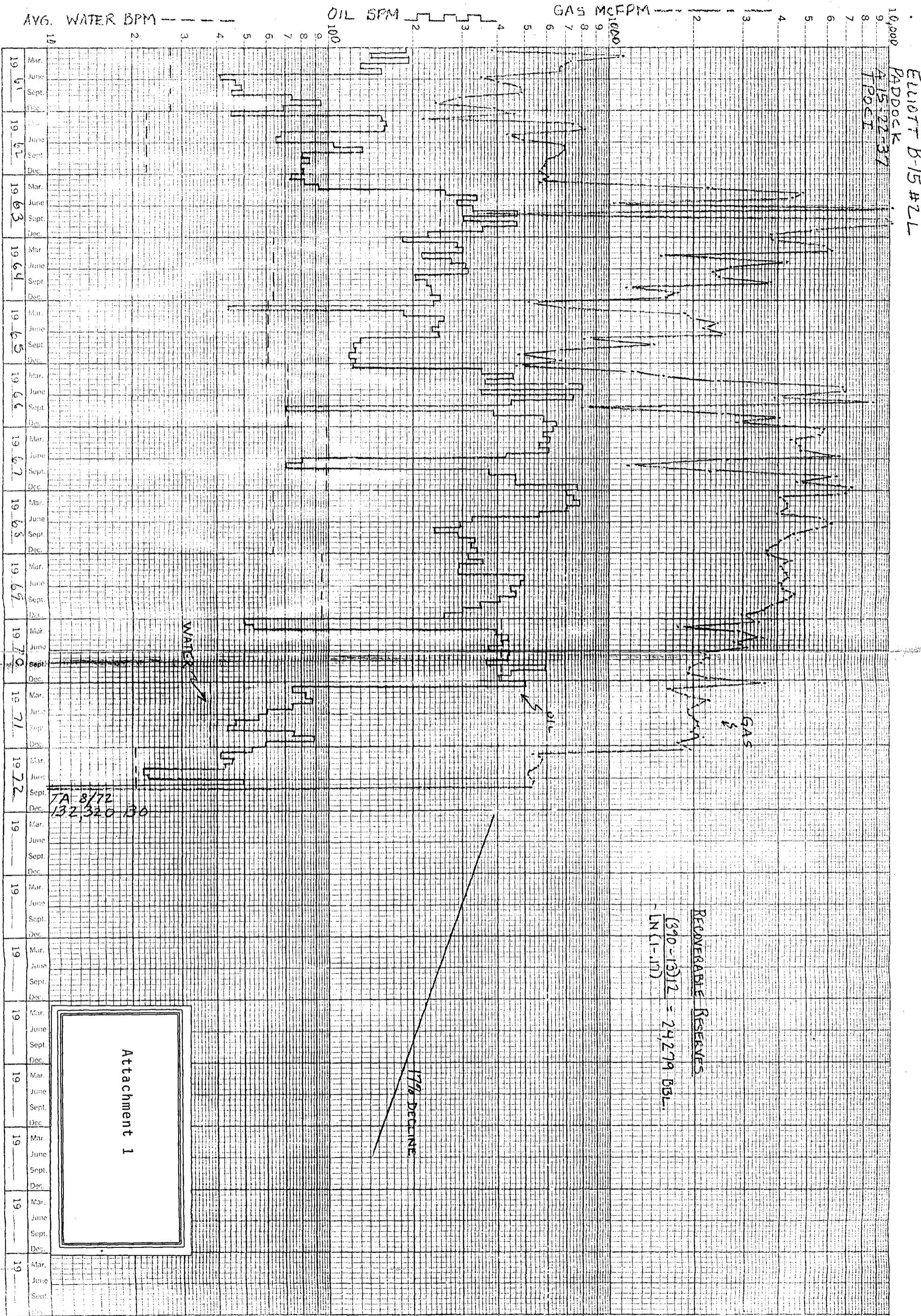
and my recommendations are as follows:

O.K.---J.S.

Yours very truly,

Jerry Sept

/mc



BW FM

MCF/M

