

SAMEDAN OIL CORPORATION
10 DESTA DRIVE
SUITE 240 EAST
MIDLAND, TEXAS 79705
(915) 688-3660

March 10, 1986

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

Attention: Commission Director

Dear Sir:

Enclosed please find information required for permission to allow down hole commingling of the Samedan Oil Corporation Parks "A" #5 in Lea County, New Mexico.

If further information is needed, please do not hesitate to contact me.

Yours truly,

Nick Hood
Engineer

GNH:ak

Enclosures

Request For Down Hole Commingling
For Wells Involving A Gas Zone

a) Operator Name and Address:

Samedan Oil Corporation
10 Desta Drive
Suite 240 East
Midland, Texas 79705

Request For Down Hole Commingling
For Wells Involving A Gas Zone

b) Lease Name: Parks "A"
Well Number: 5
Location: 660' FSL and 1980' FEL Section 14, T-22-S,
R-37-E, Lea County, New Mexico
Pools To Be
Commingled: Drinkard and Blinebry

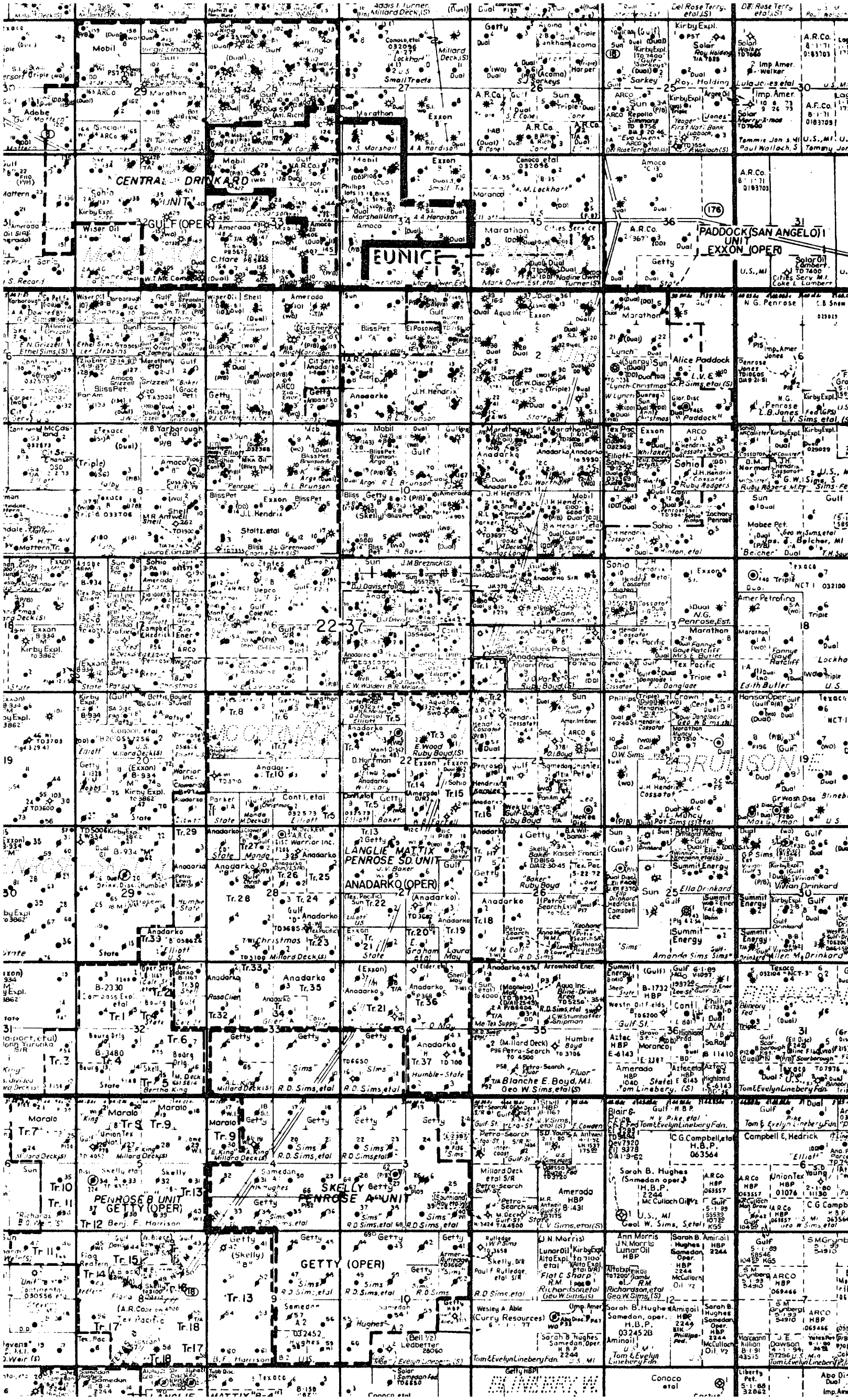
Perforations:

Drinkard - 6206- 6270

Blinebry - 5302- 5540

Request For Down Hole Commingling
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- c) Area plat showing proration unit and lease ownership is attached with proration unit shaded in yellow. Samedan Oil Corporation lease is outlined in orange. Ownership of offset leases is noted on the plat.



Request For Down Hole Commingling
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- d) The 24 hour productivity test on Form C-116 is attached for the Blinbry zone only. It is not possible to obtain a productivity test for the Drinkard zone. It has been temporarily abandoned by means of a bridge plug and has no production.

GAS - OIL RATIO TESTS

Operator		Pool	County											
Samedan Oil Corporation		Blinebry	Lea											
address		TYPE OF TEST - (X)		Completion		Special								
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			
			U	S	T	R			WATER BBLs.	GRAV. OIL	OIL BBLs.	GAS M.C.F.	CU.FT./BBL	
Parks		5	0	14	22	37		2-20-86	F 15/64"			0	143	---

No well will be assigned an allowable greater than the amount of oil produced on the official test.

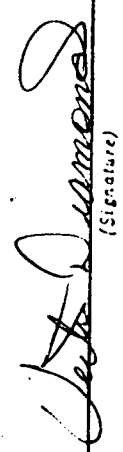
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Division in accordance with 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.


(Signature)

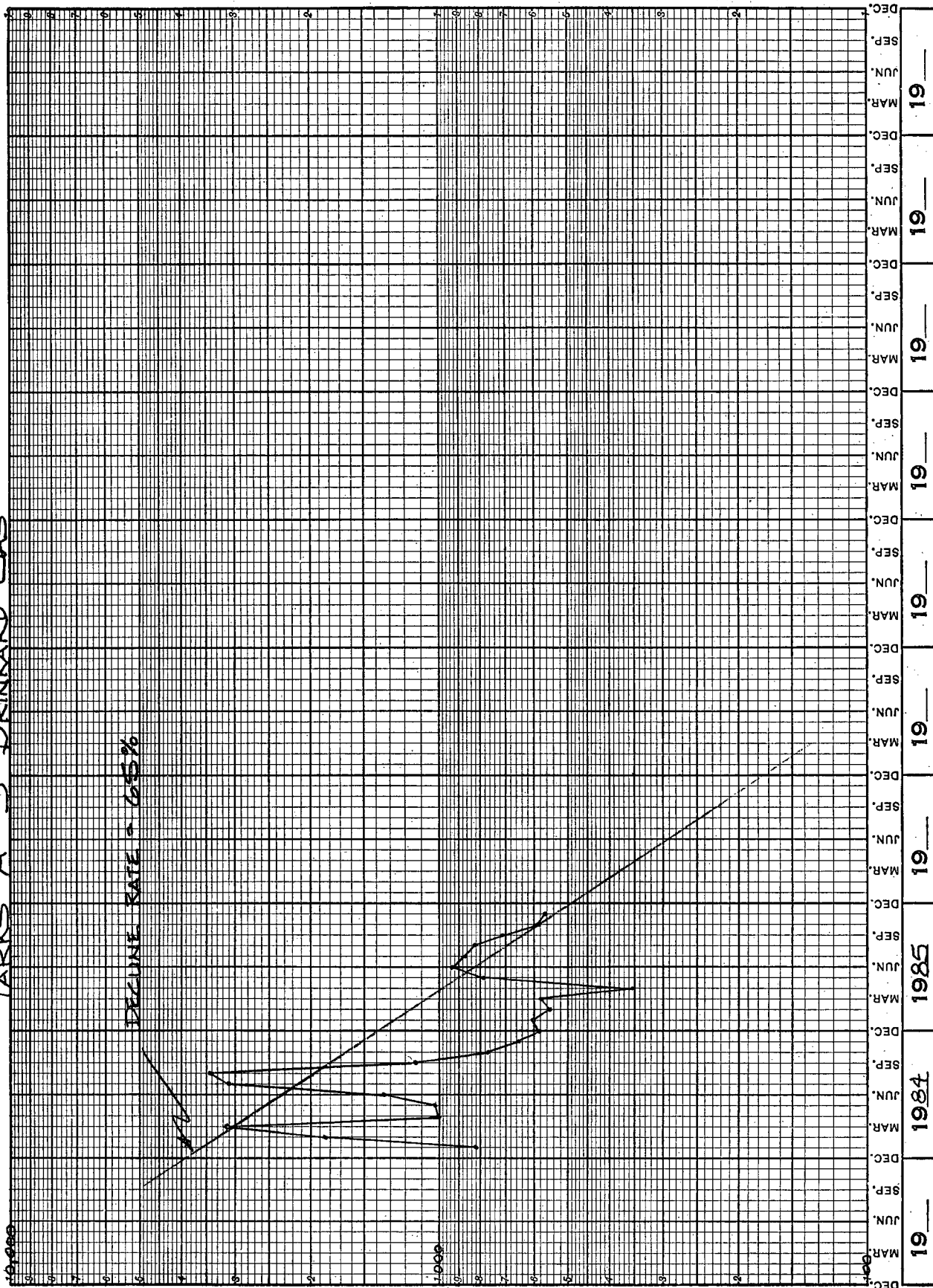
Division Production Clerk
March 3, 1986
(Title)

Request For Down Hole Commingling
For Wells Involving A Gas Zone

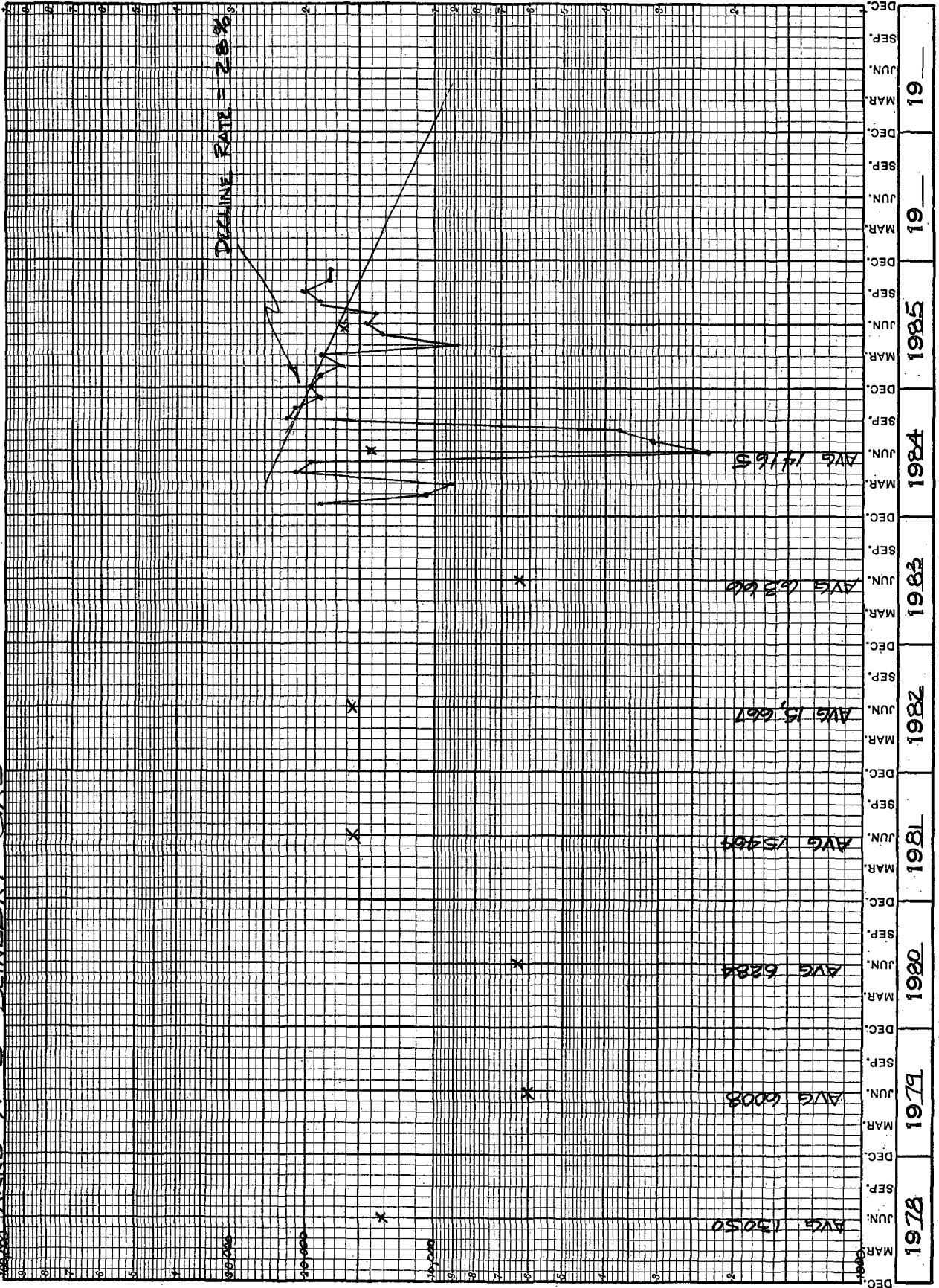
- e) Production decline curves for both zones are attached.

PARKS A #5 DRINKARD GAS

DECLINE RATE - 6.5%



PARKS 'A' #5 BLINEBRY GAS



Request For Down Hole Commingling
For Wells Involving A Gas Zone

- f) Bottom hole pressure data for the Blinebry interval is attached. The Drinkard zone is currently plugged off, and this information is not obtainable. We have no other bottom hole pressure data.

JARREL SERVICES, INC.
 PHONE (505) 393-1736
 HOBBS, NEW MEXICO, 88240

PRESSURE TRANSIENT TEST DATA

COMPANY: Samedan Oil Corporation
 LEASE: Parks 'A'
 FIELD: Drinkard
 COUNTY: Lea
 STATUS: 24 hour flow; 24 hour shut in

CONTACT: Dick Lowther
 WELL: #5
 ZONE: Blinebry
 STATE: New Mexico
 OPERATOR: Staggs

PERFORATIONS FROM: 5,408.0'
 DEPTH: 5,375.0'

TO: 5,540.0'
 TEMPERATURE: 101.0°F

ELEMENT: 18718
 CLOCK: 21845
 ELEMENT: 42254
 CLOCK: E-10195

RANGE: 2550 psig
 RANGE: 72 hrs
 RANGE: 2450 psig
 RANGE: 72 hrs

SURFACE PRESSURE MEASUREMENTS

EVENT	DATE	TIME	DEAD WEIGHT PRESSURE
START CLOCK	02/21/86	13:00:00	133.0 psig
SET ELEMENT	02/21/86	13:30:00	133.0 psig
WELL SHUT IN	02/22/86	13:30:00	150.0 psig
TEST ENDED	02/23/86	13:30:00	353.0 psig

SUBSURFACE PRESSURE MEASUREMENTS

DATE	TIME	t hrs	GAUGE PRESSURE psig	ABSOLUTE PRESSURE psia	RESERVOIR PRESSURE psia
02/21/86	13:30:00	-24.000	313.0	326.2	327.2
02/21/86	15:30:00	-22.000	331.0	344.2	345.2
02/21/86	17:30:00	-20.000	333.0	346.2	347.2
02/21/86	19:30:00	-18.000	335.0	348.2	349.2
02/21/86	21:30:00	-16.000	335.0	348.2	349.2
02/21/86	23:30:00	-14.000	335.0	348.2	349.2
02/22/86	01:30:00	-12.000	335.0	348.2	349.2
02/22/86	03:30:00	-10.000	338.0	351.2	352.2
02/22/86	05:30:00	-8.000	338.0	351.2	352.2
02/22/86	07:30:00	-6.000	338.0	351.2	352.2
02/22/86	09:30:00	-4.000	338.0	351.2	352.2
02/22/86	11:30:00	-2.000	338.0	351.2	352.2
02/22/86	13:30:00	0.000	338.0	351.2	352.2
02/22/86	13:45:00	.250	346.0	359.2	360.2
02/22/86	14:00:00	.500	358.0	371.2	372.2
02/22/86	14:15:00	.750	364.0	377.2	378.2
02/22/86	14:30:00	1.000	371.0	384.2	385.2
02/22/86	15:00:00	1.500	380.0	393.2	394.2
02/22/86	15:30:00	2.000	386.0	399.2	400.2
02/22/86	16:00:00	2.500	393.0	406.2	407.2
02/22/86	16:30:00	3.000	400.0	413.2	414.2
02/22/86	17:30:00	4.000	406.0	419.2	420.2

JARREL SERVICES, INC.
PHONE (505) 393-1736
HOBBS, NEW MEXICO, 88240

PRESSURE TRANSIENT TEST DATA

SUBSURFACE PRESSURE MEASUREMENTS

DATE	TIME	t hrs	GAUGE PRESSURE psig	ABSOLUTE PRESSURE psia	RESERVOIR PRESSURE psia
02/22/86	18:30:00	5.000	409.0	422.2	423.2
02/22/86	23:30:00	10.000	409.0	422.2	423.2
02/23/86	04:30:00	15.000	409.0	422.2	423.2
02/23/86	09:30:00	20.000	409.0	422.2	423.2
02/23/86	13:30:00	24.000	409.0	422.2	423.2

JARREL SERVICES, INC.
Box 1230
Hobbs, New Mexico 88240

<<Static Gradient Survey>>

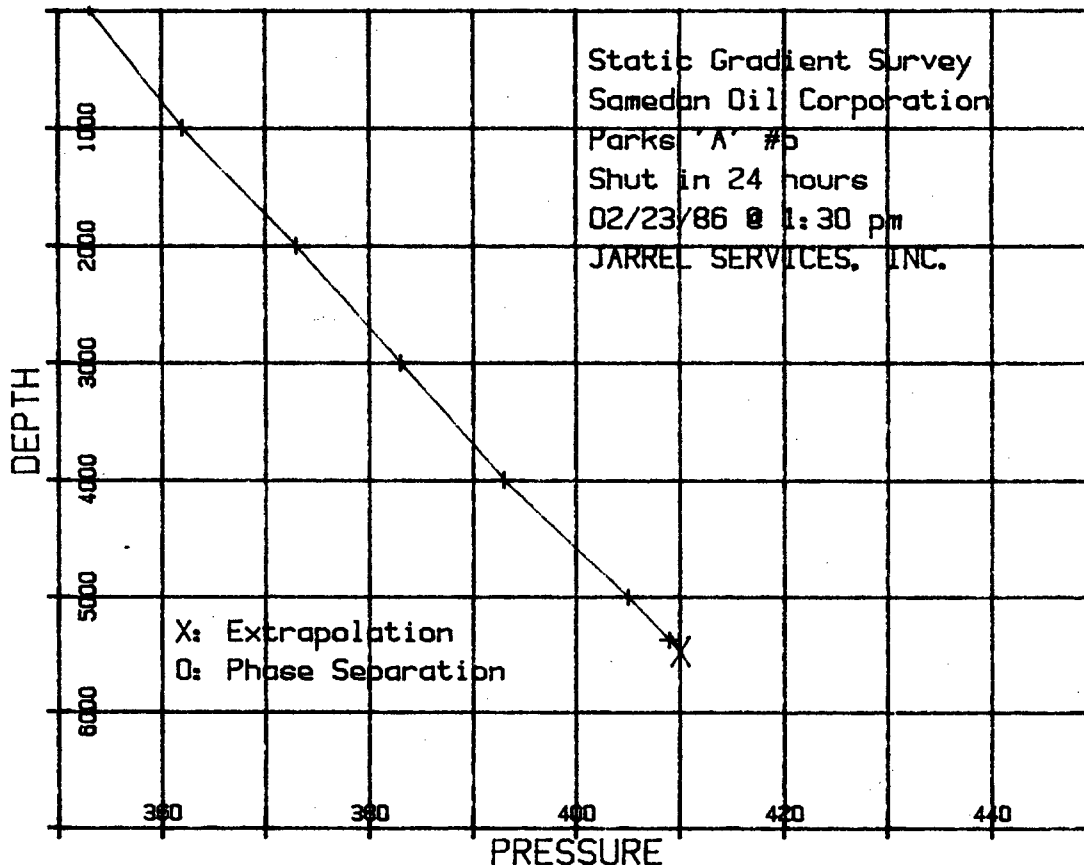
COMPANY: Samedan Oil Corporation
LEASE: Parks 'A'
FIELD: Drinkard
COUNTY: Lea
STATUS: Shut in 24 hours
PERFORATIONS FROM: 5408 ft
DEPTH: 5375 ft

Date: 02/23/86 @ 1:30 pm
CONTACT: Dick Lowther
WELL: #5
ZONE: Blinebry
STATE: New Mexico
OPERATOR: Staggs
TO: 5540 ft
TEMPERATURE: 101°F

TABULAR DATA

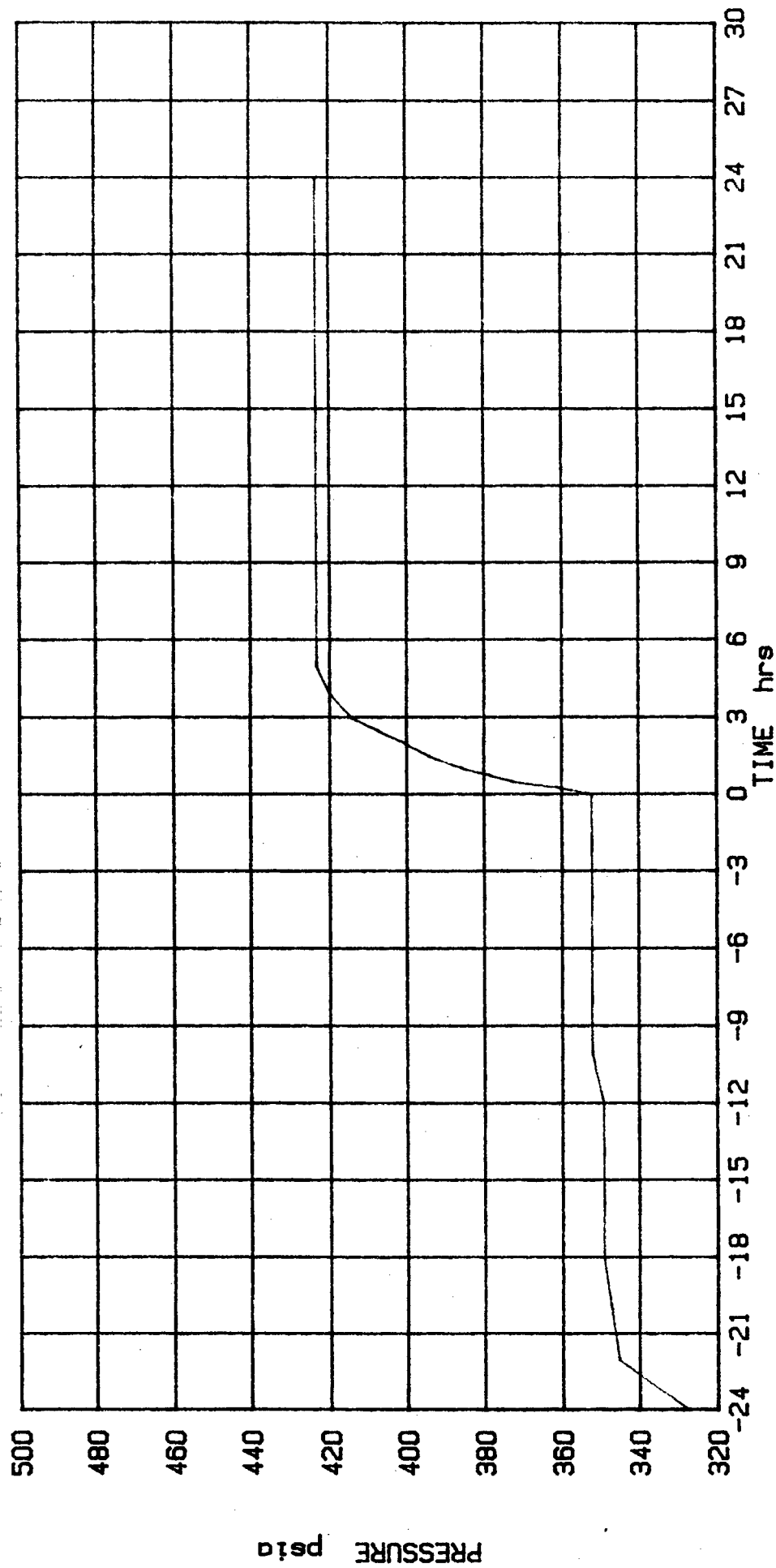
DEPTH (ft)	PRESSURE (psi)	GRADIENT (psi/ft)	EXPLANATIONS
0	353		
1000	362	0.009	
2000	373	0.011	
3000	383	0.010	
4000	393	0.010	
5000	405	0.012	
5375	409	0.011	
5474	410	0.011	<=Extrapolated BHP

NOTE: Explanations are included to clarify calculated data points.



TEST DATE: 02/21/86 TO 02/23/86
TEST DEPTH: 5375 ft
ELEMENT NO: 42254
RANGE: 2450 psig
CLOCK: E-10195
RANGE: 72 hrs
OPERATOR: Staggs

Samedan Oil Corporation
Parks 'A' #5
Drinkard - Blinbry
JARREL SERVICES, INC.
Box 1230 Hobbs, N.M. 88240 (505) 393-1736



Request For Down Hole Commingling
For Wells Involving A Gas Zone

- g) A water analysis for the Blinebry zone is attached. The Drinkard zone has been temporarily abandoned by means of a bridge plug and has no production. Prior to temporary abandonment, this zone did not produce any water.

WATER ANALYSIS REPORT

SAMPLE

LOCATION: PARKS A-5 BLINEBERY
 COMPANY : PRO-KEM INC.
 REF. : SAMEDAN OIL CORP.

DATE: 28-FEB-1986

FORMATION -----

ANALYSIS

- | | |
|---------------------|----------------|
| 1. PH | 7.75 |
| 2. SPECIFIC GRAVITY | 1.004 |
| 3. HYDROGEN SULFIDE | NEGATIVE |
| 4. CARBON DIOXIDE | NOT DETERMINED |
| 5. DISSOLVED OXYGEN | NOT DETERMINED |

MG/L	EQ. WT.	*MEQ/L
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CATIONS

- | | | | |
|-------------------|----------------|----------|----|
| 6. CALCIUM (CA) | 346 | / 20.1 = | 17 |
| 7. MAGNESIUM (MG) | 55 | / 12.2 = | 5 |
| 8. SODIUM (NA) | 1238 | / 23.0 = | 54 |
| 9. BARIUM (BA) | NOT DETERMINED | / 68.7 = | 0 |

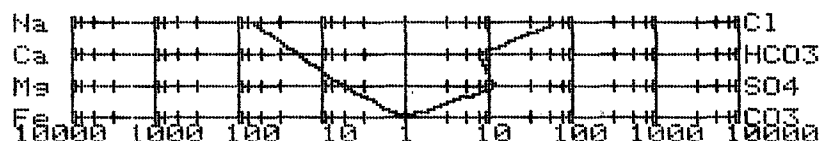
ANIONS

- | | | | |
|------------------------|------|----------|----|
| 10. BICARBONATE (HCO3) | 467 | / 61.1 = | 8 |
| 11. SULFATES (SO4) | 560 | / 48.8 = | 11 |
| 12. CHLORIDES (CL) | 2000 | / 35.5 = | 56 |

- | | |
|-----------------------------|------|
| 13. TOTAL IRON (FE) | 10 |
| 14. TOTAL DISSOLVED SOLIDS | 4666 |
| 15. TOTAL HARDNESS AS CaCO3 | 1089 |

LOGARITHMIC WATER PATTERN

*MEQ/L



*MILLI EQUIVALENTS PER LITER
 CALCULATED CALCIUM SULFATE SOLUBILITY
 IN THIS BRINE IS 2412 MG/L

PROBABLE MINERAL COMPOSITION

COMPOUND EQ. WT. X *MEQ/L = MG/L

Ca(HCO3)2	81.04	8	620
CaSO4	68.07	10	656
CaCl2	55.50	0	0
Mg(HCO3)	73.17	0	0
MgSO4	60.19	2	110
MgCl2	47.62	3	127
NaHCO3	84.00	0	0
NaSO4	71.03	0	0
NaCl	58.46	54	3137

ESTIMATED TEMPERATURE OF CALCIUM CARBONATE INSTABILITY IS 55 DEGREES F.

REMARKS : -----

Request For Down Hole Commingling
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h) Computation of Value of Commingled Production

Isolation of the Drinkard zone would require extensive remedial work to remove the production packer which is currently stuck in the hole, or another packer would have to be set above the existing one. Based on the 1985 average Drinkard production of 22 MCFPD, neither option is economically feasible. Samedan Oil Corporation intends to permanently abandon the Drinkard unless permission to down hole commingle is obtained. For this reason, there is no value given to Drinkard gas in the non-commingled computations.

Value of Commingled Production

Average Blinebry Production X Current Gas Price + Average Drinkard
Production X Current Gas Price
 $(16250 \times 1.205) + (669 \times 1.205) = \$20387.15/\text{month}$

Value of Non-Commingled Production

Average Blinebry Production X Current Gas Price
 $16250 \times 1.205 = \$19581/\text{month}$

Request For Down Hole Commingling
For Wells Involving A Gas Zone

i) Formula for Allocation of Production:

Total Production For Current Month	-	Average Monthly Blinebry Production for Previous Year	=	Allocated Drinkard Production For Current Month
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Total Production For Current Month	-	Allocated Drinkard Production For Current Month	=	Allocated Blinebry Production For Current Month
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Request For Down Hole Commingling
For Wells Involving A Gas Zone

- j) All offset operators have been notified in writing of the proposed commingling. A complete list of offset operators and a copy of the notification letter is attached.

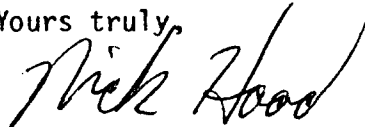
SAMEDAN OIL CORPORATION
10 DESTA DRIVE
SUITE 240 EAST
MIDLAND, TEXAS 79705
(915) 688-3660

March 7, 1986

To All Offset Operators:

In compliance with New Mexico Oil and Gas Conservation Commission rules and regulations, you are hereby notified that Samedan Oil Corporation is currently seeking New Mexico Oil and Gas Conservation Commission approval for down hole commingling of the Drinkard and Blinbry zones of the Parks "A" Well #5 located 660' FSL and 1980' FEL Section 14, T-22-S, R-37-E, Lea County, New Mexico.

Yours truly,

A handwritten signature in black ink, appearing to read "Nick Hood", written in a cursive style.

Nick Hood
Engineer

GNH:ak

Offset Operators:

Anadarko Production Company
P. O. Box 2497
Midland, Texas 79702

Arco Oil and Gas Company
P. O. Box 1610
Midland, Texas 79702

Conoco, Inc.
P. O. Box 1959
Midland, Texas 79702

John H. Hendrix Corp.
Suite 525, Midland Tower
Midland, Texas 79701

Phillips Petroleum Company
401 Penbrook
Odessa, Texas 79762

Sohio Petroleum Company
10 Desta Drive
Suite 600 West
Midland, Texas 79705

Sun Exploration and Production Company
P. O. Box 1861
Midland, Texas 79702-9970



STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

March 13, 1986

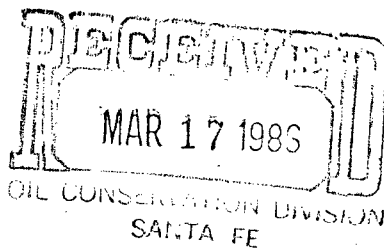
TONEY ANAYA
GOVERNOR

POST OFFICE BOX 1960
HOBBS, NEW MEXICO 88240
(505) 393-6161

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

RE: Proposed:

MC	
DHC	X
NSL	
NSP	
SWD	
WFX	
PMX	



Gentlemen:

I have examined the application for the:

Samedan Oil Corporation	Parks A #5-0	14-22-37
Operator	Lease & Well No.	Unit S-T-R

and my recommendations are as follows:

OK -- Jerry Sexton

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/mc