

04C 12-20-95
1179

BARBARA FASKEN
FASKEN OIL AND RANCH INTERESTS

303 WEST WALL AVENUE, SUITE 1900
MIDLAND, TEXAS 79701-5116
(915) 687-1777

OIL CONSERVATION DIVISION
RECEIVED

NOV 28 1995

November 28, 1995

Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Re: Application for Downhole Commingling
Barbara Fasken - Operator
El Paso "3" Federal No. 1
Lse No. NM-911
Unit K, Section 3, T-21-S, R-26-E
Eddy County, New Mexico

Dear Sirs:

(cas) 73695
Attached is an application to downhole commingle the Avalon (Strawn) and Calabaza Draw (Atoka) zones in the subject well. A packer leakage test conducted October 7, 1995 indicated communication between the tubing and tubing/casing annulus. The production from both zones have been surface commingled since February 10, 1994 by Commingling Order P-885. Downhole commingling at this time would prevent possible zone damage from kill fluids necessary for well control during a workover. 71080 (cas)

Sincerely,

Carl Brown

Carl Brown
Petroleum Engineer

CWB/ch

cc: NMOCD - Artesia
BLM - Carlsbad
Offset Operators
File

Application for Downhole Commingling

1. Operator:

Barbara Fasken
303 W. Wall, Suite 1900
Midland, Texas 79701-5116

2. Lease:

El Paso "3" Federal #1
Unit K, Section 3, T-21-S, R-26-E
Pools: Avalon (Strawn)
Calabaza Draw (Atoka)

3. Plat attached.

4. Current productivity test:

Avalon (Strawn)
Perfs: 9847'-9922'
Test September, 1995: 21 MCFPD @ 60 psi + .03 bbl cond

Calabaza Draw (Atoka)
Perfs: 9988'-10074'
Test September, 1995: 185 MCFPD @ 60 psi + 0.3 bbl cond

5. Production decline history plots attached.

6. Bottomhole Pressure:

Avalon (Strawn) Upper Completion
SICP 10-7-95 = 650 PSI
BHP @ 9885' mid perf: $650 + (.25)(650/100)(9885/100)$
= 811 PSI

Calabaza Draw (Atoka) Lower Completion
SITP 10-7-95 = 1325 PSI
BHP @ 9885' datum: $1325 + (.25)(1325/100)(9885/100)$
= 1652 PSI

Lower zone pressure is 49.1% of the upper zone pressure.

7. Fluids from each zone are compatible. Production from both zones have been surface commingled with no difficulties since February 10, 1994 by Commingling Order P-885.

8. The value of the commingled fluids are no less than sum of the value of the separate streams.

9. The proposed allocation formula based on well test of each zone:

<u>Zone</u>	<u>Gas</u>	<u>Condensate</u>
Strawn	10%	10%
Atoka	90%	90%

10. The commingling is necessary to produce the upper Strawn zone which would not be economical to produce otherwise.
11. There will be no crossflow between zones to be commingled.
12. The ownership of both zones to be commingled is common for all interests.
13. The offset operators and the Bureau of Land Management have been notified in writing at the following addresses:

Asher Oil Co.
P. O. Box 423
Artesia, NM 88210

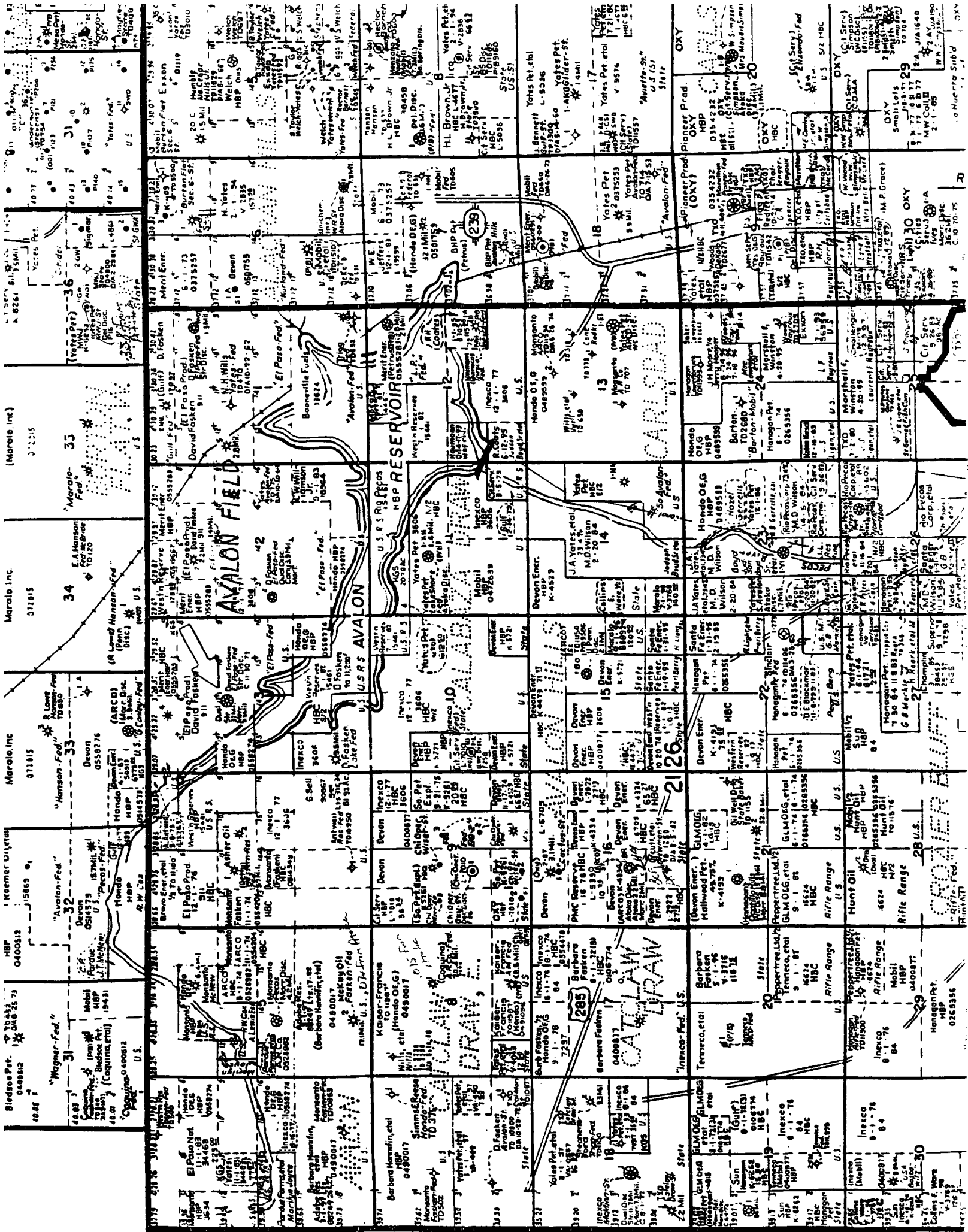
Devon Energy Corporation
20 North Broadway, Suite 1500
Oklahoma City, OK 73102

Louisiana Land and Exploration Co.
P. O. Box 60350
New Orleans, LA 70160-0350

Maralo, Inc.
P. O. Box 832
Midland, TX 79702-0832

Yates Petroleum Corporation
105 S. Fourth St.
Artesia, NM 88210

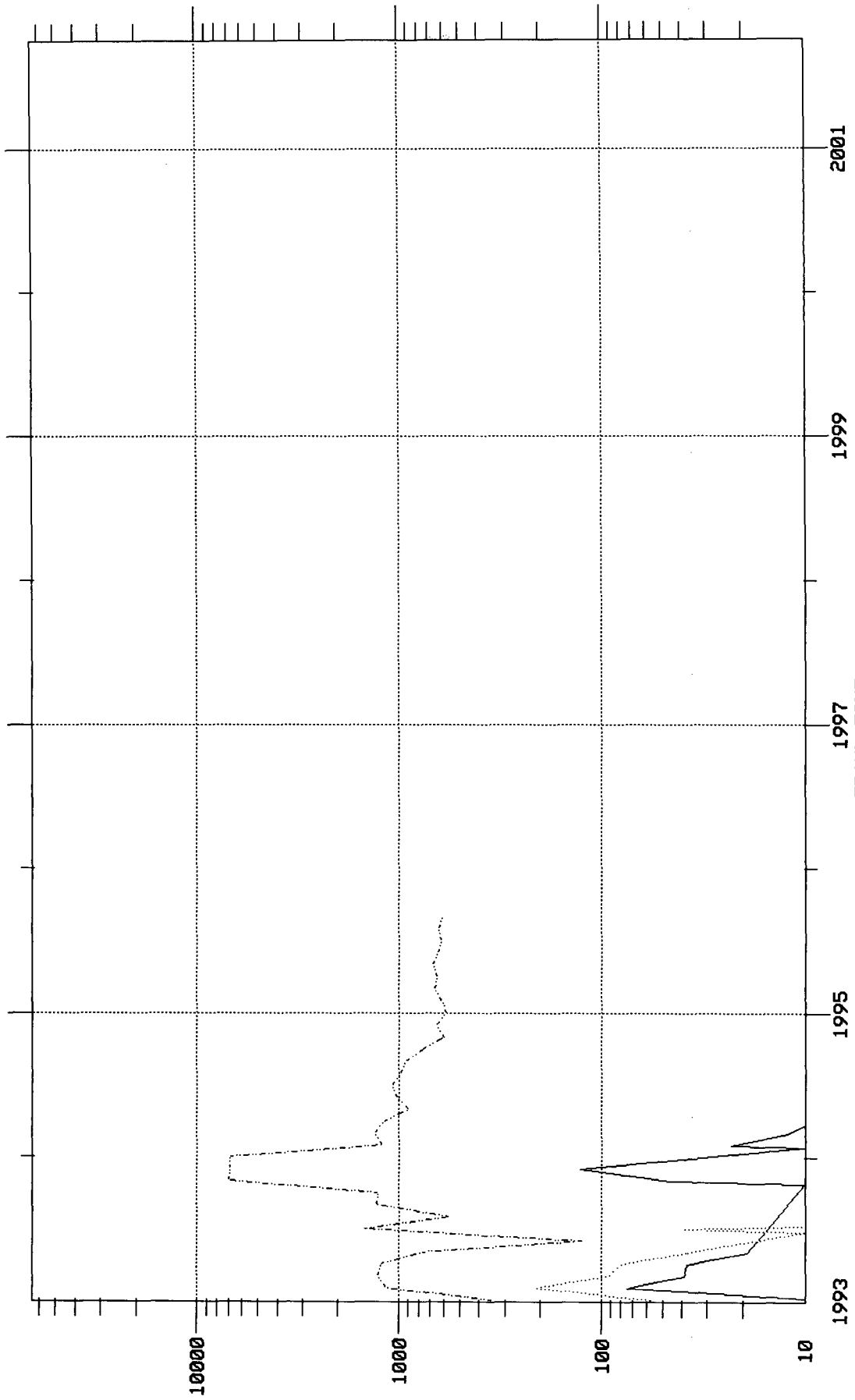
Bureau of Land Management
Carlsbad Resource Area
P. O. Box 1778
Carlsbad, New Mexico 88221-1778



Calculated
Oil
Gas
Water

Fasken New Mexico Gas
Production Rate vs Time
BBl/Mo or Mcf/Mo vs Months
EL PASO 3 FEDERAL 11 FASKEN BARBARA
For the Period 01/1993 to 01/2001

Production
Oil
Gas
Water

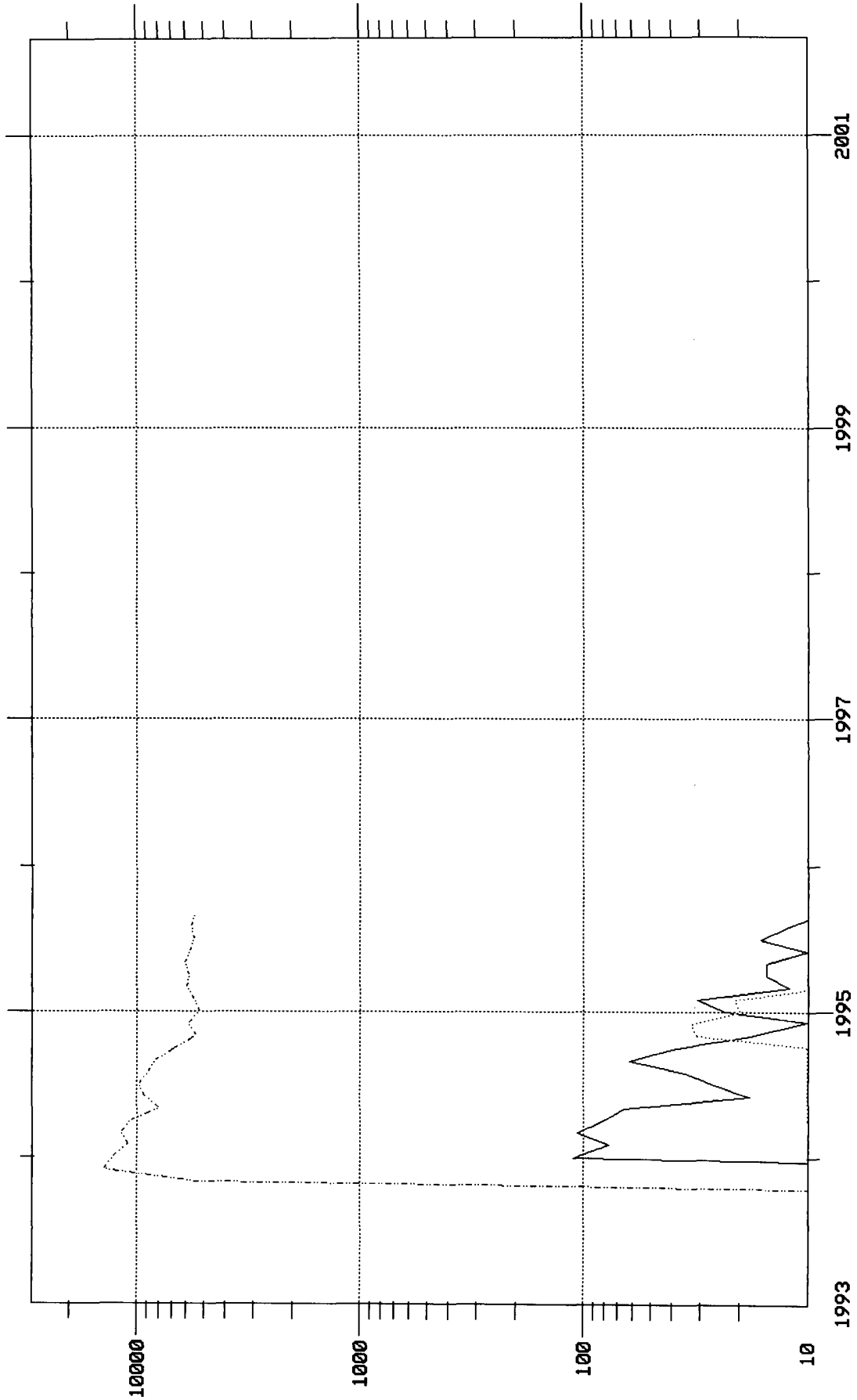


STRAIN ZONE
Reported Oil Production = 26242 Bbls
Reported Gas Production = 782984 Mcf
Reported Water Production = 2381 Bbls

Calculated
Oil - - - -
Gas - - - -
Water - - - -

Fasken New Mexico Gas
Production Rate vs Time
BBl/Mo or Mcf/Mo vs Months
EL PASO 3 FEDERAL #1 (ATOKA)
For the Period 11/1993 to 09/1995

Production
Oil - - - -
Gas - - - -
Water - - - -



Reported Oil Production = 791 Bbls
Reported Gas Production = 179584 Mcf
Reported Water Production = 181 Bbls