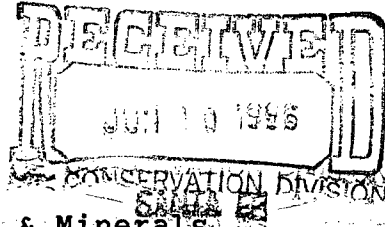




Texaco USA

P O Box 728
Hobbs NM 88240
505 393 7191

June 23, 1986



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

Attention: Mr. R. L. Staments
Secretary-Director

RE: DOWNHOLE COMMINGLING
A. H. BLINEBRY FEDERAL NCT-1 NO. 38
UNIT J, SECTION 19, T-22S, R-38E
BLINEBRY OIL AND GAS, DRINKARD, AND
WANTZ GRANITE WASH FIELDS
LEA COUNTY, NEW MEXICO

Gentlemen:

Texaco Inc. respectfully requests Administrative approval to commingle production from the Blinebry Oil and Gas, Drinkard, and Wantz Granite Wash pools in the wellbore of A. H. Blinebry Federal NCT-1 Well No. 38 in accordance with NMOCD Rule 303-C. Downhole commingling of these zones was previously approved for A. H. Blinebry Federal NCT-1 Well No. 13 by Permit No. DHC-130. The Drinkard and Wantz Granite Wash pools have been downhole commingled for this well by NMOCD Case No. 6159, Order No. R-5657.

This well meets all prerequisites for downhole commingling, as described in NMOCD Rule 303-C, 2(a-h). The ownership of these zones is common, including working interest, royalty and overriding royalty. These zones have been surface commingled on this lease and no incompatibility of the fluids have been found.

Allocation of the oil and gas will be as follows:

<u>Zone</u>	<u>Oil</u>	<u>Gas</u>
Blinebry Oil & Gas	65%	80%
Drinkard	10%	15%
Wantz Granite Wash	25%	5%

State of New Mexico

-2-

June 23, 1986

All Offset Operators, list attached, and the United States Bureau of Land Management have been notified of this application by copy of this letter.

Yours very truly,

TEXACO INC.
PRODUCING DEPARTMENT-UNITED STATES



W. B. CADE
District Operations Manager

GDD:JRB

Attachments



Texaco USA

P O Box 728
Hobbs NM 88240
505 393 7191

June 23, 1986

Bureau of Land Management
P. O. Box 1857
Roswell, New Mexico 88201

RE: DOWNHOLE COMMINGLING
A. H. BLINEBRY FEDERAL NCT-1 NO. 38
BLINEBRY OIL AND GAS, DRINKARD
AND WANTZ GRANITE WASH FIELDS
LEA COUNTY, NEW MEXICO

Gentlemen:

Texaco Inc. respectfully requests Administrative approval to downhole commingle production from the Blinebry Oil and Gas,, Drinkard and Wantz Granite Wash pools in the wellbore of the A. H. Blinebry Federal NCT-1 Well No. 38 in accordance with NMOCD Rule 303-C. Downhole commingling of these zones was previously approved for the A. H. Blinebry Federal NCT-1 Well No. 13 by Permit No. DHC 130. The Drinkard and Wantz Granite Wash pools have been downhole commingled for this well by NMOCD Case No. 6159, Order No. R-5657.

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Drinkard	10%	15%
Wantz Granite Wash	25%	5%

All other Offset Operators, list attached, and the New Mexico Oil Conservation Division have been notified by copy of this letter.

Yours very truly,

W. B. CADE
District Operations Manager

GDD:JRB
Attachments

A. H. BLINEBRY FEDERAL NCT-1 LEASE
OFFSET OPERATORS

Bravo Energy, Inc.
P. O. Box 2160
Hobbs, New Mexico 88240

Kirby Exploration Co. of TX.
1527 - 19th Street
Denver, Colorado 80202

Chevron U.S.A., Inc.
P. O. Box 670
Hobbs, New Mexico 88240

Samedan Oil Corportion
10 Desta Drive, Suite 240
Midland, Texas 79705

Exxon Company, U.S.A.
P. O. Box 2180
Exxon Building
Houston, Texas 77001

Summit Energy, Inc.
112 N. First Street
Artesia, New Mexico 88210

Fina Oil & Chemical Company
1004 N. Big Spring St.
Midland, Texas 79701

Union Texas Petroleum
4001 Bloomfield Highway
Farmington, New Mexico 87401

Hanson Operating Co., Inc.
P. O. Box 1515
Roswell, New Mexico 88202-1515

DATA SHEET FOR WELLBORE COMMINGLING

Operator: Texaco Inc.

Address: P. O. Box 728, Hobbs, New Mexico 88240

Lease and Well No.: A. H. Blinebry Federal NCT-1 Well No. 38

Location: Unit Letter J, 1980' FSL & 1980' FEL, Section 19, T-22-S, R-38-E
Lea County, New Mexico

WELL DATA

	<u>Upper Pool</u>	<u>Middle Pool</u>	<u>Lower Pool</u>
Name of Pool	<u>Blinebry Oil & Gas</u>	<u>Drinkard</u>	<u>Wantz Granite Wash</u>
Producing Method	<u>Pump</u>	<u>Pump</u>	<u>Pump</u>
BHP	<u>550 (Est.)</u>	<u>850 (Est.)</u>	<u>500 (Est.)</u>
Type Crude	<u>Sweet</u>	<u>Sweet</u>	<u>Sweet</u>
Gravity	<u>37.7° API</u>	<u>37.7° API</u>	<u>37.7° API</u>
GOR Limit	<u>428 MCFD</u>	<u>852 MCFD</u>	<u>374 MCFD</u>
Completion Interval	<u>5470' - 5990'</u>	<u>6316' - 7110'</u>	<u>7383' - 7450'</u>
Current Test Date	<u>5-17-86</u>	<u>3-01-86</u>	<u>3-01-86</u>
Oil	<u>30</u>	<u>4</u>	<u>12</u>
Water	<u>36</u>	<u>2</u>	<u>4</u>
GOR	<u>8500</u>	<u>6750</u>	<u>583</u>
Selling Price of Crude - \$/BBL.	<u>14.02</u>	<u>14.02</u>	<u>14.02</u>
Daily Income - \$/Day	<u>420.60</u>	<u>56.08</u>	<u>168.24</u>

COMMINGLED DATA:

Gravity of Commingled Crude 37.7° API

Selling Price of Commingled Crude - \$/BBL. 14.02

Daily Income - \$/Day 644.92

Net (Gain) (~~Loss~~) from Wellbore Commingling - \$/Day 420.60
based on current producing rates.

A.H. BLINEBRY FEDERAL (NCT-1) WELL NO. 38

UNIT J, SECTION 19, T22S, R38E

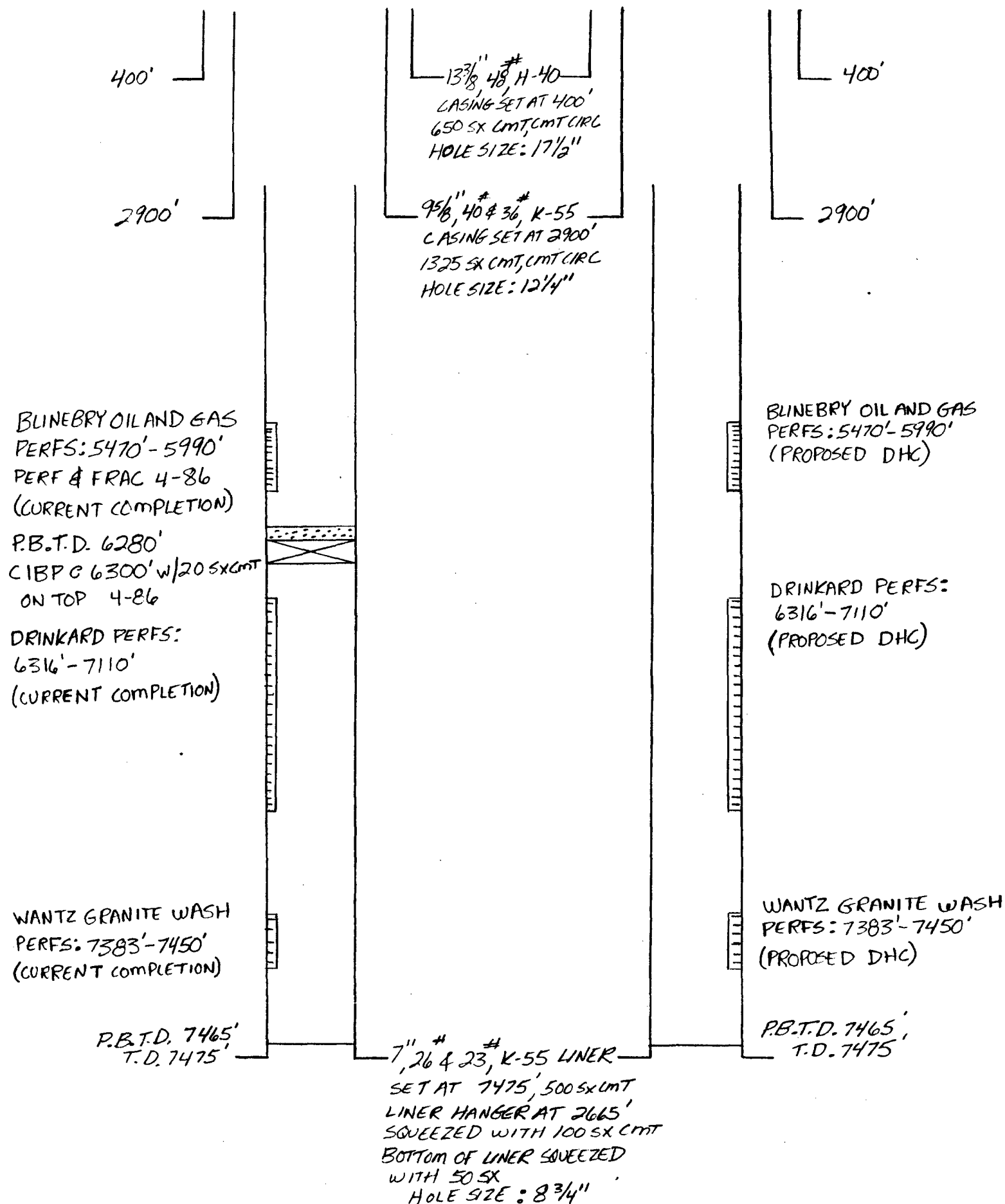
BLINEBRY OIL AND GAS, DRINKARD, WANTZ GRANITE WASH FIELDS

3360' G.L.

3371' K.B. ALL MEASUREMENTS

PRESENT
SINGLE ZONE PRODUCTION

PROPOSED
DOWNHOLE COMMINGLING



GAS-OIL RATIO TESTS

Page 5 of 9

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/BBL
		U	S	T	A					WATER BBL'S	GRAV. OIL	OIL BBL'S	GAS M.C.F.
L. H. Blinbry Federal ICT-1	29	C	33	22S	38E	3-11-86		2	24	-	367	2	7
	30	J	20	22S	38E	TRD				-			
	31	F	28	22S	38E	3-7-86		3	24	-	367	2	15
	33	D	"			3-3-86		9	24	2	367	9	58
	Drinkard Tubbs							5	24	1	367	5	~
Downhole Commingling Permit No. DHC-25								4	24	1	367	4	~
	34	I	20	22S	38E	SI		6	24	-	377	1	2
	35	M	21	22S	38E	3-1-86							
	36	H	20	22S	38E	TRD		11	24	6	377	16	34
	38	J	19	22S	38E	3-1-86			24	2	377	4	27
Downhole Commingling Permit No. R-5657	Drinkard							3	24	2	377	12	7
	Waniz Granite Wash							8	24	4	377		
	39	I	19	22S	38E	Recompleted Tp Blinbry		11	24	3	377	11	23
	40	P	"			3-4-86				1	377	4	8
Downhole Commingling Permit No. DHC-244	Drinkard							4	24				
	Waniz Granite Wash							7	24	2	377	7	15

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 14.73 psia and a temperature of 60° F. Specific gravity base will be 0.68.

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

Well 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.

W. B. Loh

(Signature)

DISTRICT OPERATIONS MANAGER

(Title)

4-24-86

(Date)

GAS-OIL RATIO TESTS

Operator		Pool		County										
TEXACO INCORPORATED		Blueberry Oil and Gas		LEA										
Address		TYPE OF TEST - (X)		Completion ☐ Scheduled ☐ Special ☐										
P.O. Box 728 Hobbs, N.M. 88240														
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT./BBL
		U	S	T						R	WATER BBLs.	GRAV. OIL	OIL BBLs.	
AH. Blueberry Federal NCT1	38	✓	19	22S	30E	5-17-86	P	N/A	24	36	37.7	30	255	8500

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

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.

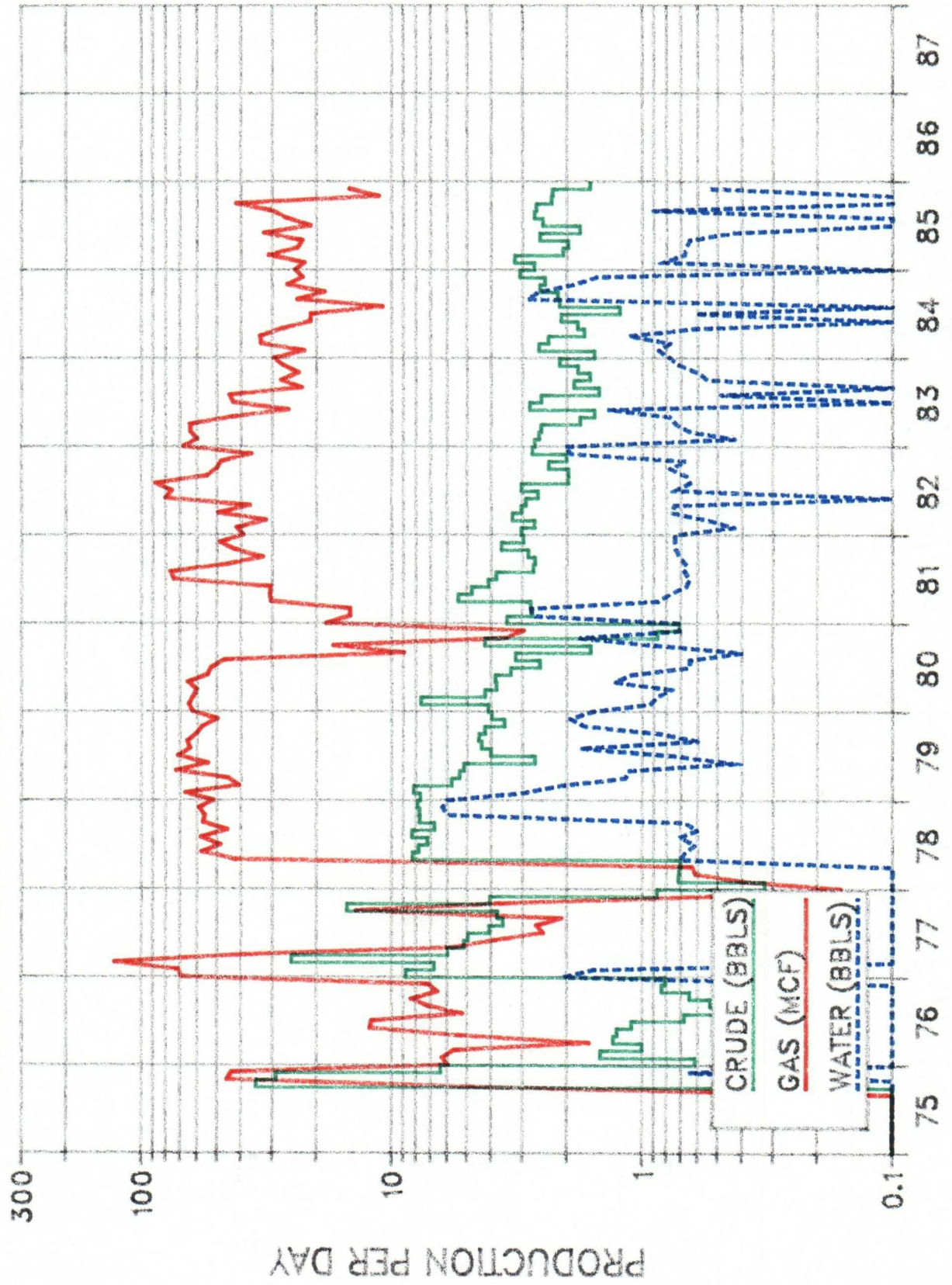
W. J. Baker
(Signature)
District Operations Mgr.
(Title)
6-19-86
(Date)

BLK.

16r

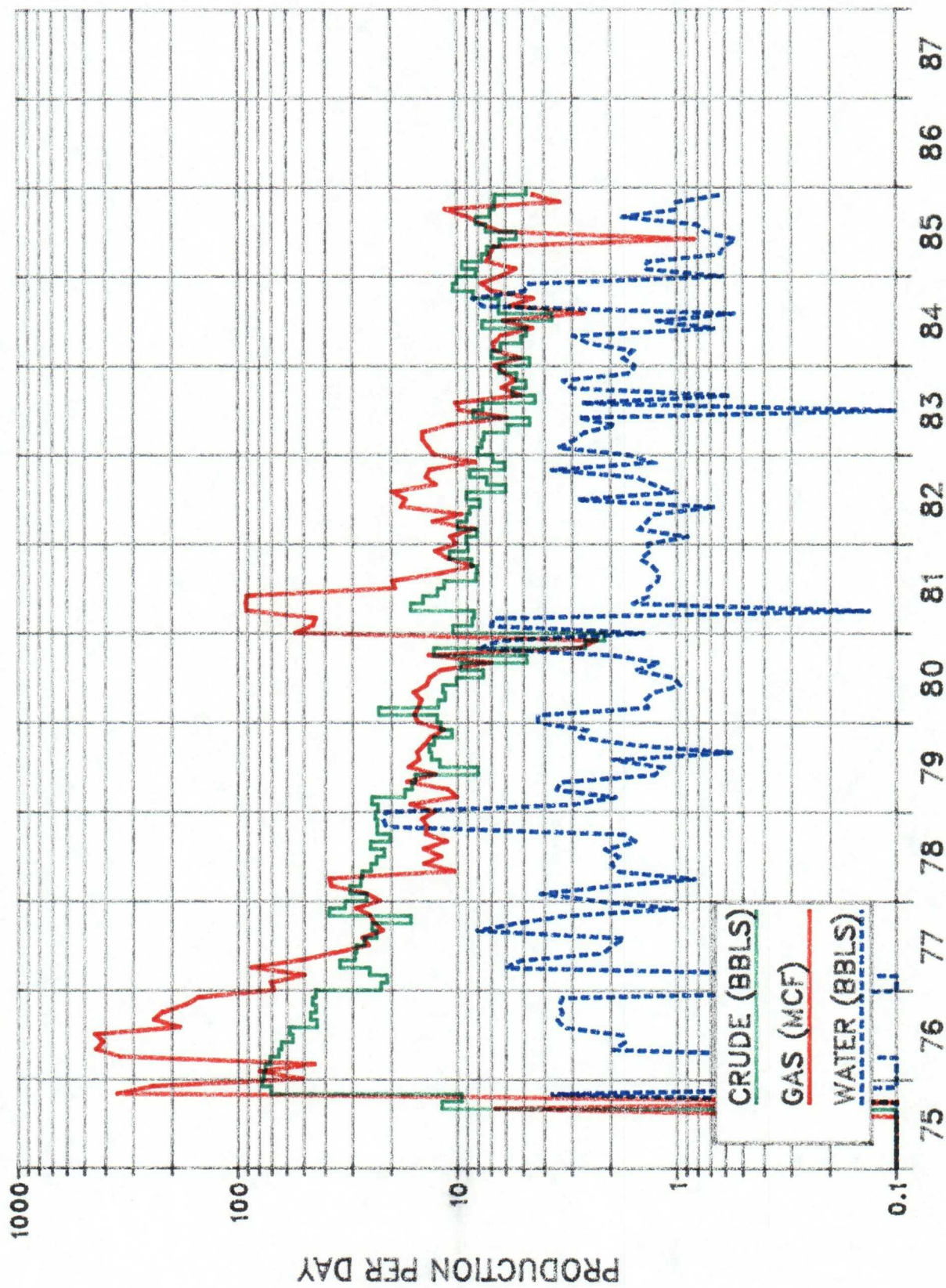
A.H. BLINEBRY FEDERAL NCT-1 NO. 38

DRINKARD



A.H. BLINEBRY FEDERAL NCT-1 NO. 38

WANTZ GRANITE WASH

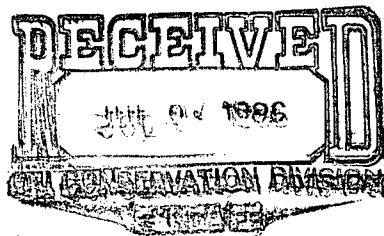




STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

July 2, 1986

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161



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

RE: Proposed:

MC
DHC XXX
NSL
NSP
SWD
WFX
PMX

Gentlemen:

I have examined the application for the:

Texaco Inc.	A.H. Blinebry Federal NCT-1 #38-J	19-22-38
Operator	Lease & Well No. Unit	S-T-R

and my recommendations are as follows:

OK -- Jerry Sexton

Yours very truly,

Jerry Sexton
Supervisor, District 1

/mc