

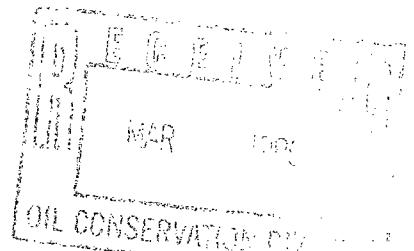


Re

Texaco USA

March 27, 1989

New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Room 206
Santa Fe, New Mexico 87503



Attention: Mr. William J. LeMay

RE: Downhole Commingle Application
Texaco Producing Inc.'s
J. V. Baker Well No. 9
Unit Letter N, Section 22,
T-22-S, R-37-E
Lea County, New Mexico

Gentlemen:

Approval is requested to downhole commingle the referenced well in the Blinebry, Tubb and Drinkard zones. Below is data required by NMOCD Rule 303 for downhole commingling:

- A. J. V. Baker Well No. 9 is a Fee property and has been downhole commingled in the Blinebry and Drinkard formations since 1955. Upon Texaco Producing Inc.'s notice of intent to additionally complete in the Tubb formation and triple downhole commingle the well, it was discovered by the Hobbs Oil Conservation Division office and Texaco that authorization was never given for the downhole commingling performed in 1955. New Mexico Oil Conservation Division records show this well as producing from the Drinkard formation only. Production is shown on the attached production curve. Texaco Producing Inc., as recommended by Mr. Jerry Sexton of the Hobbs Oil Conservation Division office, is now seeking to rectify oversights in the commingling of the Blinebry and Drinkard formations and also for approval to add the Tubb formation to form a triple downhole commingle. Texaco Producing Inc. has a 100% Gross Working Interest and an 87.5% Net Interest on all three zones (Blinebry, Drinkard, and Tubb).
- B. Division Form C-116 is attached showing a test of produced oil, water and gas from the Blinebry, Tubb, and Drinkard zones. The Blinebry and Drinkard zones were swab tested. The Tubb zone production was deduced following a test of total Blinebry-Tubb-Drinkard production.

March 27, 1989

C. A production decline curve for the Blinebry and Drinkard formation production is attached. No production history is available for the Tubb zone since the Tubb is a recent completion. The prognosis for future production from each zone is as per the attached production tests for each zone.

D. The bottom hole pressure for each zone obtained by stabilized fluid level measurements are as follows:

Blinebry Zone	489 PSI
Tubb Zone	--- PSI
Drinkard Zone	347 PSI

E. The Blinebry, Tubb, and Drinkard formations are compatible and have been successfully commingled on other Lea County properties. An example of same is the Shell Oil Company operated Northeast Drinkard Unit located in T-21-S, R-37-E, Lea County, New Mexico. Therefore no fluid incompatibilities are expected for the commingled Blinebry, Tubb, and Drinkard in the subject well.

F. The prices received for hydrocarbon productions sold from the J. V. Baker Lease are the same for all zones. Therefore, the value of the commingled production will not be less than the sum of the values of the individual streams.

G. Offset operators (Anadarko Oil Company and Chevron Oil Company) have been notified of the pending triple downhole commingling.

Yours very truly,

J. A. Schaffer
District Operations Manager

RH:LDR/JRB

Attachments

cc: NMOCD - Hobbs

J. V. BAKER NO. 9
HISTORY

10/2/49 Spudded
17" hole, 13 3/8" 44.5# Armco casing set at 200' with 200 sacks of cement. Cement circulated.

10/12/49 11" hole, 8 5/8", 28#, National casing set at 2790' with 1000 sacks of cement. TD 7362'.

11/19/49 Open hole completion. Dry hole. Plugged and Abandoned.

10/4/55 Reentered into Drinkard Formation. Drilled out to 6450' with 7 7/8" hole. Ran and set 5 1/2", 14#, J-55 casing at 6450' with 450 sacks of cement. Top of cement at 3325'. Completed and tested as follows:

DRINKARD Perforated 5 1/2" casing at 6391'-6425' with 104 shots. Acidized with 1000 gallons. Fracture treated with 10,000 gallons. Swabbed and flowed 86 BO in 8 hours.

TUBB Perforated at 6020'-6106' with 200 shots. Fracture treated with 10,000 gallons. Swabbed 37 BNO in 13 hours. Squeezed perforations 6020'-6106' with 150 sacks of cement.

BLINEBRY Perforated 5570'-5742' with 312 shots. Fracture treated with 10,000 gallons.

11/1/55 Well flowed 168 BOPD in 13 hours. GOR 1400.

2/7/56 Cleaned at 6417'-6438'.

11/9/56 Fracture treated with 10,000 gallons.

2/4/75 Perforated 5 1/2" casing at 3300' and squeezed with 550 sacks of cement to eliminate waterflow behind 5 12" casing.

2/22/89 Additionally completed in to Tubb Formation.
Perforated
5 1/2" casing at 6020, 25, 32, 34,
40, 48, 50, 54, 60, 73, 80, 84, 90, 6100, 04, 08, 13 and 15 with 2 SPF(36holes). Acidized Tubb perforations with 5000 gallons of 15% HCL. Fracture treated the Tubb perforations 6020'-6115' with 25,000 gallons. Acidized Blinebry perforations 5570'-5742' with 3000 gallons of 15% HCL. Tested Blinebry at 3 BOPD, 3 BWPD and 12 MCFPD. Acidized Drinkard perforations 6391'-6425' with 1500 gallons of 15% HCL. Tested the Drinkard Interval at 6 BOPD, 12 BWPD and 22 MCFPD. Tested the Tubb Interval at 10 BOPD, 12 BWPD and 1 MCFPD.

GAS-OIL RATIO TESTS

LEASE NAME	WELL NO.	LOCATION	DATE OF TEST	TYPE OF TEST - (X)	SCHEDULED <input type="checkbox"/>	COMPLIANT <input checked="" type="checkbox"/>	COUNTY	GAS - OIL RATIO TEST				GAS - OIL RATIO CU. FT/BBL
								SPUTTER SIZE	CHOKE SIZE	T.B.G.	DAILY ALLOWABLE	
Texaco Producing Inc PO Box 728 Hobbs, New Mexico	9	N ZZ	37	3/9/89			Lea					
Bakers (Total) Percentages of total oil gas as shown below:												
Gas 34%												
Oil 16%												
3% 53%												
31% 63%												
Blinedry												
Tubb												
Drinkard												

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 allowable when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 13.025 psia and a temperature of 40° F. Specific gravity base will be 0.60.

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.

R. Johnson
AREA SUPERINTENDENT

MAIL 14 4/1989

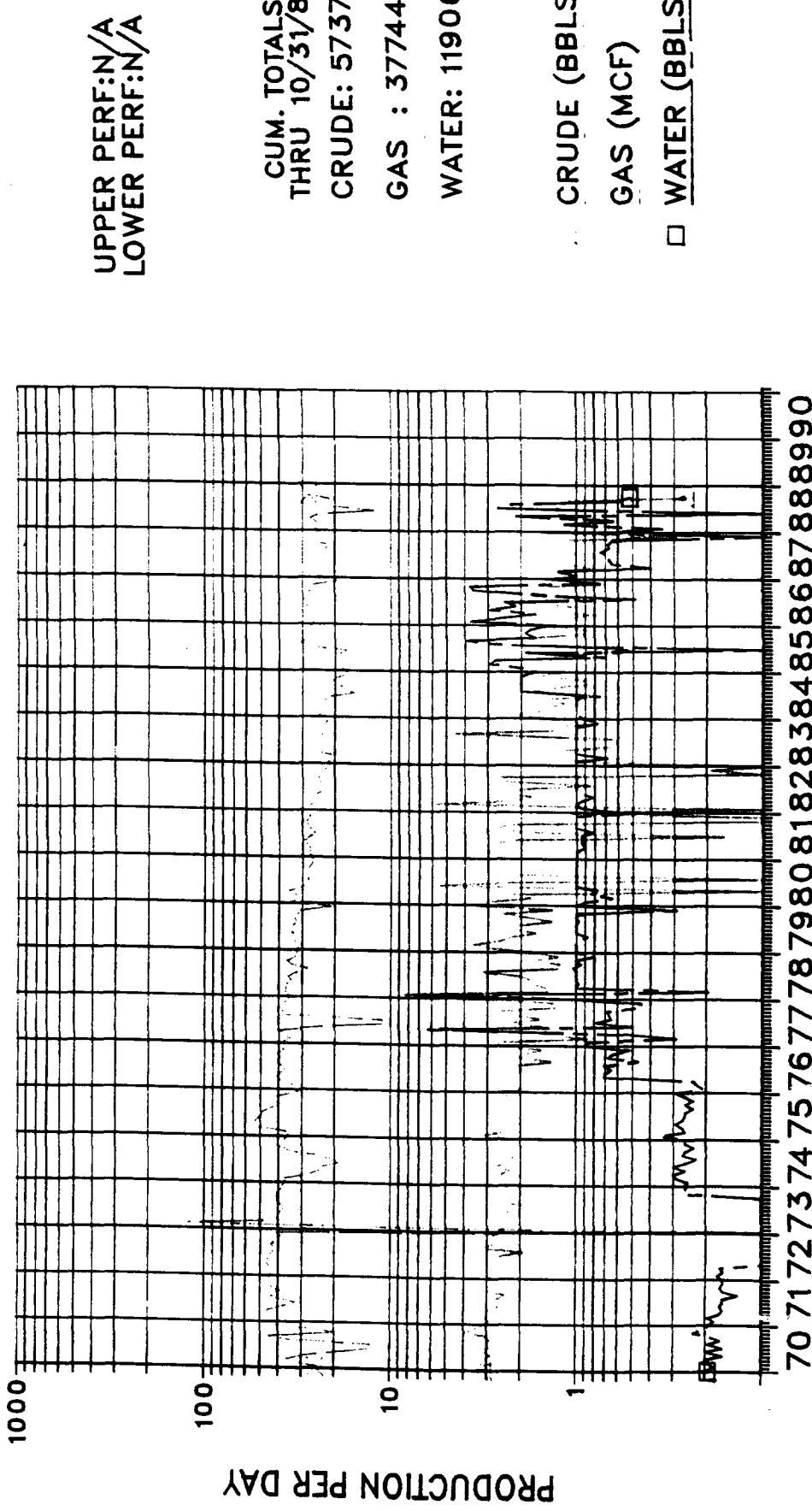
NEW MEXICO REGION

STATE: NEW MEXICO
REG. DIST: HOBBS/SE
COUNTY: LEA
FLD: DRINKARD
ZONE: DRINKARD

PRODUCTION VS TIME

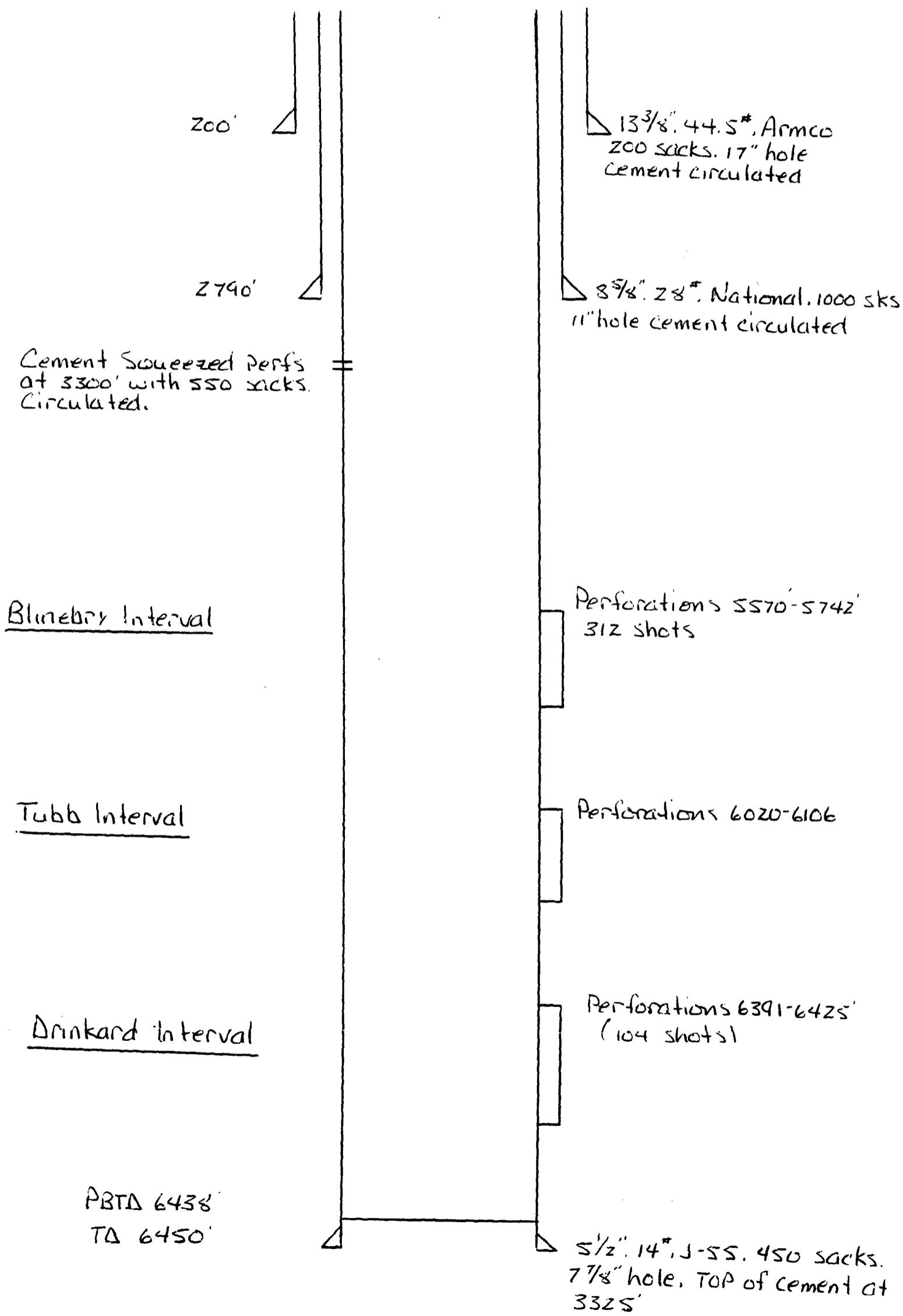
PROP: J V BAKER 08:47:07
PROP NO: 29370 WNUM: 009
LOCATION: 22S 37E 22 N
OPER: TEXACO PRODUCING CO.
WLSER: 22S37E22NDR

89-03-02



QM29RH

J.V. Baker No. 9
Unit letter N
Section ZZ, T22S, R37E
4514 FNL and 3194 FEL
 $\Delta F = 3352'$





Texaco USA

PO Box 728
Hobbs NM 88240
505 393 7191

April 4, 1989

New Mexico Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

Attention: Mr. William J. LeMay
Director

RE: Downhole Commingle Application
Texaco Producing Inc.'s
J. V. Baker Well No. 9
Unit N, Section 22, T22S, R37E
Lea County, New Mexico

Gentlemen:

Attached are waivers of objection from all the offset operators concerning the referenced application, which was recently submitted. Provided there are no other problems, we hope that the approval of this application can be expedited since the well is currently shut-in.

Yours very truly,

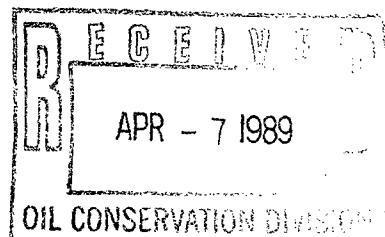
S. R. Meck

S. R. Meck
Assistant District Engineer

LDR:JRB

Attachments

cc: NMOCOD - Hobbs, NM





Texaco USA

P. O. Box 1080
Anadarko NM 88231
505 384 2868

March 21, 1989

Anadarko Oil Company *Petr. Corp*
P. O. Box 806

Eunice, New Mexico 88231

Dear Sirs,

This letter is to notify you that Texaco Producing Inc. plans to downhole commingle the Blinebry, Tubb and Drinkard Formations in the J. V. Baker No. 9 well located at 4514' FNL and 3194' FEL, Section 22, T22S, R37E, Lea County, New Mexico. Application for same is being submitted to the New Mexico Oil Conservation Division.

If there are any questions please contact Mr. K. L. Johnson at the Texaco Eunice Area Office.

Please sign below and return this letter to Texaco Producing Inc. if there are no objections. An envelope is provided for your convenience.

Respectfully,

K.L.Johnson

K. L. Jonnson
Texaco Producing Inc.

Signature: *B.M. Guffin* Date: 3/28/89

Title: Division Products Eng.

Anadarko Oil Company

Petr. Corp



Texaco USA

P. O. Box 1060
Eunice NM 88231
305 394 2585

March 21, 1989

Chevron Oil Co.
P. O. Box 670
Hobbs, New Mexico 88240

Dear Sirs,

This letter is to notify you that Texaco Producing Inc. plans to downhole commingle the Blinbry, Tubb and Drinkard Formations in the J. V. Baker No. 9 well located at 4514' FNL and 3194' FEL, Section 22, T22S, R37E, Lea County, New Mexico. Application for same is being submitted to the New Mexico Oil Conservation Division.

If there are any questions please contact Mr. K. L. Johnson at Texaco's Eunice Area Office.

Please sign below and return this letter to Texaco Producing Inc. if there are no objections. An envelope is provided for your convenience.

Respectfully,

K. L. Johnson
Texaco Producing Inc.

Signature: Alan W. Bohling Date: March 31, 89
Title: Division Production Engineer
Chevron Oil Co.