

# PETRUS OIL COMPANY, L.P.

12377 MERIT DRIVE, SUITE 1600 DALLAS, TEXAS 75251  
(214) 788-3300 FACSIMILE (214) 788-3399

June 24, 1988

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

ATTN: Mr. Michael Stogner

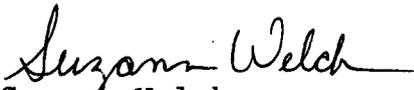
Re: Downhole Commingling  
State D #2  
Sec 11, T17S, R33E  
Lea County, New Mexico

Gentlemen:

Petrus respectfully requests an administrative exception to Rule 303-A to downhole commingle the production from Queen and Grayburg formations in our State "D" No. 2. The combined production from the two pools is 8 BOPD, which does not exceed the 20 BOPD limit for commingled production at this depth.

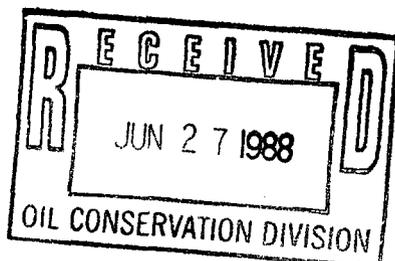
Attach please find information to support our application. Please call me at the above telephone number if you have any questions.

Sincerely,

  
Suzann Welch  
Regulatory Coordinator

Enclosures in duplicate

cc: District 1  
P. O. Box 1980  
Hobbs, NM 88240



APPLICATION FOR ADMINISTRATIVE APPROVAL OF RULE 303-A

a. OPERATOR: Petrus Oil Company, L. P.  
12377 Meit Drive, Suite 1600  
Dallas, Texas 75251

b. LEASE: State "D" Well No. 2  
Unit Letter L  
1980' FSL & 660' FWL  
Section 11, T 17 S, R 33 E

POOLS TO COMMINGLE:  
Sanmal Queen  
Maljamar Grayburg

c. ACREAGE PLAT: Attached

d. C-116 for each zone

e. PRODUCTION DECLINE CURVE:  
Sanmal Queen recompletion C-105 and C-103  
retest attached  
Maljamar Grayburg curve attached

f. ESTIMATED BHP:  
Sanmal Queen -- 1300 psi  
Maljamar Grayburg -- 1000 psi

g. FLUIDS: produced fluids are compatible  
oil gravities -- 36 deg API

h. VALUE: QUEEN 3 BOPD X \$17.50/BBL  
GRAYBURG 5 BOPD X \$17.50/BBL  
-----  
8 BOPD x \$17.50/BBL

There are no gravity deductions so price is the same for both formations. Value of the combined production will be the same as the sum of the individual production.

i. ALLOCATION:  
Production from the two zones will be allocated based on the established production rate for the Grayburg (5 BOPD, 13 MCFD) and the test of the Queen (3 BOPD, 50 MCFD).

j. NOTIFICATION:  
Phillips Petroleum has been sent a waiver request by Federal Express on 06-24-88. See attachment. Will forward signed Waiver of Objection as soon as it is returned.

C.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-102  
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

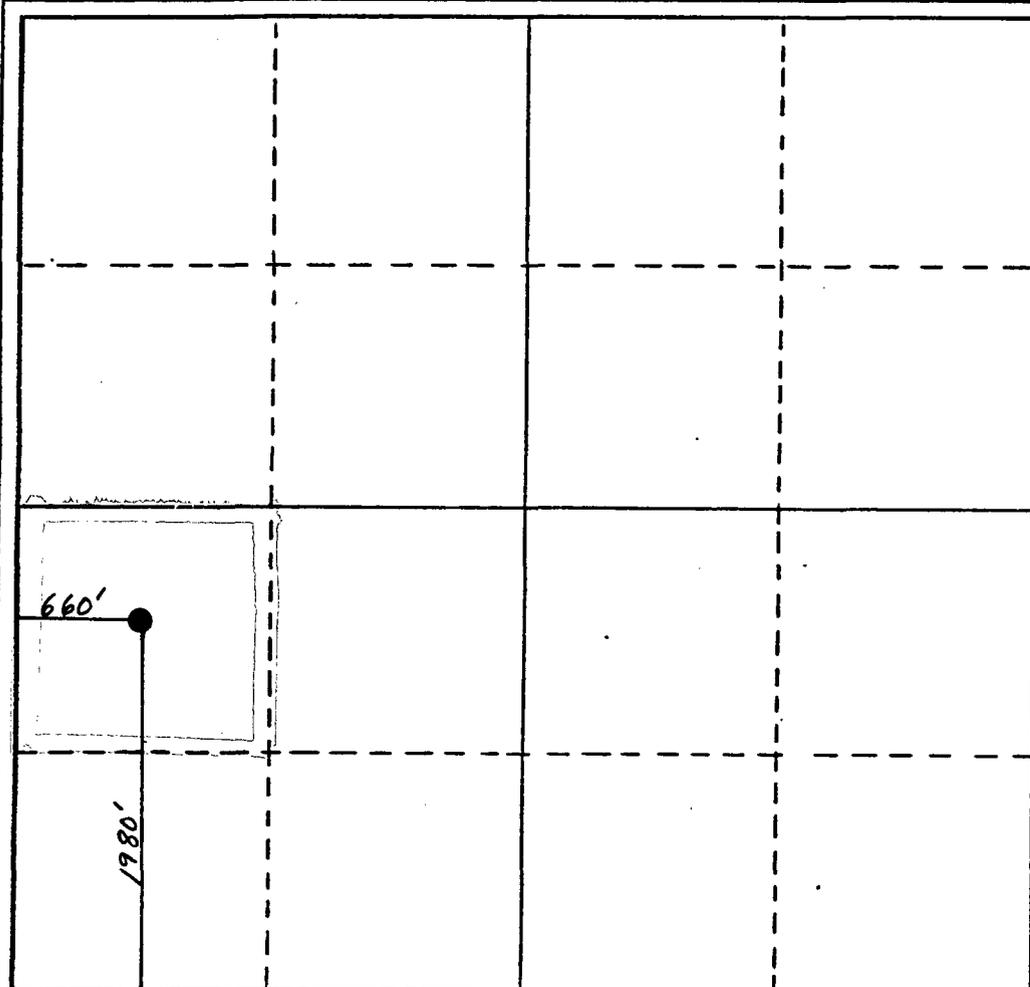
Operator <b>Petrus Oil Company, L. P.</b>		Lease <b>State D</b>			Well No. <b>2</b>
Unit Letter <b>L</b>	Section <b>11</b>	Township <b>17S</b>	Range <b>33E</b>	County <b>Lea</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>South</b> line and <b>660</b> feet from the <b>West</b> line					
Ground Level Elev. <b>4160.4'</b>	Producing Formation <b>Queen</b>		Pool <b>Sanmal</b>	Dedicated Acreage: <b>40</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

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

Name *Suzann Welch*

Position **Regulatory Coordinator**

Company **Petrus Oil Company, L.P.**

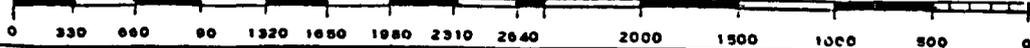
Date **March 21, 1988**

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 knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.





GAS-OIL RATIO TESTS

Operator		Pool		County									
Petrus Oil Company, L. P.		Maljamar Grayburg		Lea									
Address		Dallas, TX 75251		TEST - (X)									
12377 Merit Drive, Suite 1600		DATE OF TEST		03-01-88									
LEASE NAME	WELL NO.	LOCATION			CHOKESIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT/BB	
		U	S	T					R	WATER BBL.S.	GRAV. OIL BBL.S.		OIL BBL.S.
State D	2	L	11	17S	33E			24	0	36	5	13	2600

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.

*Suzanne Webb*  
 (Signature)  
 Regulatory Coordinator  
 214/788-3368 (Tide)  
 06-24-88

e.

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease  
State  Fee

5. State Oil & Gas Lease No.  
2516-B

1a. TYPE OF WELL  
OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

b. TYPE OF COMPLETION  
NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DIFF. RESVR.  OTHER \_\_\_\_\_

2. Name of Operator  
Petrus Oil Company, L. P.

7. Unit Agreement Name  
8. Farm or Lease Name  
State D

3. Address of Operator  
12377 Merit Drive, Suite 1600 Dallas, Texas 75251

9. Well No.  
2

4. Location of Well  
UNIT LETTER L LOCATED 1980 FEET FROM THE South LINE AND 660 FEET FROM

THE West LINE OF SEC. 11 TWP. 17S RGE. 33E NMPM

10. Field and Pool, or Wildcat  
Sanmal (Queen)

12. County  
Lea

15. Date Spudded 03-11-78  
16. Date T.D. Reached 04-22-78  
17. Date Compl. (Ready to Prod.) 03-12-88 this zone  
18. Elevations (DF, RKB, RT, GR, etc.) 4160' GR  
19. Elev. Casinghead --

20. Total Depth 4627  
21. Plug Back T.D. 4352  
22. If Multiple Compl., How Many  
23. Intervals Drilled By Rotary Tools Cable Tools  
0-4627

24. Producing Interval(s), of this completion - Top, Bottom, Name  
3757-3784' Queen

25. Was Directional Survey Made  
No

26. Type Electric and Other Logs Run  
N/A

27. Was Well Cored  
N/A

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8	24	418		450 SX	
5-1/2	14	4627		1700 SX	

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-3/8	3748	3748

31. Perforation Record (Interval, size and number)  
3757-3784' w/2 spf 180 degree phase

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
3757-3784	1500 gals 7.5% NEEF acid
	46,500 gals WF-40 + 50% CO <sub>2</sub>
	3000# 20/40 sd & 51,500# 12/20

33. PRODUCTION

Date First Production 03-12-88  
Production Method (Flowing, gas lift, pumping - Size and type pump) Pmpg 2 x 1-1/2 x 16' RHBC pump  
Well Status (Prod. or Shut-in) prod.

Date of Test 03-12-88  
Hours Tested 24  
Choke Size  
Prod'n. For Test Period  
Oil - Bbl. 42  
Gas - MCF 50  
Water - Bbl. 20  
Gas-Oil Ratio 1190

Flow Tubing Press. --  
Casing Pressure 30  
Calculated 24-Hour Rate  
Oil - Bbl. 42  
Gas - MCF 50  
Water - Bbl. 20  
Oil Gravity - API (Corr.) 36

34. Disposition of Gas (Sold, used for fuel, vented, etc.)  
vented during test

Test Witnessed By  
Henry Whitman

35. List of Attachments  
C-104

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED Suzanne Welch TITLE Regulatory Coordinator DATE 03-17-88



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

Form C-104  
Revised 10-01-78  
Format 06-01-83  
Page 1

NO. OF COPIES RECEIVED		
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TRANSPORTER	OIL	
	GAS	
OPERATOR		
PRODUCTION OFFICE		

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

REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I.

Operator  
Petrus Oil Company, L. P.

Address  
12377 Merit Drive, Suite 1600 Dallas, Texas 75251

Reason(s) for filing (Check proper box) Change in Transporter of: Other (Please explain)

<input type="checkbox"/> New Well	<input type="checkbox"/> Oil	<input type="checkbox"/> Dry Gas	Retest - Sanmal Queen
<input type="checkbox"/> Recompletion	<input type="checkbox"/> casinghead Gas	<input type="checkbox"/> Condensate	
<input type="checkbox"/> Change in Ownership			

If change of ownership give name and address of previous owner \_\_\_\_\_

II. DESCRIPTION OF WELL AND LEASE

Lease Name State D	Well No. 2	Pool Name, including Formation Sanmal Queen	Kind of Lease State, Federal or Fee State	Lease No. 2516-B
Location Unit Letter <u>L</u> ; <u>1980</u> Feet From The <u>South</u> Line and <u>660</u> Feet From The <u>West</u>				
Line of Section <u>11</u> Township <u>17S</u> Range <u>33E</u> , NMPM, <u>Lea</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)					
Pride Pipeline Company	P. O. Box 3237, Abilene, TX 79604					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)					
Phillips 66 Natural Gas Company	4001 Penbrook, Odessa, TX 79762					
If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When
	No	Change			Yes	

If this production is commingled with that from any other lease or pool, give commingling order number: PC-733

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

  
(Signature)

Regulatory Coordinator

(Title)

04-04-88

(Date)

OIL CONSERVATION DIVISION

APPROVED \_\_\_\_\_, 19 \_\_\_\_\_

BY \_\_\_\_\_

TITLE \_\_\_\_\_

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

**IV. COMPLETION DATA**

Designate Type of Completion - (X)		Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
		X							
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.			
03-11-78	03-12-88		4627			4352			
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth			
4160' GR	Queen		3757			3748			
Perforations						Depth Casing Shoe			
3757-3784'						4627			
<b>TUBING, CASING, AND CEMENTING RECORD</b>									
HOLE SIZE		CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
12-1/4		8-5/8		418		450			
7-7/8		5-1/2		4627		1700			
		2-3/8		3748					

**V. TEST DATA AND REQUEST FOR ALLOWABLE** (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)		
03-12-88	03-24-88	Pumping		
Length of Test	Tubing Pressure	Casing Pressure	Choke Size	
24	--	30		
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF	
3	3	2	50	

**GAS WELL**

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (shut-in)	Casing Pressure (shut-in)	Choke Size

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

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

Form C-103  
Revised 10-1-78

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

5a. Indicate Type of Lease  
State  Fee

5. State Oil & Gas Lease No.  
2516-B

SUNDRY NOTICES AND REPORTS ON WELLS

(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.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator Petrus Oil Company, L. P.	8. Farm or Lease Name State "D"
3. Address of Operator 12377 Merit Drive, Suite 1600 Dallas, Texas 75251	9. Well No. 2
4. Location of Well UNIT LETTER <u>L</u> , <u>1980</u> FEET FROM THE <u>South</u> LINE AND <u>660</u> FEET FROM THE <u>West</u> LINE, SECTION <u>11</u> TOWNSHIP <u>17S</u> RANGE <u>33E</u> NMPM.	10. Field and Pool, or Wildcat Sanjal Queen Maljamar - Grayburg
15. Elevation (Show whether DF, RT, GR, etc.) 4160' GR	12. County Lea

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <u>Wash sand plug</u> <input checked="" type="checkbox"/>

17. 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.

03-31-88 Circulate clean to 4625' with 390 bbls 2% KCl water. Place well back on pump.

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

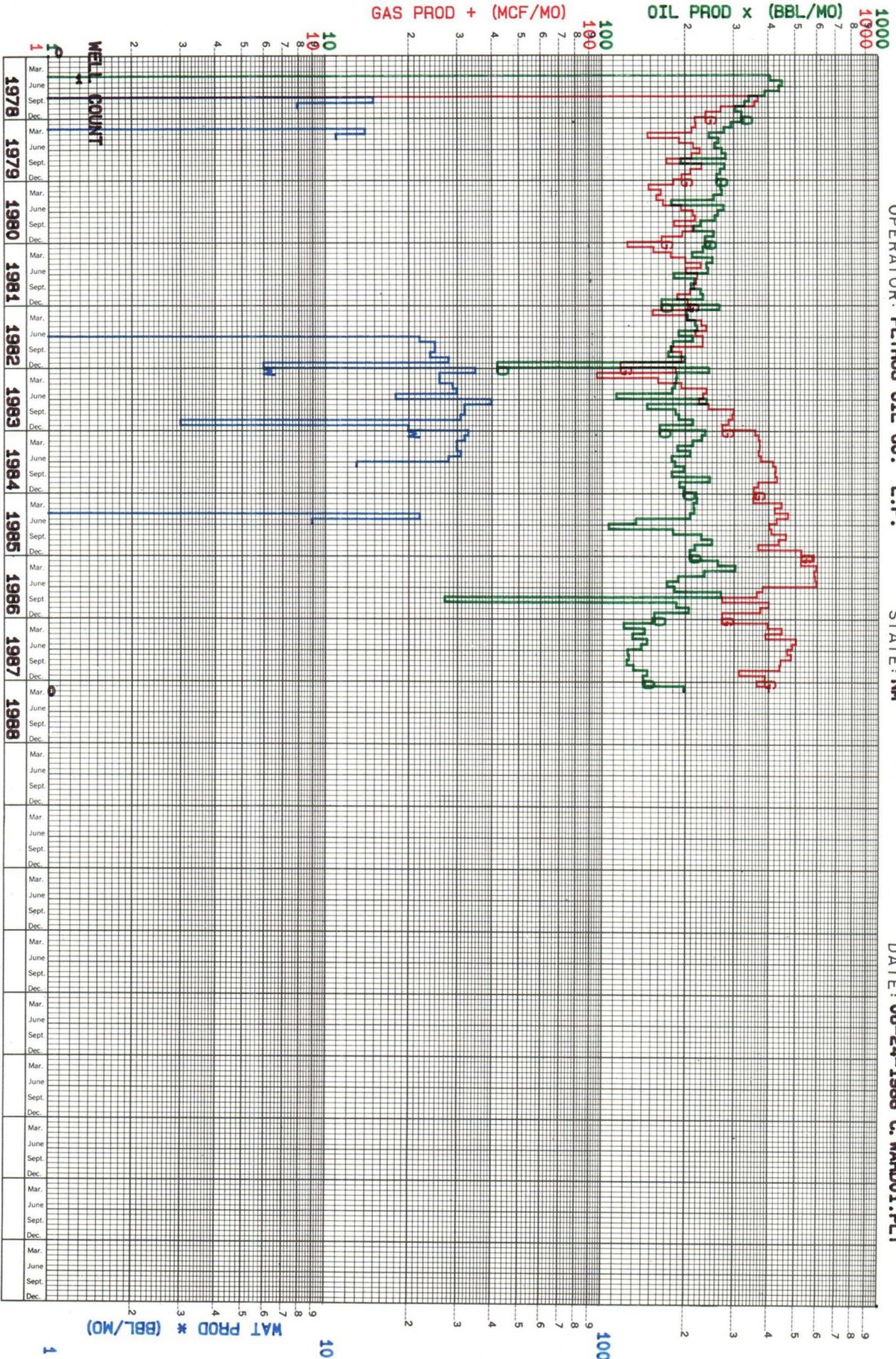
SIGNED Suzanne Welch TITLE Regulatory Coordinator DATE 06-24-88

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

LEASE/WELL: STATE D  
 LEASE ID: 756630  
 OPERATOR: PETRUS OIL CO. L.P.

FIELD: MALJAMAR GRAYBURG SAN ANDREW  
 COUNTY: LEA  
 STATE: NM  
 WI/NRI:  
 DATE: 06-24-1988 C: WARD01.PLT



CUM OIL as of 3-1-1988 --- 22.62 MBBLs  
 CUM GAS as of 3-1-1988 --- 0.03 BCF

STATE D 002

J.

# PETRUS OIL COMPANY, L.P.

---

12377 MERIT DRIVE, SUITE 1600 DALLAS, TEXAS 75251  
(214) 788-3300 FACSIMILE (214) 788-3399

June 24, 1988

Phillips Petroleum  
4001 Penbrook Street  
Odessa, Texas 79762

Attn: Mr. Frank Hulse

Re: Commingling Waiver Request  
State "D" #2  
Section 11, T17S, R33E  
Lea County, New Mexico

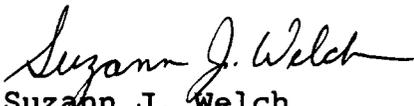
Gentlemen:

Petrus Oil Company, L. P. respectfully requests your immediate approval of the attached Waiver of Objection allowing Petrus to obtain an exception to Rule 303-A and permit the downhole commingling of the Sanmal Queen and the Maljamar Grayburg pools in the above well.

Approval of the attached Waiver will expedite our application process. Please return the original signed waiver to us by Federal Express as soon as possible, our account number is 1007-8692-3. If you should elect not to sign the waiver, this letter will serve as notice of our application.

If you should have any questions, please contact me at the telephone number listed above.

Sincerely,

  
Suzann J. Welch  
Regulatory Coordinator

WAIVER of OBJECTION

The undersigned has been notified of Petrus' application to downhole commingle the Sanmal Queen and the Maljamar Grayburg pools in the State "D" #2, 1980' FSL and 660' FWL of Section 11, T 17 S, R 33 E, Lea County, New Mexico.

Phillips Petroleum, as an offset operator, hereby waives any objection to Petrus Oil Company, L. P.'s application for Exception to Statewide Rule 303-A dated June 24, 1988.

COMPANY \_\_\_\_\_

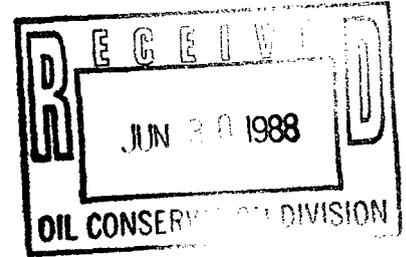
REPRESENTATIVE \_\_\_\_\_

SIGNATURE \_\_\_\_\_

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

WAIVER of OBJECTION



The undersigned has been notified of Petrus' application to downhole commingle the Sanmal Queen and the Maljamar Grayburg pools in the State "D" #2, 1980' FSL and 660' FWL of Section 11, T 17 S, R 33 E, Lea County, New Mexico.

Phillips Petroleum, as an offset operator, hereby waives any objection to Petrus Oil Company, L. P.'s application for Exception to Statewide Rule 303-A dated June 24, 1988.

COMPANY Phillips Petr. Co  
REPRESENTATIVE W. J. Mulline  
SIGNATURE [Signature]  
TITLE Fract. Supv. Trist.  
DATE 28 June 1988

This waiver of objection is provided contingent upon Petrus' submission to Phillips Petroleum Company of its application for downhole commingling.



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

GARREY CARRUTHERS  
 GOVERNOR

POST OFFICE BOX 1980  
 HOBBS, NEW MEXICO 88241-1980  
 (505) 393-6161

1678-88  
 RECEIVED  
 JUL 1 1988  
 OIL CONSERVATION DIVISION  
 SANTA FE

DHC-695

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

RE: Proposed:  
 MC \_\_\_\_\_  
 DHC  \_\_\_\_\_  
 NSL \_\_\_\_\_  
 NSP \_\_\_\_\_  
 SWD \_\_\_\_\_  
 WFX \_\_\_\_\_  
 PMX \_\_\_\_\_

Gentlemen:

I have examined the application for the:

Petrus Oil Co., LP      State O #2-L      11-17-33  
 Operator      Lease & Well No.      Unit      S-T-R

and my recommendations are as follows:

OK JS  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Yours very truly,

Jerry Sexton  
 Supervisor, District 1

/ed